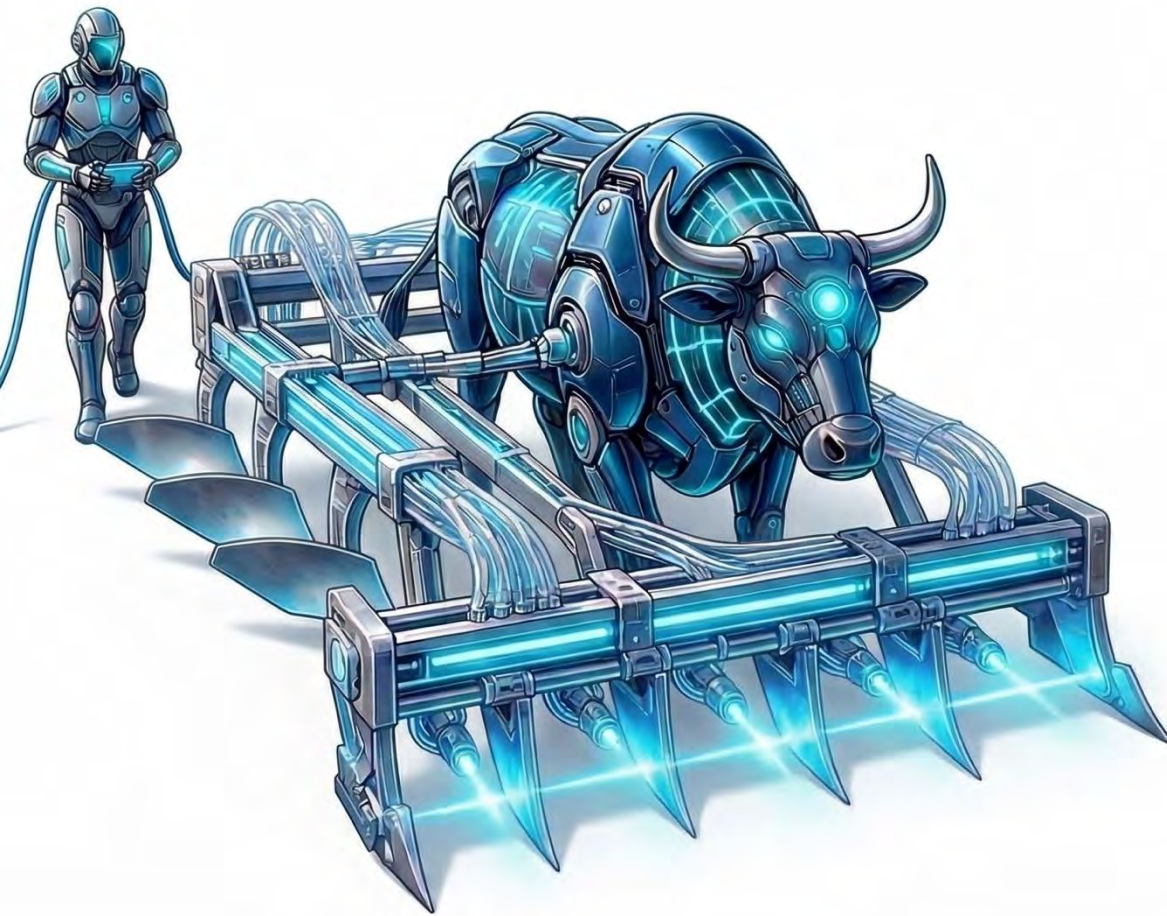




Plows Produced Cities!

