

FAAC Annual Report

S E R E N D P

LOUISIANA'S FUR INDUSTRY

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From the early 1900's through the 1980's, Louisiana led the nation in the production of wild fur pelts. During the early 1900's the Louisiana fur industry involved over 20,000 trappers and 1,000 fur buyers and dealers. Muskrat populations exploded during that period with the harvest peaking at over 9 million pelts worth \$12 million in 1945. This production was more than occurred in all the other states combined. A much larger rodent, the nutria, was placed in captivity in the state in the late 1930s and escaped and/or was released into the near perfect habitat of coastal Louisiana in

the late 1930's. This South American native multiplied quickly and by 1962 surpassed the muskrat in numbers harvested. Between 1962 and 1982 coastal trappers averaged harvesting over 1.3 million nutria each year, representing over 64% of the total catch and 60% of the total value of the industry.

Louisiana produces 11 different species of fur-bearers (beaver, bobcat, coyote, gray fox, mink, muskrat, nutria, opossum, raccoon, red fox, river otter). During the past 10 years, the state has averaged producing nearly 62,709 pelts annually down

from 195,362. The average annual production of nutria during the past 10 years has been, 37,972 and raccoon 13,797. These two species alone provided nearly 86% of the value of an industry worth over \$1.8 million annually to Louisiana trappers, including Coastwide Nutria Control Program (CNCP) incentive payment \$5.00 per tail to participating trapper. The annual fur harvest of all species has historically been valued as high as \$25 million to the state's trappers.

LOUISIANA'S ALLIGATOR INDUSTRY

Louisiana also leads the U. S. in the production of alligator skins. After rebuilding the population through research, management and law enforcement during the 1960's, the wild harvest from 1972 through 2007 has produced over 765,000 wild skins with an estimated dockside value of \$200 million.

This wild harvest has averaged approximately 32,176 skins annually, worth around \$9 million dockside including meat during each of the past 5 years. The 2007 wild harvest of 35,005 raw skins was valued at over \$13.5 million including alligator meat. In 2006, farmers sold 271,266 skins, which averaged 4.05 feet and were valued at over \$50.4 million. The farm/ranch harvest from 1972 through 2006 produced 3.26 million skins with an estimated value of \$341 million.



WASHINGTON D.C. EDUCATION

FAAC has been active in Washington, DC on a number of issues. Of particular note is the ongoing effort to secure continued annual appropriations for Dr. Nevarez's alligator disease research in FY09. This outstanding research is funded through a Cooperative Agreement between the USDA Animal & Plant Health Inspection Service (APHIS) and the Department of Wildlife & Fisheries through the annual Agriculture appropriations bill. This effort is also being expanded to seek appropriations to support the construction of a new alligator research facility. Because these appropriations are considered earmarks, they are subject to all of the new rules, restrictions and political considerations in both the House and Senate-making this project a more difficult challenge in recent years. Both Presidential and Congressional elections this year are further complicating the political and legislative picture and almost certainly delaying the conclusion of the FY09 appropriations process until well after the November elections. Although there has been an unusual level of turnover in the Louisiana Delegation this year, appropriations requests have been submitted to all of the key LA Congressional offices and extensive follow-up communications with those offices continues. Given the uncertainties of the appropriations process, however, additional efforts are underway to identify federal grant programs to replace or supplement direct Congressional funding for this priority project.



Education on the Hill

Another important area of intense FAAC activity has been the pursuit of legislation to extend the returning worker exemption under the H2B Visa program which has been very important to the LA alligator industry among many other industries in the State. Very strong support for this legislation has been secured from the LA Delegation but his effort has greatly expanded to many members of Congress nationwide. Of particular note have been the exceptional efforts of Congressman Charles Boustany (R-LA) and Senator Barbara Mikulski (D-MD) that have each championed extraordinary legislative efforts to break through the political impasse on comprehensive immigration reform that is preventing enactment of the H2B visa extension. Several attempts have been made to include this extension in various emergency supplemental appropriations and other legislative vehicles only to fail at the last moment due to the immigration policy stalemate. FAAC's efforts will continue until successful.

