Opportunity
Suri Paco, LLC, a Maine-based alpaca farm received a USDA Value-Added Producer Grant to assess the feasibility of an alpaca fiber mid-tier value chain to aggregate and process alpaca fiber into a range of value-added products that make use of all grades of fiber produced by alpaca in the United States. A mid-tier value chain for processing alpaca fiber did not exist and offered an opportunity to aggregate fiber from many small growers and use existing commercial-scale mill capacity to produce products to market primarily to wholesale customers.

Approach
Yellow Wood conducted market and feasibility research and analyses to identify supply, demand and gaps in the value chain. In addition, research was conducted to assess the needs, opportunities, and possible approaches to creating a mid-tier alpaca fiber processing value chain and the assumptions that would need to be met for such a chain to become profitable.

Outcome
A survey of more than 500 alpaca farmers confirmed fiber availability and interest in selling fiber while interviews with potential value chain participants and experts in the field confirmed the availability of required services, opportunities for filling gaps in the value chain, best practices for fiber aggregation and processing and market opportunities. This analysis showed that the processing infrastructure existed for this value chain and provided a preliminary estimate of costs and returns. Suri Paco used the final feasibility report to identify potential partners and further the development of a new value-added agricultural value chain in the United States.

Client
SuriPaco LLC (www.suripaco.com) is located in Biddeford, Maine. SuriPaco manages an alpaca herd on farmland located in North Yarmouth, Maine, and works closely with the Saco River Dye House, also located in Maine, on the production of yarn and textiles from U.S. produced alpaca fiber.