

A News Publication for Members of the  
American Alligator Farmers Association,  
their Family and Friends

# GATOR TALK

NEWSLETTER APRIL 1990

## EDITOR'S COMMENTS



American Alligator Farmers Association

Membership has its privileges!

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## GOALS OF PUBLICATION

The goals of Gator Talk are to provide farmers, ranchers, trappers, brokers, educators and crocodilian hobbyists monthly information encompassing any and all aspects of the industry that may be beneficial to their prospective endeavors and to assist in their advertising needs. The publisher hopes to provide up-to-date information to members on a monthly basis and to provide an independent monthly forum to crocodilian enthusiasts.

The views published in Gator Talk are not necessarily the views of the American Alligator Farmers Association but are the views of the person expressing their opinion on a particular subject.

Gator Talk reserves the right to refuse advertising.

## DISPLAY ADVERTISING RATES

The deadline for display ads is the 25th of the month prior to publication. Gator Talk must have received your camera ready ad, with payment in full included, no later than the 25th of the month prior to publication. Rates are as follows per issue:

Business Card .....	\$15.00
1/8th Page Ad .....	\$20.00
1/4th Page Ad .....	\$30.00
1/2 Page Ad .....	\$50.00
Full Page Ad .....	\$90.00

## CLASSIFIED ADVERTISING RATES

The rate for placing a classified ad in Gator Talk is \$5.00 for each ad up to 30 words and an additional \$2.50 for each additional ten words. The deadline for placing classified ads is the 25th of the month prior to publication and all ads must be prepaid.

## AAFA QUARTERLY MEETING

Summary notes from the second quarter meeting of the  
American Alligator Farmers Association - April 7, 1990  
Gainesville, FL

### AAFA Co-op Hide Sales

Since the first hide sale in September, 1989, AAFA members  
continue to receive top prices for farm-raised alligator skins.

	Total Skins (#)	Avg. Belly Width (cm)	\$/cm Gross	\$/cm Net
November	595	35.7	6.65	6.59
December	515	31.2	6.07	6.01
February	244	29.6	6.00	5.93
March	293	35.5	6.51	6.45
April	293	36.4	7.01	6.94

\* \$/cm (Net) - represents the final price paid for a skin  
after deducting a \$2.00 per skin marketing  
fee

These are "across the board" prices for all sizes and grades.  
For those interested in attending or participating at the next  
"hide grading and measuring" at Gator Jungle in Plant City,  
Florida, contact Tracy Howell at (813) 752-2836.

### IUCN/SSC Crocodilian Specialist Group Meeting

Dr. F. Wayne King reminded everyone of the upcoming bi-  
annual meeting in Gainesville, Florida on April 23 - 27, 1990.  
The meeting and workshops are being held at the Holiday Inn -  
West. Registration starts Sunday afternoon and continues  
through Monday morning. All those actively involved in  
crocodilian endeavors are urged to attend.

Additionally, Dr. King indicated that proceedings from the  
1988 conference in Lae, Papua New Guinea would be available.

### By-law Changes

The following changes to the by-laws were proposed and  
passed by the membership:

#### 1. Article II - Purpose

Passed: The purpose of this Association shall be to  
promote the interest and welfare of the Crocodilian Industry  
and to encourage Research, Education, and Representation.

2. Article III - Membership

Passed: Student Membership - Individuals attending an accredited university studying matter embracing the aquaculture industry.

3. Article IX - Dues

Passed: Annual membership shall be payable by the annual meeting.

- (A) active members, \$25.00
- (B) associate members, \$25.00
- (c) student members, \$15.00

Florida Seal of Quality

The members present voted unanimously in favor of accepting the standards for slaughtering, processing, and packaging Florida farm-raised alligator meat under the Florida Seal of Quality program drafted by committee members and Dr. Fred Leak, chairman.

1990 Wild Egg Collection

Two new sites have been granted by the Florida Game and Fresh Water Fish Commission for wild egg collection in Florida, Lake Pearce and an extension of Lake Monroe. As a result of the continued drought in south Florida, it is likely that the Conservation areas will be closed again this year.