Finally, the FAAC's Washington presence remains focused on its ongoing education and outreach program for Federal policy makers and administrators concerning the State's wildlife resources. As mentioned, the Louisiana Delegation is going through some substantial changes. Congressmen Scalise and Cazayoux have filled the seats opened by Congressman Jindal and Baker, respectively, and Congressman McCrery has announced his retirement at the end of this Congress. An initial meeting with Congressman Scalise and his staff was very encouraging and future efforts will include similar educational outreach meetings with Congressman Cazayoux and whoever takes Congressman McCrery's seat. The FAAC also plans to host a hospitality booth at the 2009 *Louisiana Alive* celebration held in conjunction with the LA Delegation's Washington Mardi Gras. This will provide an exceptional opportunity to expand FAAC's education and outreach initiative to both new and existing members of the Delegation.

FUR MARKET OVERVIEW

The old-style mink-coat is on the decline but if you think the fur-market has dried up — think again.

Fur has gone beyond the traditional coat and is being used as a fabric. It is being used in knits, and made into handbags, wrap dresses, large fur collars, muffs, stoles, hats, boots, blankets, pillows and all manners of small accessories. Fur is also being used in men's wear this year, a fashion sector that has, until now, been left untapped. Fur is being used as trimming and can be seen just about anywhere on men's and women's garments; it's on everything from the traditional cashmere coat, to the ski parka, to ladies' cocktail dresses. Fur is being dyed, sheared, flocked, felted and left natural.

Wild fur is selling well everywhere and there is a strong demand for almost all types of raw furs outside North America.

Ranch Mink is at a record high. Since mink is used as the bench-mark for setting prices, it is not surprising to see that it is bringing the price of wild furs up with it. The demand for ranched fur and for wild fur is strong on the international market. China, the largest fur manufacturer, remains the dominant raw fur buyer at the major auctions. Russia, the largest consumer of furs had a cold winter and thus a very good selling season. Japan and Eastern Europe countries are also proving to be important markets once again.

China's manufacturing sector and consumer market gets stronger every year. Because of this they have become responsible for many of the purchasing trends of raw materials. The Chinese have finally discovered Louisiana Nutria and Raccoon and want our skins. In fact, China is buying all our fur products almost entirely through our programs. Three major buyers have come to Louisiana in the past two years and have bought our raw furs. All of them have committed to buying again in the coming 2008 / 9 season.

The Council hosted an Education booth at the Beijing Fur Fair in January 2008. This booth has increased awareness of Louisiana furs in the important Chinese market. Interest has become so strong in



Fur and Alligator Advisory Council Booth at the Beijing Fur Show, January 2008.

China that a need for a Chinese translator to follow up with all leads made at this show has become evident. A proposal for a Chinese contract was accepted by the Fur and Alligator Advisory Council and will be implemented in the 2008-2009 Fiscal Year. The Council has also committed to attending the Fur Show again in January 2009.

ALLIGATOR MEAT PROMOTION

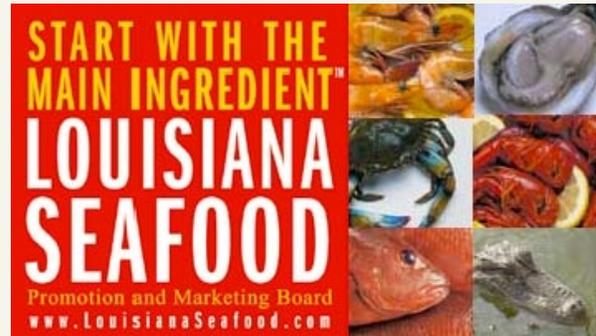


The Louisiana Seafood Promotion and Marketing Board has included alligator meat in their campaign this past year. Additionally, they have added alligator to all their new logo materials.

