



Raising Alpacas on the Canadian Prairies **FCC Knowledge Podcast: Talking Farm and Food**

PODCAST TRANSCRIPT

Interviewer: Marty Seymour (M)

Guest: Carol Poole (CP)

Intro: CP: And I believe that it made sense to raise an animal that produces a fibre that would keep us warm in a province that's cold, so that's why, that was how our journey began.

M: In 1996 Carol Poole, owner of Tiger Lily Ranch, was at the forefront of an innovative new business. At a time when exotics like bison, ostrich, and elk were all the rage, she and her business partner formed Tiger Park Alpacas. Today they focus on producing world-class alpaca fibre and have developed some of the best breeding stock in the industry. In this episode, we'll learn more about this unique industry and Carol's path to business success. It was more than just sheer luck.

Welcome to the FCC Knowledge Podcasts where we talk to real people about real life when it comes to leadership, finance, economy, transition, and just about everything else in an entrepreneur's journey. Welcome, Carol.

CP: Hi, Marty. Thank you for inviting me to your podcast.

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M: Alright, you don't start an agriculture podcast without asking a couple of questions. The first is, where are you today and what's the weather like?

CP: I am in Regina and it's very hot, a very, very nice day today.

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M: I'm always looking for crop updates, too. Any perspective on what the crop looks like?

CP: I think that they look very awesome. From Saskatoon to Regina they're looking really, really good.

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M: So, you and I, we have a history. We met back at Agribition in the fall, and I met you in the alpaca industry, which I actually don't know a lot about. So, you have an alpaca farm; tell me a little bit about that.

CP: I started raising alpacas in 1996, so I've had them for a long time. We're really lucky, we got to have a halter show at Agribition in 2018. So, they invited us to come and we were very, very fortunate. So, then last year we had a halter show as well as we hosted a fleece show. So, we had fleeces that came from right across Canada, which was really cool.

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M: There's a whole bunch of things about this that don't all add up for me. I know cows and canola, but I don't know a thing about alpacas. It seems like a rather unusual animal to have in Western Canada. I believe that alpacas are from Peru. How do they end up in Western Canada and what is their purpose? You talk about fleece but how did they even get here and what do we use them for?

CP: Alpacas came to Canada, I believe, in about 1989 and they're raised for their fibre, for their fleece. We shear them once a year, and alpaca fibre is really, really soft, but what's really great about alpaca fibre is how warm it is. It's five times warmer than sheep's wool and it also doesn't have lanolin, which lots of people are allergic to. When you shear an alpaca, you literally can card it and spin it and knit it. You don't have to wash it and scour it like you do with sheep's wool. Because alpaca fibre has such a warm property, it makes sense to want to wear alpaca in Western Canada. So, the animals do very, very well in our climate. In Peru they live in the highlands, so they live anywhere between 10,000 to 16,000 feet above sea level and it's really cold up there. Where they are, it freezes at least 300 days of the year, so the alpacas actually really enjoy our weather. They do not enjoy weather like today, it's too hot. But they love when it's below zero to about -15. Then they run around and they're pretty happy in Canada, so we're pretty lucky to have them here.

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M: Do you and your alpaca friends have this quiet competition with the sheep people about how much more awesome you are? Like, clearly, the sheep people must be disadvantaged if alpaca fibre is so good. But something that doesn't add up for me is, how do they function in the summer? If you said it's 300 days a year cold in Peru, this doesn't make sense for me that they can even live here.

CP: On my particular farm, we have lots of trees that they hang out under. We also put out water sprinklers for them so they can cool off. But ultimately, we need to shear them before it gets too hot and also before the bugs come out. So, I would shear the alpacas at my farm at the end of April, beginning of May, and then their coat is long enough so they don't get bitten by the mosquitoes or horseflies. And because we shear them properly, we usually take off all of their fleece on their legs as well, and we try to take off on the top of their head, which is called the top knot, so it doesn't look like they have a toque on. They

fare pretty good. The females will have their babies, usually on my farm, at the end of May, or June, or July. Their gestation is 11 months and 10 days-'ish'.

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M: That's a long time. I relate everything in my life to socks, it would appear, so how many socks would I get off of one alpaca?

CP: Usually, an alpaca will sheer anywhere between 8 to 13 pounds of fibre and you get four pairs of socks for each pound of fibre. So, it's pretty cool, they make us a lot of pairs of socks for us to wear in the winter. At my particular farm, I also belong to a company called Alpaca Naturally and they purchase my raw fibre from me, and then turn around and make Canadian-made socks from Canadian alpaca, made in Canada. Then I can turn around and purchase those socks for wholesale and then sell them. We're really lucky, that company is located out of Lloydminster.

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M: So, you're a Western Canadian story.

CP: Yes.

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M: Let's go back to what the whole purpose of this podcast is about and understanding your journey as a business owner. So, you obviously had an idea to get into alpacas. Where was the idea born?