Tracy Howell, collection coordinator, said that four airboats will be needed for collection activities this year. Additionally, volunteers will be needed to build an incubator holding facility for this collection. Those interested can contact Tracy at (813) 752-2836.

It was indicated that a \$6 per egg collection fee would be charged.

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Membership & Dues

Tracy Howell, AAFA Director, is requesting that all existing members please fill out a new membership application, with any address changes, and mail it in with their 1990 dues.

Active Members (Licensed Farmers)	\$25.00
Associate Members	25.00
Student Members	15.00

For those members who have already sent in dues, please fill out a new membership application so the association can update our files. Send to:

American Alligator Farmers Association  
 5145 Harvey Tew Road  
 Plant City, FL 33565

Thanks for your cooperation!!!!

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## FARM-RAISED ALLIGATOR INDUSTRY BOOMING

The times they are a-changin' for alligator farmers and ranchers in Louisiana. With the number of farm-raised animals skyrocketing, the state is now trying to bring in tanneries to keep more of the profit at home, although some experts fear that increased supply will spell declining prices in coming years.

Mark Shirley, a Louisiana agent who has worked extensively with prospective and current alligator producers, said that the number of farm-raised skins available "is going to increase dramatically" in the next few years. "I think in 1990 we are going to see about 75,000 - 80,000 farm skins," he estimated. "There's been a tremendous increase in just the last few years."

The main reason for the rapid surge in alligator production has been the allure of very high prices for skins in recent years. The current price for farm-raised skins, said Shirley, is about \$33 a foot (November, 1989). But he also added, "Price is broken down based on size; if you have big gators, you get a lot more than that, and if you have little gators, you get less."

The cost of raising alligators, according to Shirley, is approximately \$23-25 per foot, so many of those getting into the business now are eyeing what they consider to be a minimum profit of \$8 per foot. He said, to those prospective farmers, "That looks fine; it looks like a lot of easy money."

But Mark Shirley is concerned that the amount of product flooding the alligator skin market will cause prices to plummet, putting a lot of new producers out of business. "The problem," he said, "is that so many people have jumped into it that we don't know what the price will do next year when we have this many hides." He explained, "in 1988 or 1989, I think we sold somewhere around 50,000 farm skins, but year after next, we may have well over 100,000 just with the farms and houses we have in place now." For those already in the business, and for those considering it, said Mark Shirley, "the big question is 'How low is the price going to drop?'"

The alligator production situation in Louisiana is of paramount interest to processors, too, since the state provides over three-fourths of the world's alligator harvest. In the state, approximately 1,500 licensed hunters seek out wild gators, while the number of licensed alligator farmers is "approaching 100," according to the extension service.

Despite his personal misgivings, though, Shirley continues to distribute plenty of information about the business of raising alligators. "I'll provide all the information to somebody," he said, "on how to grow them, where to get eggs, how to make arrangements with landowners to negotiate egg pickups, how much feed to give them. But I'll also tell them a realistic outlook of the industry, that it looks like we're

overproducing...I hope these people realize the risk they're taking."

Adding to the boom in production is a change in regulations by the Department of Wildlife and Fisheries, making it easier for farmers to obtain alligator eggs. Currently, farmers are allowed to negotiate with landowners to collect eggs from the wild; when the gators are grown out to four feet, the farmer is then required to return 17 percent of them to the wild. That change means more gators are available to the farmer, but also that the survival chances of vulnerable eggs and weaker gators are substantially improved.

Bob Odom, commissioner of Agriculture and Forestry in Louisiana, said of the changes in his department's regulations in the last two years, "That (change) really opened up production." He estimated that Louisiana's production of farm-raised alligators skyrocketed from its former level of about 5,000-15,000 per year to about 50,000 last year and approximately 75,000 this year. The number of wild alligators harvested, though, will remain around 24,000, said Mark Shirley. "The Department of Wildlife and Fisheries, in the management program, has more or less a maximum sustained yield concept" of about 24,000, he explained.

