

How Much Do Puppies Cost? How the “Breeder Wars” Hurt Our Community

by Joanna Kimball August 27, 2010

There are a whole bunch of good guides out there on how to price a product. They vary in terms of how much you can add on top of the basic equation – how much margin you can expect – but the initial algebra is pretty consistent.

You take your raw materials cost, add in your overhead (travel included), make sure you’re counting rent and utilities and other facilities cost, and then pay yourself a good living wage on top of that. If you’re putting in 40 hours, you might be able to pay yourself \$30 an hour. If a lot of what you do is stand around and then there are bursts of activity, \$150 an hour might be more reasonable. Once you’ve done all that, then you add in your profit. The whole thing is called “cost-plus,” and it’s why you pay more for a vase than you would for the clay, and more for a photograph than you would for the film.

Anyone investigating setting up a small business that is based on a unique product or service (as opposed to a commodity – in other words, you’re either making something by hand or producing something unique) is told that it hurts everyone to undersell yourself. If you price your widget at \$50 when an actual cost-plus price should be \$300, you hurt everybody in the widget business. People start to think that widgets should be \$50, so they refuse to buy the \$300 ones anymore. You enjoy a brief period of popularity but then you go out of business because even with huge volume you still lose money. Nobody wins.

If you want to succeed in your widget business and build the industry for everybody, you not only charge \$300, you’re PROUD of the \$300. One of the other cardinal rules of expertise-oriented small business is that discounts are death. The discount becomes the “real” worth, and the customer reacts negatively to the normal price. If your instinct is to discount, we’re told, do a freebie instead. Charge \$300 for the widget and throw in a \$20 credit; don’t discount to \$280.

Now let’s look at dog breeding. We’re always walking a delicate line because we don’t consider ourselves businesses but we do ask money for a product, or (as I prefer to think of it) we ask money for an extended-support contract. But people ARE handing us a check.

If we followed cost-plus pricing, the way a small business is supposed to, the average puppy price for a well-bred litter should be around \$20,000 each. And that’s not an exaggeration. Most of us have a litter once a year, twice at most; our expenses are astronomical. Most of our “raw materials” (show-potential puppies) end up never producing anything. Those who have more litters than that are also the ones who are paying the most; they are the ones showing every weekend and they have an RV that cost a year’s salary and their vet bills could send a kid to college.

So let’s say that a fair puppy price, if we were treating this like a business, would be \$20,000 per. That’s the price that, if we were businesspeople, we should be PROUD to ask.

Why, then, do the ridiculously small puppy prices we DO ask engender so much embarrassment, and (even worse) so much breeder-to-breeder criticism?

I rearranged my puppy page last night, and as an experiment decided to put my puppy price there publicly. I’ve never done that before; very few breeders do. There’s a feeling, and I think it’s not a bad one, that we don’t want to make it look like anybody who can meet the price gets the puppy. The problem with this is that potential owners are kind of floundering; they don’t know how much is normal and they don’t know when to bring it up with you. I also did it because I’m a potential owner too; I feel the same tension anybody does when I am approaching a breeder. We are not, and never will be, the kind of family that can drop even three figures without thinking about it; when something could be anywhere from \$1000 to \$5000 – and I won’t even know until I am well into the process – it really gets stressful.

I put my price there because I want to see if a public price really does bring me a lower caliber of buyer, and (if so) if I feel I can still place puppies well using all the other things I do, like questionnaires and interviews and meetings.

I was typing along, listing the stuff that comes with a well-bred puppy, and when I typed out the price my immediate reaction was to say "OH MY GOSH I KNOW I'M SORRY I'M SORRY I PROMISE IT'S WORTH IT." I was actually embarrassed, cringing with the thought that somebody was going to be mad at me for saying that my puppies are a certain price.

And I also know that any time a price is made public on someone's website or somebody hears that so and so is charging this much and this other person is asking that much, it becomes a topic of gossip and criticism. "Did you know he asked THREE GRAND for that litter?" "Did you hear that she got TWO THOUSAND for that MISMARK?"

It seems, often, that breeders will take any opportunity to tear each other down – as a group we are passionately pro-dog, and I've never met any who were more selfless when it comes to care and welfare and devotion to doing the right thing. But we are often incredibly cruel to each other. It's the same sad tune that mothers sing: I stayed home and you didn't; I breastfed and you didn't; you let your kids eat fries and I don't. "Did you hear what she did" is the great battle cry.