AI and the ox-drawn plow



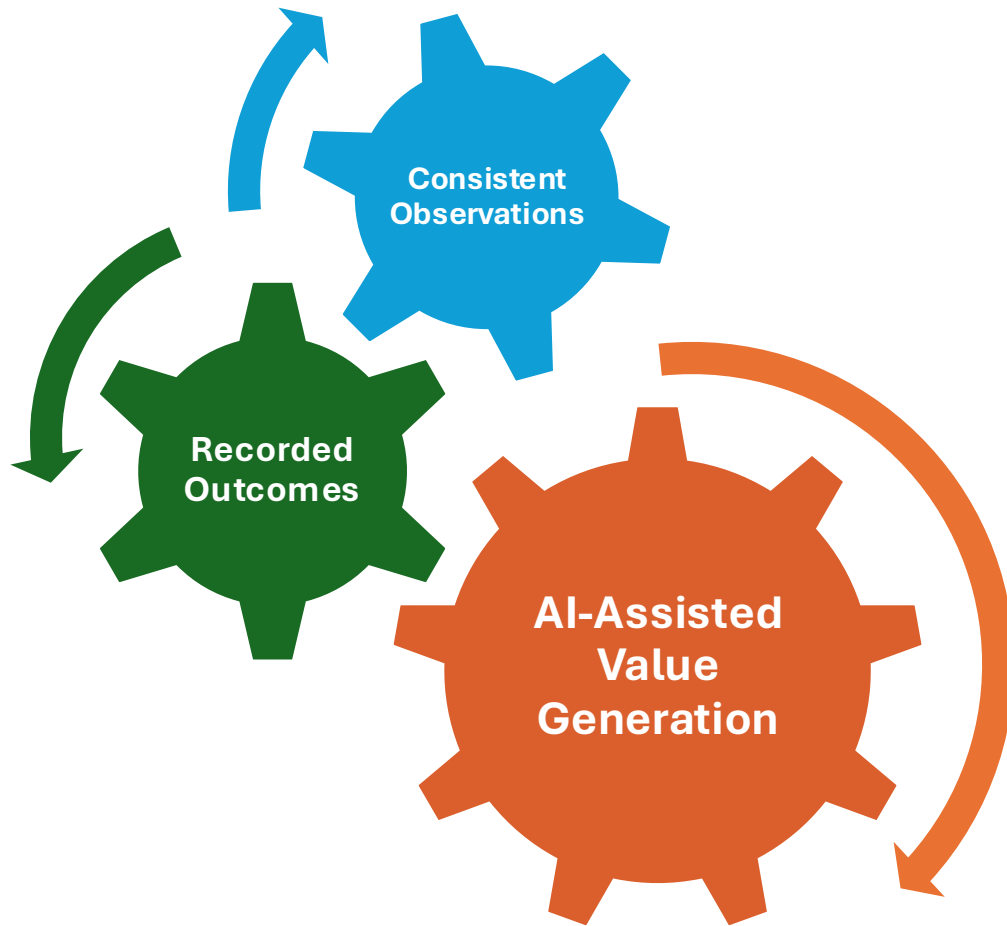
- Both are technologies that increase the value of capital assets relative to labor.
- The ox-drawn plow dramatically increased the value of land relative to the value of labor inputs
- AI significantly increases the value of a different farm asset



Your farm's assets

- Land
- Herd
- Brand
- **Data**

AI greatly increases the value of your data. This is the asset you want to grow.



We build farm asset value with longitudinal data and feedback loops. It's not as wonky as it sounds.

Your Animals Produce Data: Collect and Organize It

- Use AI to help organize and simplify your data storage.
- Save all your quantitative data in this organized form.
- Develop a scoring system for subjective traits of importance (anything you think about when you make breeding decisions) and include those in your files as well.

This information combined with your animals' pedigrees is what is needed for AI supported acceleration of your breeding program.



Develop your own scales for measuring subjective traits you think about when you make breeding decisions – then record assessments annually or at fixed animal ages

Grade – a whole fleece assessment that combines the information of the histogram and other subjective assessments relevant to processing

Brightness – assessed on the granding table with consistent lighting and process. One of our most important subjective measures

Staple density – tells us a lot about the show and sale value of young animals. For older ones, highlights progress in density that helps with breeding

Uniformity – a subjective assessment that captures extension of blanket and hairiness that a histogram may not reveal in the same way.