Sale of wild alligators in Louisiana is currently estimated to produce about \$10 million for the state, while farm-raised gators represent an additional \$6-8 million. The past five years, though, Louisiana has had its eye on retaining some of the profits which are currently going out of state- or even overseas- to tanners and ultimately manufacturers of alligator-hide products.

Odom said that, if Louisiana could bring in a company from France, Italy or Japan to set up a tannery, part of the money could continue to go to that country, but a portion would stay in the Bayou State. "Our interest is in a joint venture," he said, adding, "We're in a position to put up a considerable amount of money." He emphasized that the state is very interested in not just the tannery, but also in attracting manufacturers of alligator-skin end products.

A current publication of the Department of Agriculture and Forestry observes, "Today the method of marketing skins varies with one common denominator: all skins are salted down and shipped out of Louisiana for further processing. Sales occur at co-op auctions, private auctions where one or more landowners sell skins harvested on their property and private sales between individuals. The buyers of these skins are usually brokers who buy and store the skins for either specific processors or on a speculative basis." The existence of one or several middlemen who limit the amount of profit which will remain in the state is a major concern of Louisiana economic development officials. Right now, according to the department, about 95 percent of the state's alligator harvest goes out of the United States for further processing.

Should the state of Louisiana put up a substantial amount of money to encourage a tanner to move in, Bob Odom is in favor of keeping a tight rein on the venture. "It would not be just

a loan," he said. "We would want to put people on the board, maybe even control the board." Odom said that he, the commissioner of agriculture, bankers, and university officials are all candidates for spots governing boards if Louisiana puts up the money. He said that stipulation would be important "especially if we're dealing with local investors that have never been involved in a venture of this type."

And while changes in some regulations, particularly the change in rules for obtaining alligator eggs, have benefited those producing gators, other changes have rubbed them the wrong way. Louisiana rancher Isaac Saltz said that, at one time, only a \$25 permit was required for alligator production. Now a rancher must buy a \$4 tag for each alligator. A new group, the Louisiana Alligator Farmers and Ranchers Association, has been formed to help promote the interests of the state's alligator producers.

Isaac Saltz said that alligator production in Louisiana is "geared to the four-foot animal," but he feels that five- and six-foot animals will be "the trend of years to come." Because of production problems in recent years, primarily losses attributed to flooding and hurricanes, many producers are even selling animals before they reach four feet. Saltz also said, "It's better to raise a five-foot or six-foot alligator; the difference in price is fantastic."

Mark Shirley agreed that those using the skins now prefer the longer animals. "Five years ago, buyers were interested in the smaller-sized gators because of fashion demands," he explained. "They wanted small, dainty purses, ladies' shoes, small-scale patterns to make their products. The last couple of years, they're looking for more leather, and larger-scale patterns. They're making larger purses, cowboy boots, briefcases and attache cases, even golf bags." He said that the Japanese are reportedly interested in alligator golf bags, which he has heard sell for \$12,000-\$14,000 each.

Shirley also said, though, that he is not sure if it would be economically feasible to produce larger gators in the farm setting. "In the wild, you can go from a seven-foot animal all the way up to a 13-foot maximum. On the farm, your marginal return starts going down after about five feet." The reason, he said, is that "The alligators start eating an awful lot once they get beyond five feet." He added, "Up to that four and a half to five-foot size, you can raise them out somewhere in the \$23-\$25 a foot range. If you've got to keep them an extra six months or a year to get them up to five and a half, six feet, or better, your cost factor will probably be in the \$30 range." He estimated that prices for wild gators were about \$55 per foot for those over seven feet; \$48 for six to seven feet; \$40 for five to six feet; and \$35 for gators less than five feet long.

Prices are somewhat lower for farm-raised animals, and there is also a difference in the amount of leather produced by wild skins versus farm-raised ones. "The amount of leather that you have in a wild skin in that five- or six-foot class is about the same as a four and a half to five-foot farm-raised

skin, because the farm-raised animal is fatter," he said. "Down here in Louisiana, we sell them by the length from the tip of the chin to the tip of the tail. When they get over to France, Italy or Japan, they don't look at the length; they look at belly width. That's how they calculate how much leather is there, how much product they can make with it, how much value is there."