CP: Back in '96 that would have been at the time when exotics were really popular in Western Canada. So, there would have been ostriches and llamas and bison and elk. I believe deer were also really popular. So, when I researched it, I really felt ... I really liked bison and I really liked alpacas. But I ultimately wanted to be able to show an animal and handle them myself, and I believe that it made sense to raise an animal that produces a fibre that would keep us warm in a province that's cold. So, that was how our journey began, was purchasing a couple of pairs of alpacas. And since that time, I have bought alpacas from all over Canada and in the United States, and I've travelled from B.C. to Ontario going to alpaca farms, going to shows. I've sat on different boards. I got to do some really interesting things with alpacas.

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M: So, my sense is that you're on the upper edge of your industry, your sector. I've got to think that you're on the front end of this. I think you raise a good point, the trend to exotics in Western Canada, I remember that back in the Agribition era. We saw everything, deer, elk, bison, ostrich, all that, so obviously you chose alpacas. It couldn't have been easy being on the front end of that. How many times did you want to quit?

CP: That's a really good question. I don't think that I've ever not wanted to own alpacas. There's never been a point in time in 24 years that I thought, oh, I wish I wouldn't have done this. It's never been like that for me. I raised my kids working with the animals. They got to learn about livestock and, running a business, I've never not wanted to have them. I've always felt really blessed and lucky that I got to have them in my life, and they've taught us so much.

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M: I want to come back to your kids in a minute but before we get there, I wonder how many times your accountant reminded you that alpacas wasn't the business to be in. Clearly, every industry has its highs and lows, so walk us through the 24 years in the alpaca business. Has it always been a money machine? What does that look like from the business side?

CP: When we first got alpacas, they were worth lots of money. I would have bought a pair of alpacas for, I think, like \$27,000.

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M: For two of them?

CP: Yes. And through the course of my career of having them, I've sold alpacas for more than that. Not all the time has my dream been easy. I definitely have a full-time job that will supplement my alpaca farm in the lean years. So, when BSE hit for cattle, it really hit us hard too. I actually sold a female for \$30,000 to go down to the States and she had to sit at my farm for a couple of years while we waited for the borders to open. Just different things like that have also affected us.

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M: Just so I'm clear, that female you sold, you still got the \$30,000, you just had to wait to get it across the border? You weren't impacted negatively on the ability to sell, it was more the transport?

CP: That's correct. So, just before I went to Louisville, Kentucky the borders closed. So, I went down anyway and was lucky enough to find the lady that really wanted to purchase her. And since then, I have made a very good relationship with a lady down in Pennsylvania. But yeah, we were lucky, we got to sell her and I looked after her, got her a couple of babies and then got her transported down to Pennsylvania when the borders opened.

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M: It's starting to make sense to me now. You are affectionately known as “the alpaca lady” around Agribition and clearly, your network would demonstrate that to be a well-earned title.

Up next, we talk about how Carol's kids are involved in the farm, a little bit about her family and, of course, her legacy. Don't forget, for more great conversations like this, subscribe to the FCC Knowledge Podcast and never miss an episode.

Let's come back to your kids. You said, “I pulled the kids into the business”. How old are your kids today, and then help me understand how they fit in, or how you inserted them into this alpaca journey you've been on?

CP: My daughter is 22 and she just finished a business degree at U of S. My son is 19 and he graduated last year, and he is looking at becoming a heavy-duty mechanic. So, my daughter would have been ... Tayla would have been a very, very big player for me with the alpacas. Both of my kids would have been, but Tayla more so. She was always with me. I started just teaching them that they had to go out and give them hay and water and grain, and if they didn't do that, then the animals wouldn't eat. So, they learned very quickly how they had to do their chores for the animals before they were allowed to do their own chores. So, Christmas morning we would get up and do the alpaca chores before we would open Christmas presents, things like that. Later on, as my kids got bigger, they had to clean the pens and do easy stuff like that. But Tayla learned how to give needles. She learned how to do a necropsy on an animal, which was really, really interesting that she liked that part of the life.

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M: You have to describe ‘necropsy’ to our audience. I know what that word is but bring us up to speed.

CP: We had an animal pass and we wanted to find out why, so she helped the vet look inside and see what was wrong with the animal and see why the animal had passed.

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M: And she was cool with that, putting her hands in a dead animal?

CP: Yeah, she did it, I was really proud of her. They, of course, have to help on sheering day, which is a really big job. To sheer an animal it's usually between 15 to 20 minutes per animal and, yeah, my kids would help out with that.

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M: What about the business of alpacas? Did they ever own any animals, or how do you draw them into the other side of it, the balance sheet?

CP: No, my kids have never owned any, which I had thought about, but I also have a business partner that lives in Foam Lake so I think it just would have gotten too complicated. Most of the alpacas on my farm are co-owned with Kelly.

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M: So, you would be the epitome of a middle-aged family running an agriculture business. Have you started to give some thought about transition and how you would potentially move these alpacas to the kids? Or maybe they don't want them, based on what you described? You've got a daughter with a business degree and a son in mechanics, what's the exit strategy for you in the alpaca business?

