Government and Industry Relations Committee (GIRCom)

Meeting Minutes
October 1, 2014

Meeting: Conference Call — October 1, 2014, 7:30 p.m. EDT

Present: Brion Smoker (absent)
Erin Egan
Jan Hamby
Joan Clappier
Dr. Pat Long

Board Liaison: Bonnie Potter

Staff Representative: Darby Vannier

Meeting called to order at 7:33 p.m. EDT.

1.0 Meeting Opening

1.1 AOA News of Importance (B. Potter, D. Vannier):

AOA is continuing the merger of the organizations and integrating the software.

They are starting strategic planning for the future, with an initial meeting soon. The membership will be surveyed as part of the process. This will be a different strategic plan than a few years ago because the industry is different than a few years ago.

At the AOA board meeting last night the board created a mission statement and will be setting up a 5 member committee to explore non-fiber products from alpacas. AOA has not endorsed any particular use, but feel it is important to provide information on all possibilities to the membership, including addressing the need for end-of-life value options. Pat: There has been discussion among small ruminant practitioners about drug residues. This issue will need to be addressed if food is going to be an option for some members.

A couple of AOA board members are looking at all of the educational information that has been posted over the years on the ARI and AOBA websites. Their goal is to review it for current relevance and accuracy and decide what should be included in the new AOA website.

As previously announced, the halter show will be separated from fleece show. A combination fleece show (fleece, spin-off, and fiber arts) and educational classes will be held during the summer when attendees are not busy showing animals or running the show. AOA is currently checking possible venues.

Pat will probably be talking to the Nebraska Agricultural Commissioner during the USAHA meeting in a couple of weeks. Nebraska has testing requirements for TB and Brucellosis for alpacas entering from other states, and very few other states require those tests. Pat will try to discuss the need for those tests for alpacas attending Nationals in Nebraska. Darby estimates we will have 600 – 800 alpacas at the show.

2.0 Industry Related

2.1 Alpaca Livestock Designation Update (B. Potter, B. Smoker):

Brion & Bonnie have had discussions on this topic and Brion is still talking to clients about problems they have had with IRS because of uncertainties about the designation of alpacas as livestock. When one client being challenged that his alpaca business is really a hobby, the IRS cited the old paper written by someone at UC Davis. Aside from errors in that article, the alpaca fiber industry has come a long ways since it was written.

Farm Services Agency has said business plans must be based on fiber and market-rate offspring prices, not speculative pricing.

The USDA put out a notice about eligibility for disaster-related losses for livestock producers who have lost grazing land due to the drought. Alpacas are included in the list of livestock.

3.0 Health Related

3.1 USAHA Alerts (P. Long, B. Potter):

EEE, WNV have been reported in past month in multiple states. EEE got as far west as MI and OH. WNV was reported in WA.

Vesicular Stomatitis continues to be a problem in TX and CO, with resultant travel restrictions for animals coming FROM those states.

Porcine corona virus has spread very quickly. It might have been spread via feed.

There is on-going discussion of anti-biotic resistance. The White House is setting up a task force with assorted governmental agencies involved. Among the things they will look at is anti-biotic resistance problems in hospitals.

The cattle industry is encouraging continued testing for persistently infected calves.

MERS (middle eastern repiratory syndrome) is a corona virus. Fatality rate among infected humans is high (of 800 infected, 300 have died). Old-world camels have been shown to be carriers.

Governor Brown vetoed the CA bill which would have required prescriptions for antibiotics for veterinary use.

4.0 Government Related

4.1 Development of "Talking Points" for Members (B. Potter, B. Smoker):

Bonnie and Brion hope to have a draft paper ready soon for review by GIRCom members.

4.2 IRS Farm Audits — Problems with Co-owned Breeding Males/article (B. Smoker):

Brion brought up at the previous meeting the potential problem of reporting income when a breeding is done by a co-owned male. Erin did some 1099 research. Who gives a 1099 to whom? The cleanest way to handle it would be for the purchaser of the breeding to pay each owner.

5.0 New Business

5.1 Fiber-Based Business Model for AOA website:

Erin suggested we develop business models for fiber-based income and post the models on the AOA website. This information would be helpful to both new and existing members. Bonnie mentioned that is a goal for the newly re-formed Fiber Committee.

Darby: GIRCom should probably work with FIBERCom on this. We can make suggestions for information that we think our members need, based in part on our work with clients being audited, and we can do regulatory research. Once FiberCom has produced one or more models, GIRCom could put that into its final form. However we do it, this is a natural topic for which we should work together.

5.2 Problem with High-Volume, Consistent Yarn Production in the U.S.:

Committee members discussed several situations where producers are unable to obtain large quantities of alpaca yarn milled to high standards of consistency. Some products are being made from non-U.S. yarn because of this problem.

Related problems: Very high variation in quality from mill to mill, and having several "competing" sorting and grading systems.

5.3 Camelid Community Plans for Event Next Year:

Darby reported that the Camelid Community is discussing hosting an all-around event next year and actively advertising to the public. Thus it will be for camelid owners plus educating the public. The would like to have animals present, fiber events, classes/workshops. AOA plans to be involved with the event.

6.0 Approval of Minutes

Pat moved for the minutes to be approved, Joan seconded, and the 8/27/14 minutes were approved.

7.0 Meeting Wrap

7.1 Review Action Items:

Bonnie explained to the new members that some of the GIRCom projects are thought of by GIRCom members, and she asked all of the committee members to think about what they think we should work on. (But the AOA Board is kept informed of what we are working on and has final approval.)

Brion and Bonnie working on getting their paper ready for GIRCom review.

Information we'd like to get from Fiber Committee.

7.2 Next Meeting:

The next meeting will be Wednesday, November 5, 2014, at 7:30 p.m. EST.

7.3 Adjournment:

Erin made a motion to adjourn and Pat seconded it. The meeting was adjourned at 8:25 p.m. EDT.