Bringing in an alligator tannery is a top priority for the state, but Bob Odom said that many other aquacultural prospects interest the state. As he said, "We're going to put a lot of emphasis in the aquaculture area, and spend some resources on it." Odom named alligator, striped bass and redfish as three species that the state is particularly interested in targeting for additional development in the near future.

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#### HARRINGTON SET TO PRODUCE NEW TYPE OF ALLIGATOR FEEDERS

Harrington Manufacturing Corp., of Twin Falls, Idaho has announced a research and development project to produce three new models of portable alligator feeders for production barn use.

Harrington Manufacturing has been involved in the development and production of aquaculture equipment for 25 years and produces some fifteen models of feeding machines for use in the commercial production of various species from finfish to shrimp. Two years ago, H.M.C. produced its first alligator feeder to dispense feed in outside pens.

The new feeders for barn use will be constructed of hot dip galvanized steel in capacities from 500 to 1500 pounds and feature a solids pump dispenser and mixer option. The feeders will be available in either hand drawn or self-propelled models. The self-propelled models will be driven by a gasoline engine and hydro-static differential with the operator driving the machine from an on board seat. All models are designed to pass through a 36 inch by 78 inch doorway with mixer and feed dispenser powered electrically.

Release of the units is expected in early 1990 and will be represented in Louisiana by David Burris of Burris Mill and Feed, Inc. of Franklinton, Louisiana.

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## BUSINESS BRIEFS

### 1990 Tax Changes

Federal Income Tax rates reflect an increase in income levels at 15 percent, 28 percent and 33 percent. For example, the brackets for a married couple filing jointly are:

\$0 - \$32,449 .....	15%
\$32,500 - \$78,399 .....	28%
\$78,400 - \$185,730 .....	33%
Over \$185,730 .....	28%

The 33 percent bracket is extended by \$11,480 for each dependent claimed on the tax return.

Business mileage rate is increased to 26 cents per mile for all business mileage.

Cellular phones are listed property. Accurate records must be kept. If business use is 50 percent or more, the phone can be depreciated over seven years. Under 50 percent, businesses must use 10 years straight-line depreciation.

### Minimum Wage Increased

The federal hourly minimum wage has been increased from \$3.35 to \$4.25. The increase will come in two phases: \$3.80 effective April 1, 1990, \$4.25 effective April 1, 1991.

The small business exemption was increased from \$362,000 to \$500,000 in gross sales. But, effective April 1, 1990 any individual employee engaged in interstate commerce, such as filing federal tax payments in Atlanta, is covered by the Federal Wage and Hour Law.

A subminimum training wage enables employers to pay workers age 16 to 19 a lower wage for 90 days.

## GATOR RIBS : THE OFFICIAL FOOD OF ORLANDO

A panel of judges selected Gator ribs as the official food of Orlando in a Florida magazine contest conducted by columnist Bob Morris. Gator ribs was the winning entry prepared by the owner of Palmer's Place, Palmer Yergey. The barbecued ribs have yet to gain the popularity of Buffalo wings but they are beginning to show up on other local restaurant menus.

When Mr. Yergey was contacted for permission to print his Gator Rib recipe in Gator Talk, he firmly said "NO!" He explained that since his winning recipe was printed in the

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a number of local restaurants have added Gator ribs to their menus, thus increasing demand for the product and, consequently, \$ PRICE \$ . Any Questions?

Date \_\_\_\_\_

Applicant's Signature \_\_\_\_\_

I hereby apply for membership in The American Alligator Farmers Association and affirm that I will abide by the by-laws, rules and regulations and support the association in its goal for a better industry.

Farmer

Trapper

Home Phone \_\_\_\_\_

Business Phone \_\_\_\_\_

FAX Number \_\_\_\_\_

Business Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_

Zip \_\_\_\_\_

Home Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_

Zip \_\_\_\_\_

Name \_\_\_\_\_

Spouse \_\_\_\_\_

## APPLICATION FOR MEMBERSHIP AMERICAN ALLIGATOR FARMERS ASSOCIATION



**American  
Alligator Farmers  
Association**

5145 Harvey Tew Road  
Dover, Florida USA 33527