Some Highlights include:

- Alligator was a featured menu item at the seafood legislative day in Baton Rouge, which was a huge success. This was done in partnership with the Department of Agriculture.
- The Zurich golf classic was a natural alligator marketing event. They caught a wild alligator during the event. The next day the Louisiana Seafood Promotion and Marketing Board took the opportunity to hold a news event with a chef to talk about Louisiana's alligator and the meat industry.
- Alligator was included in promotions at the Boston Seafood Show. Louisiana Seafood Promotion and Marketing Board provided some trade leads to the industry.
- Fur and Alligator Advisory Council members along with the Louisiana Seafood Promotion and Marketing Board and LDWF staff traveled to D.C. at the beginning of the year where alligator was featured at the Louisiana Live event.
- Louisiana Seafood Promotion and Marketing Board will again do the Louisiana Alligator Soiree competition between the culinary schools of Louisiana on August 4 at the Morial Convention Center.

Louisiana Seafood Promotion and Marketing Board will meet in September for a strategy session on how to best use our resources. Ideas for this upcoming year include some specialty food shows.



STATE-WIDE PUBLIC EDUCATION

The Fur and Alligator Advisory Council promotes wildlife management and interacts with students, teachers and the general public at events such as the Sportsman Show, the State Fair, the Louisiana Science Teachers' Association, the Cameron Fur Fair and Future Farmers of America.

Volunteers and staff present at public libraries and public schools, teaching children about conservation and native species.

For a data CD of educational material, contact Tanya Sturman via the Council website: www.alligatorfur.com.



Cameron Fur Fair

GENERAL EDUCATION

The Fur and Alligator Advisory Council's education program coordinated with other education programs around the state, and presented at schools, libraries, and public events. This year, we visited and lectured at 19 schools and 6 libraries. Events included La Fete De L'Ecologie, the Gonzales Sportsman's Show, the Cameron Fur Festival, and Earth Day at the Alexandria Zoo. We have successfully networked with people in various agencies including the Louisiana Seagrass Program, the Baton Rouge Zoo, the Barataria National Estuary Program, and Wetland Watchers.

Various educational activities include a furbearer coloring book and educational lessons for grades 6-8. These are still being developed and will be used at upcoming events.



La Fete De L'Ecologie: Scat Lesson

Children are very interested in fur bearing animals and alligators. Many of these children have hunting experience and some even have trapping experience. Most formal presentations are about an hour long and involve the following: first, a pelt is displayed to the audience and the audience is quizzed on the identity of the animal from which it came. The audience generally gives mixed responses, and we clarify what animal's fur is being discussed. Some key characteristics of each pelt are pointed out that will help the audience members positively identify the animal if seen in the wild. Various concerns surrounding the animals are discussed, including associated ecological problems and nuisances. The last thing that is done with the furbearers is to discuss the similarities and differences in the structure of the skull of each animal using a display plaque with skulls attached to it.

An alligator presentation follows. First, in order to grab the audience's attention, a hatchling alligator is shown and the audience is given some brief facts about the hatchling. Next, depending on time availability and the age group, the discussion continues while holding either the hatchling or an alligator head. Either way, the topics of alligator life habits in the wild and some basics on alligator anatomy are covered. Finally, as the audience leaves the presentation area, children have the opportunity to pet the hatchling alligator on the tail. When the children are leaving, they are happy and inspired by what they saw and experienced during the presentation.

At events, a booth is set up and the same items that are used in presentations are displayed. When patrons come to the booth, we always show them points of interest about alligators, furbearers, and the issues surrounding them. Patrons, especially children, seem to be all smiles during their brief visit to the booth.

TECHNICAL REPRESENTATION

Surprisingly all six international priorities of the Louisiana Fur and Alligator Council begin with the letter "C"—1) CITES; 2) California; 3) Caiman; 4) China; 5) Conservation education and 6) Commerce, Conservation and Community benefits. Since the alligator's original downlisting in 1979 which restored world trade in classic leather, Louisiana has provided both leadership and experience that helped restore world trade in all crocodylians that today exceeds 600,000 classic skins a year with a raw value worldwide of more than \$120 million. Louisiana alligator accounts for 50% of that market share with about \$60 million annual benefit, mostly to coastal communities still recovering from hurricanes Katrina and Rita.