GRADE (SR) S Royal (R) Royal (B) Baby (SF) Fine	CRIMP FREQUENCY # / INCH	Brightness 1.0-2.0 1 is best	STAPLE DENSITY 1-Very High 3-Average 5-Poor	STAPLE LENGTH	UNIFORMITY 1.0-2.0	S Blanket WEIGHT	TOTAL FLEECE WEIGHT
1A	9	1.3	3	4.5	1.1	2.7	5.4
1			5		1.3	2.6	6.2
1	7	1.5	4	5.5	1.2	2.9	7.1
2	7	1.5	4	4.5	1.3	2.8	8.5
2	8	1.3	4	5.25	1.4	3.9	9.7
3	7	1.4	2.5	5	1.7	4.4	13.2
2	8	1.3	1.5	4.25	1.7	3.5	9.6
2	8	1.7	3	5.5	1.7	3.9	12
2	6	1.7	4	4.5	1.7	3.1	8.4
2	7	1.1	1	4.75	1.1	4.5	11.9
2	7	1.4	4	6	1.5	3.4	8.2
2	6	1.5	4.5	6	1.7	3.4	9.1
2	7	1.5	4	4.25	1.5	3.7	6.4
2	6	1.3	4.5	5	1.5	3.7	7.8
2	7	1.4	5	1.5	1.2	2.6	7.3
1	8	1.2	1.5	4.75	1.2	3.9	11.3

We collect subjective fleece assessments at shearing each year.

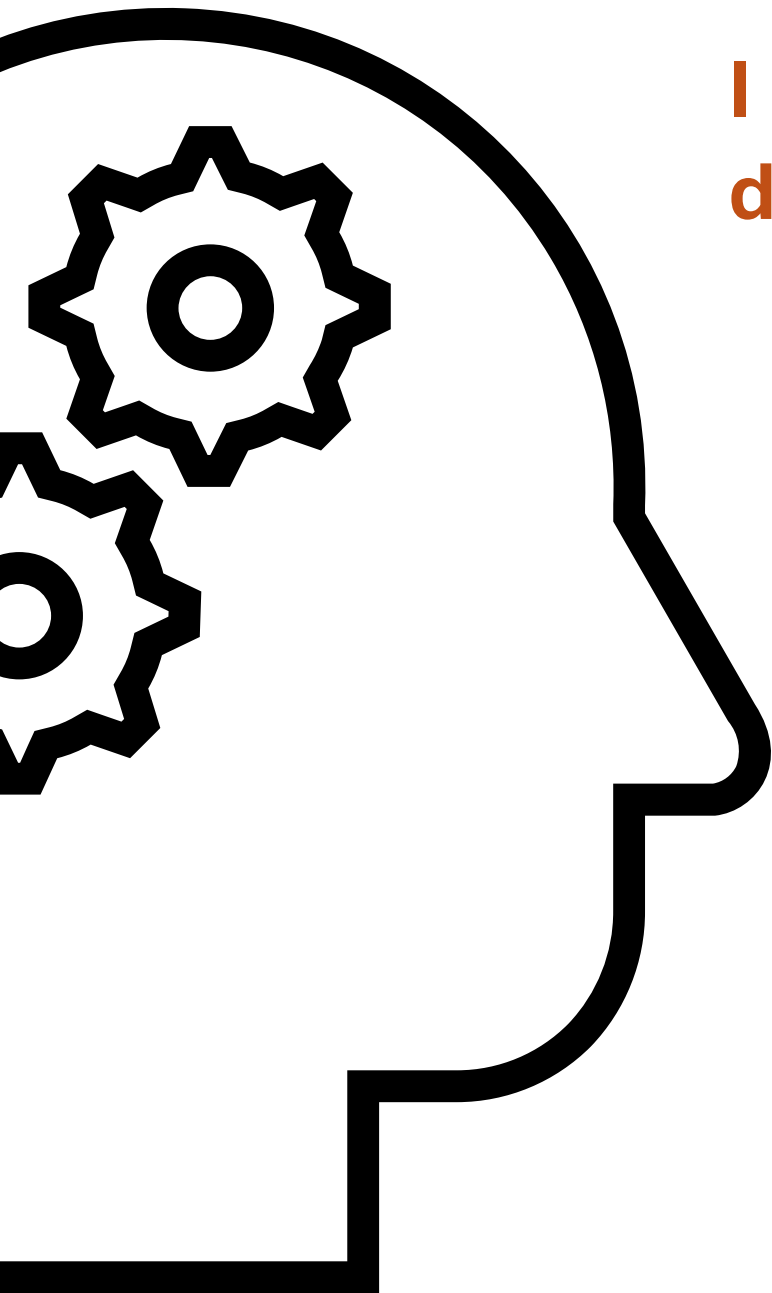
We evaluate other aspects of phenotype and fleece expression in the midwinter.



Your Retail Sales Produce Data: Collect and Organize It

- Ask your AI “business partner” what information you should collect and provide it to help you maximize sales and minimize inventory over time, or to meet other business goals that you establish up front.
- Use AI to develop efficient ways to collect and store this information. This is your data asset!

Retail data will allow you to use AI to maximize sales, minimize inventory, develop targeted order lists for upcoming seasons and events, and even suggest new products and services based on broader market trends.

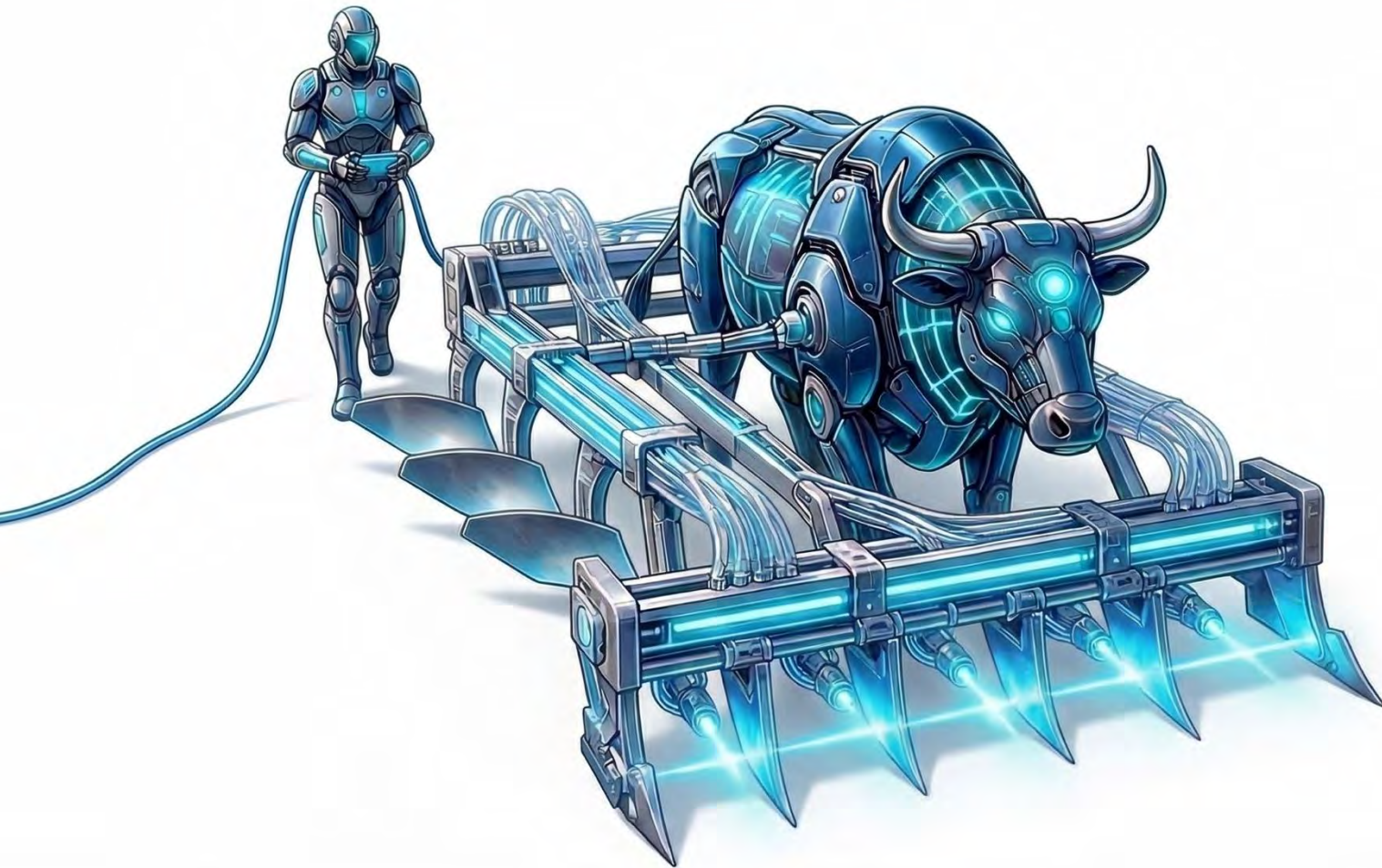


I can do everything I need to do in my own head!

- Resist this idea. The guy that turned down the ox-drawn plow thought his sharpened stick was good enough also. He failed to see the broader systemic changes that were coming.
- The AI models we are working with now are primitive compared to what is just over the horizon, and their future business value will be even greater.
- **Client demands will also be evolving in response to new AI-driven opportunities. Be prepared to meet their future demands.**

AI still needs a boss

Somebody has to tell the AI model not to put the ox behind the plow blades! AI adds value to an asset class: DATA. It does not completely replace education and judgment.



Which team do you want to be on in five years?

The “A” Team

- Maintains structured data systems
- Uses AI for decision support
- Improves genetics and revenue systematically
- Provides customer support required by other “A” team members

The “B” Team

- Uses AI for marketing only
- Data is inconsistent or unused
- Still plowing with a stick

Importantly, which team will your clients be on?

And where do you want the industry to be in 10 years?

The Collaborative Result

- Open access to shared phenotypic data has led to enormous gains in genetic understanding