CP: That's a very good question. I don't know where my daughter's life will end up. I don't know if she'll end up in the city or if she'll end up on an acreage. As well, the same would be said for my son. I could see Trayton not ... he helps me a lot with the animals but not the same as Tayla. Tayla would have had more about ... even a business sense more for the animals, so I could see Tayla possibly wanting to take them over. I think for Kelly and I, our exit strategy would be – and we've kind of talked about it a bit – downsizing and then probably selling a group of animals to a young family to move forward. So, we've had 25 years of building our genetics and I think that that would be really shameful if that group of animals couldn't go forward for somebody else.

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M: How does it make you feel when you think about ... you've clearly got lots of farming life left in you. As you start to think about, do I need to have a plan, does it make you worry? Do you think, we'll just deal with that as it becomes more near-term? Is it too far away to even think about?

CP: No, I think it's something that everybody should think about, especially when they have ... for me because I have a business partner, so it's two families that are intertwined within the animals. I think it's really smart for Kelly and I to have those discussions and to decide what would our plan be and where would we sell this group of the animals. We're really lucky, we have some really great staff and some really unique animals. Later on in life, I could see ... I think that that would only make sense to me.

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M: Carol, you strike me as somebody who has a lot of passion about alpacas. This is in your DNA. You've been at this for 24 years, did you ever have a business plan as part of your strategy? How did you structure your business where you add in maybe your growth phase as well? Talk to me about a business plan, maybe what growth looks like for you.

CP: At the beginning of the alpacas, I would not have had a business plan. All I wanted was to own a hundred of them because I thought that they were the best thing in the whole world. So that was in '96, and in '98 I discovered very quickly that it's not about owning

a hundred of them, it's about owning the very best that I can afford. So, I quickly figured out that just having five high-quality females is what I want. I even wrote down that I knew that I just wanted high-quality females versus a high-quality male. I could source males easily, I could go and purchase stud services, but I know how important the female is. So that has always been my ... I don't know if it's a business plan but it's always been my breeding plan. I guess it would have been my business plan too, because I very quickly discovered that I wanted five of the best I could afford. Since then, when Kelly and I became partners in 2005, we discuss business all the time and try to figure out our budget and what we're going to spend for the year for going to shows and advertising, getting our name out there for marketing. At the same time, what are we going to sell, but what are we going to turn around and purchase for genetics? So, I think my business plan has always ... I've always had one in place. Maybe not written, but always in the back of my mind what I wanted to achieve.

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M: I have to imagine, as a business partner, you referenced Kelly, that you guys must have been sideways on various things. When I mean 'sideways', probably disagreements to a whole out strategy disagreement. Is Kelly okay without the written business plan, or do you have a device for somebody, if you were going to go into partnership like this, how you want to structure them so that you can avoid some of those natural conflicts that happen in a business?

CP: Yes, I think you should have ... like, you definitely should have a written business plan and you also should have an exit plan. I think that both of those are really important when you're in a partnership ... We're very fortunate, and I don't know if it's because Kelly and I live so far away. We live five hours apart so I don't know if that's why, or we bring such different strengths to our business that that's the difference for us. I don't know, but I think that definitely you should have a written plan.

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M: So, do have any do-overs on this entire journey?

CP: Maybe an animal that I shouldn't have sold or an animal that I should have sold and missed out on the selling opportunity. Maybe that would be some do-overs that would stick in my head that I can think of. Nothing in my partnership with Kelly would I ever have thought of as a do-over. Everything has been ... I don't know, we're very fortunate.

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M: I think we're coming to that part of the podcast where I like to ask everyone this question. What are you most proud of? You've put your heart and soul into this thing, it clearly is part of your identity. If you look back on it, what are you most proud of?

CP: I'm really proud that Kelly and I both handle ourselves with integrity. I've always wanted that when people purchase an animal from Tiger Lily Ranch or Tiger Park Alpacas, that we stand behind our name. Because each animal has our name on them and that's really important to me. I also enjoy selling really good breeding stock to people that turn around and then they end up beating us in the show ring. I think that that's a really cool accomplishment. That makes me really proud that my customer will be so happy.

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M: I spent a lot of time around the purebred cattle industry in my working career and as a kid, and I think it doesn't matter what segment of agriculture you're in, I think people would share those same moments of pride. I think it's pretty cool, as a breeder, if you can sell something to somebody else and they go onto greatness. I think that is a measure of such a great breeding program. So, I certainly would share your pride in that for sure. Carol, I want to thank you for joining us today on the FCC Knowledge Podcast. I think your transparency and your openness is such a great guiding light for us and we wish you well in your business as you continue to dream and grow and thrive in Tiger Lily Ranch.

CP: Thank you so much.

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M: As we learned today, starting the right farm business is different for each person. For Carol, her passion was alpacas. She also clearly understood her business goals – purchased the best quality females and let that drive her growth. Lastly, she also found a strong business partner who complemented her abilities. Remember, the best partner is one that complements our skills, not mirrors them.

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