Such success brings both opportunity and new challenges to support the sustainable use benefits of the alligator to commerce, conservation and local communities. The CITES Treaty, particularly initiatives to exempt small leathers from re-export permits remains the number one international priority. Two CITES Conferences in Geneva, Switzerland (April and July) as well as the IUCN Crocodile Specialists (CSG) June Working meeting in Bolivia focused international attention on the small leathers issues. A CITES Working Group comprised of 25 members including 15 countries, 5 industry and 5 conservation organizations will review options the next two years and make a recommendation to the next CITES Treaty meeting in Qatar, 2010. The stakes are high.

The international stake here is clear-- if finished crocodylian products can be exempted from CITES re-export permits based on the size of the product (technically, not recognizable under Treaty jargon) then watchstraps, etc. would move unregulated in trade. Our transparent argument against this (seen by some as simply protection for the commanding alligator market share) is any exemption would reduce the international commitment to a legal, sustainable & verifiable standard; provides a loophole for illegal Appendix I & II crocodylian species (particularly in countries that have resident species, tanning and manufacturing capabilities) and establishes a poor precedent for CITES regulation of other wildlife species that do not have the overall compliance credibility of the crocodylian trade.

Important to remind all Louisiana that credibility, consistency and continuity in the international arena has always been part of the programs success—some believe an increasing part of the alligator's value—so we urge all not to underestimate this challenge or waiver in the commitment to legal, sustainable and verifiable trade with benefits to commerce, conservation and communities. **This is a standard worth defending and it will require a continued defense.**

Ironically, the pending review of the California sunset clause in 2009 that was part of the repeal that restored the sale of alligator and crocodylian products must address some of these same issues. California's concern was that restored legal trade did not stimulate illegal trade and the 3 year sunset (January 1, 2010) was an opportunity to again review the crocodylian trade. We are in regular contact with Senator Hollingsworth who has promised to file a re-authorization bill in early 2009. We've provided many updates to the trade whose leather customers want assurance that California is likely to remain open after 2010. While there is some direct benefit to the luxury brands of the California market (Hollywood, Rodeo Drive, etc.) the symbolic commitment of Louisiana and the US to support long term sustainable trade of the alligator and other crocodylians has re-enforced the confidence of manufacturers to continue using classic leather for the most prestigious products—**another important step beyond alligator as just fashion-to the diamond of leathers.**

The caiman trade again nears 1 million hides a year with uneven compliance in Colombia and Paraguay while Argentina, Venezuela, Bolivia and Brazil embark on broader sustainable use programs in Latin America. In many ways the future trends in caiman management in Latin America will have considerable influence over international credibility of the crocodylian trade. The early success of Argentina, Venezuela and Bolivia may encourage Brazil in the same general direction and Colombia may reassert the legal trade influence as a regional example to balance captive breeding with ranching and wild harvest as a better conservation model.

T E C H N I C A L R E P R E S E N T A T I O N C O N T I N U E D

The Atlanta airport displays sponsored by USFWS continues to negatively link crocodilian products to illegal trade in ivory and other wildlife trade. I'll not belabor the point made many times since the Conservation Education Project was eliminated about three years ago, but without constant and consistent initiatives to reduce negative displays and ads along with projects to replace them with more positive images about sustainable use benefits to people and wildlife invites others (including USFWS) to drift over the line with their blanket "Buyer Beware" approach to public education. A more comprehensive conservation education approach including displays, exhibits, promotions and in-service training (Customs and port inspectors) needs to be reconsidered.



Atlanta airport display

All of these initiatives by Louisiana support the sustainable use of the alligator which is recognized worldwide as the most successful and valuable program in the world. Louisiana has always shared its success- - provided other crocodilian programs also honor the standard of legal, sustainable and verifiable trade. The future of continued benefits to commerce, conservation and communities depends on resolving CITES, California, Caiman, China and Conservation Education- - then we "C" ya later alligator, with benefits to people and wildlife.

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The Fur and Alligator Advisory Council operates from three funding sources, Rockefeller Trust Funds, Alligator Resource Funds, and Education and Marketing Funds.

