



All 2012 Palmetto Corn Snakes have been sold. Below are instructions for reserving a 2013 Palmetto.

To those of you who reserved a 2012 female Palmetto Corn but did not get one, we have automatically transferred your 2012 reservation to 2013 C level list. Please, advise us if you wish to be removed from the 2013 C level list OR if you wish to reserve via prepayment or partial prepayment on the A or B level reservation lists.

In an effort to protect the market integrity of new corn snake mutations and morphs, here at South Mountain Reptiles we employ prudent marketing and sales practices. Unlike the Ball Python and Hognose snake markets whose products sustain prolonged market vigor, corn snakes have always been over-produced and under-valued. Sometimes, in just two or three captive generations (and often after just one generation) new, rare, and exciting corn snake mutations and morphs crash to half their initial market value – or less.

Naturally, affordability is what all consumers desire, but for those who wish to purchase corn snakes as potential money-makers, premature market devaluation is all too common and disappointing. To date – just like most consumer products – ALL corn snake mutations and morphs have eventually reached affordable levels, so the initial high price of new corn morphs is no indication that they will never be affordable. Every new reptile morph that is offered to the public is initially offered at an INVESTMENT PRICE. Just like most products, the fewer there are for sale, the higher their prices. When supply of such products reaches or exceeds the level of consumer demand, prices begin to come down. Breeders expend great amounts of money, labor, and time in taking a new morph from discovery to market, and therefore deserve compensation for their investment, work, feeding, and maintenance expenditures.

What most people do not understand is that for every new morph that is popularly accepted by consumers, perhaps four such promising projects failed (in terms of expense compensation). This is sometimes because the economy wouldn't justify the price OR someone produced the same morph you did but offered them for less money OR the consumers and investors were simply not attracted to the new morph. This essentially means that for the hundreds or thousands of mice, dollars, and hours committed to five new and promising morphs, usually only one will reward the breeder with compensation for all five projects. In a market such as corn snakes - which is highly consumer-driven - profit on some morphs is frequently unattainable. Most corn snake sellers are fortunate if they have enough sales to pay their mouse bills, but since it is only a hobby for those who have other careers, and therefore do not rely on snake sales for their living, low or no profits are acceptable to them. For a few of us whose career is producing and selling corn snakes, without new projects to make up for the low-priced *over-the-counter* corns in depressed markets, reasonable profits can sometimes be difficult to attain. Therefore, new mutations and morphs like the Palmetto are essential for career snake-breeders so they can have the financial luxury of investing in other new mutations and morphs, without being forced out of business from insufficient sales.

My reason for detailing the pricing and marketing process is mainly because of the emails and calls I get over the years from frustrated snake lovers who wonder why a new morph like the Palmetto is so expensive and largely unaffordable. If you wait long enough, all new morphs will be affordable to the masses. It's not like the dog and cat industries that sell *pet grade* animals that have been altered so they cannot reproduce. They sell such altered animals as pets for much less money than the ones that are capable of reproduction.

In the final analysis, the market reality of any thing or product is that *respective value is the price someone is willing to pay*. Before the IPO (Initial Public Offering) of female 2012 Palmetto hatchlings (which occurred on SunDAY, July 31, 2011 at 3pm (GMT-5) one person offered me \$20,000.00 for a 2011 hatchling male Palmetto and another person offered me \$20,000.00 for a gender pair of 2011 hatchlings. The price I finally set (\$4,000.00 usd) was set after the pleasant discovery that Palmettos were indeed reproducible (some odd and promising corn snakes turn out to be non-reproducible). Knowing the corn snake markets as I did - from selling them every year since my first one hatched in 1973 - I knew the market would not support a price of \$10,000.00 each. Within 13 minutes of that IPO, all six 2012 \$4,000.00 prepayment reservations were sold and all six 2012 \$1,000.00 deposit reservations were sold. Hence, there was ample evidence that the value of Palmettos was at least \$4,000.00 each. If 14 people offered you \$10,000.00 for the car you are selling, you

would not list it in the newspaper for \$5,000.00. Most market analysts would judge from the speed of selling all those 2012 hatchlings (one full year prior to their availability) that \$4,000.00 was too low, but I knew that offering them at a higher price would result in fewer customers. Some new Hognose snake morphs toDAY still start at \$15,000.00 for 6" long hatchlings, and the Hognose species is considered venomous.

#### How To Reserve a 2013 Female Palmetto:

There are three ways in which to reserve a 2013 female Palmetto (NO males will be sold until 2015 or 2016). Not knowing exactly how many will be available in 2013 (we estimate perhaps 20) we cannot guarantee that everyone who reserves one will have the opportunity to purchase, but the successful three-level reservation system we've used in the past will be used for reserving Palmettos. We have decided that in order to minimize the potential of not being able to fill all orders, we will accept pre-payments for only ten 2013 females to be reserved in level A (prepayment of \$4,000.00 USD each) and only ten to be reserved via level B (partial prepayment of a minimum \$1,000.00 USD each). Anyone who does not get on the A or B reservation lists is welcome to reserve one without any form of payment; C reservation list.

Below are the only three ways a 2013 female Palmetto can be reserved:

A) Only ten 2013 female Palmetto corns will be reserved at this level. This top reservation level requires full payment (\$4,000.00 USD each). In the event that we are unable to fulfill any prepayment orders, prepayers on this list will be given the option for a full refund OR priority placement on the A level list for the potential second 2013 hatch season OR priority placement on the 2014 A level list. In 2013, all ten prepayment purchase orders

will be satisfied in the order in which they were reserved – before filling purchase orders for those in the next reservation level B.

B) Only ten2013 female Palmetto corns will be reserved at this level. This second reservation level requires prepayment of at least a \$1,000.00 USD deposit per snake. In the event that we are unable to satisfy reservations at this level, depositors on this list will be given the option for a full refund OR priority placement on the B level list for the potential second 2013 hatch season OR priority placement on the 2014 B level list. Deposit payments larger than 25% of the listed price will not have priority over those who paid the minimum 25% deposit. In 2013, B level listed depositors will be asked to finish payment for their reservations – in the order in which they were reserved – after purchase orders for the sixprepayers from reservation level A are satisfied. Those who are unable to pay the balance of their order within 14 DAYS will be offered credit for the amount of their deposit that they may spend for any SMR animals or products. Per our standard policy of no refunds, your credit will remain in tact for one year after it is granted. During that time, you may spend your credit for our products or you are welcome to sell your credit to someone else – provided you personally advise us of said transfer of SMR credit.

C) Finally, there are two good reasons to be on the reservation level C list. Information below requires that those who reserve by partial prepayment via level B will be given 14 DAYS to pay the respective order \$ amount. This mainly allows for the processing time often necessary for the completion of payments via direct bank wire transfers, but if for any reason any of the ten who partially prepaid for their orders is unable to pay for their reservation before their payment deadline, we will make their reservation position available to those who reserve in level C in the chronological order they were received. The other reason for getting on this list is that in the event we produce more than 20 female Palmettos in 2013. Should this happen, we will offer them to those people on this reservation level C, in the order their reservations were received.

Recap:

- Only TEN 2013 female Palmettos will be reserved by prepayment of \$4,000.00 USD.
- Only TEN 2013 female Palmettos will be reserved by partial prepayment of \$1,000.00 USD.

- After those 20 orders are filled, we will offer 2013 female Palmettos to anyone who reserved a 2013 female Palmetto via list C (no prepayment required) - in the order in which they were received.

## How To Reserve: