



# NORTH AMERICAN FUR AUCTIONS

## *Wild Fur Market Update*

December 23, 2008

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The attendance for our standalone January wild fur sale appears to be lighter than usual. The uncertainties in the fur market are obvious now that we have seen the auction results from Kopenhagen and Helsinki.

We at NAFA are very conscious of the difficulties that the international fur trade is facing. We are all aware that the inventories in both skins and garments that are being carried have gone down in value and will have a negative impact on the finances of the fur trade.

The upcoming season will require the utmost attention from your auction company. Market intelligence, having agents in China (4), Russia (3), Korea (1), Greece (1), Italy (1), Europe (1) who can give us information; knowing who to sell to and who is a credit risk; having the financial strength to buy goods back because the product will be worth more at a later date—these are all going to be important in the 2009 season, more than ever before.

The first thing your management team will do in the New Year will be to work harder, doubling our buyer solicitation efforts to make sure that we have the maximum buyer attendance for our February sale. Michael Mengar will be going to Korea and then on to Turkey and Greece and I will be returning to China for the Beijing Fur Fair where I will be joining Kevin Douse, Diane Benedetti and the rest of our Chinese team. We will then split up, with Kevin Douse and Dragon Hu going to Tongerpu, Shanghai, Yu Yao, Haining and Heibe and Diane and myself going to Guangzhou and Hong Kong. At the end of January, Kevin and I will be in Kopenhagen for their February mink sale, February 3–6, which will give us another opportunity to speak to many of our international fur buyers. Stability, experience and hard work is what NAFA's reputation has been built upon.

From experience we know that our February sale will have the largest and the most unique offering of wild fur in the world, as well as the largest quantity of the finest ranch-raised mink (over 3 million), and will attract the largest number of buyers. Consequently, under the current volatile market conditions, new market levels are best established when we are guaranteed a maximum attendance. Therefore, our position in January will be to protect our shippers' interests by preserving the value and the integrity of our wild fur offering.

Herman Jansen