Rockefeller Trust Funds	
Budgeted	\$150,000.00
Salaries and Benefits	\$31,468.48
Travel	\$15,579.33
Operating Services- <i>i.e. cell phone, newspaper ads</i>	\$13,899.21
Supplies- <i>i.e. sample furs, sample products</i>	\$5,702.98
Professional Services- <i>i.e. fur promotion contract, D.C. education</i>	\$83,350.00
Rockefeller Trust Funds Expended	\$150,000.00
Alligator Resource Funds	
Budgeted	\$400,000.00
Salaries and Benefits	\$35,146.30
Operating Services- <i>i.e. cell phone, internet service</i>	\$10,074.59
Supplies- <i>i.e. printing supplies, office supplies</i>	\$2,037.99
Professional Services- <i>i.e. education contract, technical contract</i>	\$227,500.00
Capital Outlay	\$549.98
Alligator Resource Funds Expended	\$275,308.86
Education and Marketing Fund	
Budgeted	\$100,000.00
Salaries and Benefits	\$4,554.30
Travel	\$11,837.56
Operating Services- <i>i.e. cell phone, internet service</i>	\$7,988.03
Supplies- <i>i.e. printing supplies, office supplies, sample furs</i>	\$5,040.23
Professional Services- <i>education contract</i>	\$13,000
Education and Marketing Funds Expended	\$42,420.12
Total FAAC Funds Budgeted	\$650,000.00
Total Expended	\$448,425.89



F A A C H I S T O R Y

During the mid-1980s the Louisiana Trappers and Alligator Hunters Association began talking with the Department of Wildlife and Fisheries about the needs of the fur and alligator industries in Louisiana. This association working closely with representatives of major coastal landowners approached the legislature with a bill during the 1986 Legislature to begin positive action to address the problems facing these industries.

Act 455 (R.S.56:266) established all of the essential elements to begin addressing the problems facing the fur and alligator industries. The Act created a special fund designated as the "**Louisiana Fur and Alligator Public Education and Marketing Fund**". This Act spelled out 6 specific goals to be addressed through expenditures from this dedicated fund.

The **Louisiana Fur and Alligator Advisory Council (FAAC)** was created by the Legislature and is housed within that Department. This Advisory Council is responsible for reviewing and approving recommended procedures and programs to be funded from these dedicated revenues to insure that all expenditures are for the specific goals of the Act. The Department of Wildlife and Fisheries is responsible for maintaining all the financial records of the FAAC.

ACT 272 - TWO COUNCILS TO SERVE FUR AND ALLIGATOR INDUSTRIES

Representative Montoucet sponsored House Bill 360 which removed alligators from the jurisdiction of the Fur and Alligator Advisory Council. Two Councils have been created by this amendment: the Louisiana Alligator Advisory Council and the Louisiana Fur Advisory Council. This Bill passed without contention and is now ACT 272. This law became effective August 15, 2008.

The Louisiana Fur Advisory Council will consist of a cross section of trappers and coastal landowners, as well as a House and Senate designee. These four trappers, three landowners and two legislative designees will serve four-year terms.

The Louisiana Alligator Advisory Council is responsible for reviewing and approving recommended marketing, research and educational programs to be funded from the Louisiana Alligator Resource Fund. The Council will consist of three alligator hunters, three licensed farmers and three landowners. These representatives will serve six-year terms and may not succeed themselves.

ACT 272 also creates a seat on the Louisiana Seafood Promotion and Marketing Board to represent the alligator industry. This board currently has fifteen members. The additional alligator seat creates a sixteen member board representing a cross-section of Louisiana's seafood industry.

The creation of the two Advisory Councils and the additional seat on the Seafood Promotion and Marketing Board should allow for clearer and easier representation of the fur and alligator industries within the Department of Wildlife and Fisheries. Noel Kinler will be the Department liaison for the Alligator Advisory Council. Edmond Mouton will be the Department liaison for the Fur Advisory Council. Tanya Sturman will act as program manager for both Councils. Ewell Smith will remain Executive Director of the Seafood Promotion and Marketing Board.