- Pooled, anonymized retail sales data has created systems that give small farm stores the same retail insights and cost advantages previously enjoyed only by large retail franchises
- Shared data on husbandry choices and outcomes has made it easier and cheaper to run an alpaca farm

The Noncollaborative Result

- **Alpaca farm businesses are outcompeted by other small farm operating models**
- Fewer new alpaca businesses are being formed
- Diminished genetic diversity and a lack of good information has made further, broad improvements in alpaca genotypes difficult or impossible.

Question: How can AOA help its members thrive in this new business environment?

Answer: Provide parentage files for download by herd. Provide an open, centralized anonymized database of information it collects for members and credentialed researchers to explore and learn from.

The problem: AOA treats the data they have – pedigree information, farm demographics, histograms on tens of thousands of animals across more than two decades, EPDs and much more – as an asset to monetize for the benefit of the organization, not the benefit of its members. That's like putting the ox behind the plow.

What legacy will we leave?

- We started on third base thanks to generations of breeders that came before us.
- AI will help us maximize what we learn from our breeding efforts and convey it to others.
- We can have an impact beyond our small numbers.

Registro No. RAZA: JAÑACHO:



NOMBRE: CALIGULA No. 26-A
LINEA PATERNA: SHANGRY-LA 1984
K.G. CAM 1985

PRODUCCION LANA EN LIBRAS					CUALIDAD DE HEBRA			
T U E		JAÑACHO			RECORD	FINA	MEDIA	FUERTE
12 Meses	18 Meses	12 Meses	18 Meses	18 Meses	20 Mc.	20 x 25 Mc.	25 x 30 Mc.	
75								




26 CO

Where should we begin?

+ Ask anything

Instant ▾



 Company knowledge