In dog breeding, and I think this can be the case in many other pursuits as well, self-abnegation becomes the real pride. I lost more money than you did; I neutered more show prospects than you did; I charge \$1000, well I charge \$800, well I charge \$600, well I give them away and also donated my kidney to a puppy buyer. I breed twice a year, I breed once a year, I breed once every five years, I've owned this breed for fifteen years and never once have I even LOOKED at a dog's genitals with intent to use them.

Here's the truth: Any show breeder charging less than \$20,000 per puppy is not running a business. They're undercharging. So even a few dollars below that amount, we're all on a level playing field. And I don't know anybody charging even a third of that, so WE'RE ALL IN THE SAME BOAT. Nobody gives out prizes for I-dig-a-deeper-hole-than-you.

Within our losing-money-fast boat, individual breeders make decisions based on how they feel they can best place their puppies. I've had breeders tell me that they charge \$2000 because pet stores are asking \$1800 for their breed. If they don't go over that amount, people feel that their beautifully bred puppies are not worth as much as the pet store dogs. I've had other breeders tell me that they charge a very low price because then they can pick and choose from many more buyers. And I've had others tell me that they price at the very top of their breed's range because that actually pulls in more buyers (the "Ivy League" effect – Yale has thousands of applicants for a few positions, while Hobtown Community College has a hundred applicants for a thousand positions).

No matter what they have decided, EVERYBODY'S LOSING MONEY. There's no reason to attack anyone. This is especially so in the Cardigan community, by the way, where puppy prices are INCREDIBLY LOW. I sold my last litter of Danes years ago for \$1500 each, and that was the very lowest end of the breed's range. That same year a friend bought a similarly well-bred Dane puppy for \$3000; the show-marked harlequins were somewhere in the \$4500 range and many of them went with puppies back as well. Prices went up an average of \$50-\$100 per year, quite consistently. Danes are not a particularly expensive breed, either; if I were looking for a well-bred pet puppy of any breed in 2010, I'd expect to pay around \$2000. When I inquired about Cardigans and was told that they were in the \$900 range, I about fell over dead. It felt like shopping at the dollar store for a show puppy!

And there's no "reason" Cardis are that low; no reason besides a certain expectation of that's what everybody's selling them for. So there's no pride attached to selling them even lower, or any pride attached to selling them higher either. Everybody's shoveling money into a dog-shaped hole, so what decisions are made around that situation are your business and nobody else's.

If I see somebody charging \$3,000 for Cardigan puppies, I need to be able to distinguish between something that's WRONG (which obviously it's not; that person is still nowhere near making a profit or being motivated by money) and something that is not what I would have decided. I may have my own private little thoughts about it, in the same way that I would have my little thoughts about feeding (or not feeding) fries to your kids, but I need to put on my big-girl panties and not make a moral issue out of it – because we are on the same side. That's what it really comes down to. Much more unites us than divides us, and as a community we should be loving to each other even when decisions differ.

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If you've hung around long enough and are a normal person wondering how I personally put a dollar figure to puppies, here's how I do it.

I sell my puppies oddly. I charge more at the beginning and then rebate for classes and titles. I do this on the advice of a wonderful trainer, who said that puppies should be like soda cans; you should be rewarded for doing the right things with them. So I pay for puppy K and I pay for a herding instinct test or any title (rally included). Clue's first litter was my grand experiment in doing this and I was VERY happy with the way it went. I had a 100% puppy K attendance, which I think is the most important thing you can possibly do for the average puppy, and I gladly wrote those checks. I hope to write more as the titles are achieved.

My puppy price is \$1200 (with \$200 rebated, for a total of \$1000 in the end) this year. I tried to be as honest with puppy people as I could be, showing them exactly how much it cost to get their puppy to eight weeks old so they would understand that I wasn't making any money; I also used this lovely mess as a ruler. I did not want to price puppies so low that they were being bought as pit bull bait, which sounds hideous but it happens far more often than you'd ever imagine. At \$1000 I am right in the middle of the bad-breeder pack, which I am not happy with as a rule but I also don't want to keep really great owners who don't have a lot of money to throw around away from my door.

I would love – LOVE – to someday be able to actually redefine what I do as a free puppy and a lifetime support contract. I would love for us all to do that. I think it makes more sense to a buyer when you ask them how much they'd expect to be paid to be on call for the next twelve years than to try to accurately define what a living puppy is "worth." And I think defining the transaction as a support contract also allows them to distinguish between a good supplier and a bad one without labeling the puppy itself as good or bad.

Maybe someday that will come true, and people will figure they're paying me a buck-ninety a week and it will seem like a bargain. Until then, I will continue to try to walk that line, failing at business but hopefully succeeding at establishing value.

And hopefully we won't fight too too much.