

BOARD OF DIRECTORS
February 12 – 14, 2015

The Board convened on Thursday, February 12, 2015 at 8:00 a.m. All Directors were present, as were the Executive Secretary, and the Assistant Executive Secretary. The December 2014 Board minutes, copies of which were made available to all Directors, were discussed. Upon a motion by Ms. Cruz, seconded by Dr. Battaglia, the December 2014 minutes were approved.

EXECUTIVE SESSION

There was an EXECUTIVE SESSION during the meeting to discuss sensitive business and personnel matters. Nothing was reported out of this session.

PRESIDENT'S REPORT

Board Action Items

Mr. Sprung gave a status report on previous Action Items assigned to the Staff as well as an update on business and real estate initiatives.

Vice President of Technology

Michael A. Basone was introduced as the new Vice President of Technology.

AKC CANINE HEALTH FOUNDATION

There was a report on the AKC Canine Health Foundation. A new Memorandum of Understanding between AKC and the AKC Canine Health Foundation is being drafted for ratification by the Boards of both organizations. As soon as that is finalized, the AKC Board will consider AKC's 2015 grant to the AKC Canine Health Foundation.

EXECUTIVE SECRETARY

Mari-Beth O'Neill participated in this portion of the meeting.

American Hairless Terrier Eligibility to Compete in the Terrier Group

Following a motion by Mr. Arnold, seconded by Dr. Garvin, the Board VOTED (affirmative: Mr. Arnold; Dr. Garvin; Mr. Dok; Ms. Cruz; Dr. Battaglia; Mr. Amen; Mr. Wooding; Mr. Menaker; Mr. Ashby; opposed: Mr. Feeney; Mr. Kalter; Mr. Gladstone; Mr. Powers) to approve the breed standard for the American Hairless Terrier as submitted by the American Hairless Terrier Club of America (AHTCA) as the official standard for the breed and to move the breed into the Stud Book of The American Kennel Club on December 1, 2015. The breed will be eligible to compete in the Terrier Group on January 1, 2016. The AHTCA had requested to compete in the Non-Sporting Group.

Sloughi Eligibility to Compete in the Hound Group

Following a motion by Mr. Powers, seconded by Dr. Battaglia, and it was VOTED (unanimously) to approve the breed standard for the Sloughi as submitted by the American Sloughi Association (ASA) as the official standard for the breed. The breed will move into the Stud Book of The American Kennel Club on December 1, 2015 and the breed will be eligible to compete in the Hound Group on January 1, 2016.

Canine Legislation Position Statement on Pet Acquisition

The Board reviewed a recommendation from the Government Relations Staff to create a new canine legislation policy position statement on *Acquiring a Pet*. The draft language of the position statement was discussed in detail. This will be discussed further at the March meeting.

Kooikerhondje Name Change

The Board reviewed a request from the Kooikerhondje Club of the United States of America to officially change the name of the breed to Nederlandse Kooikerhondje to be consistent with the name used in

the country of origin. The Kooikerhondje Club of the United States America is the Parent Club and will represent the breed moving into the Miscellaneous Class.

The Board had no objection to change the name in all AKC systems provided the club paid the cost for the change. Staff was directed to communicate this to the club.

New Breed for Foundation Stock Service® - Basset Fauve de Bretagne

The Board was advised that the AKC's Foundation Stock Service (FSS) Committee recently approved a petition for the Basset Fauve de Bretagne to be accepted into the FSS program.

New Breed for Foundation Stock Service® - Russian Tsvetnaya Bolonka

The Board was advised that the AKC's Foundation Stock Service (FSS) Committee recently approved a petition for the Russian Tsvetnaya Bolonka Club for the Russian Tsvetnaya Bolonka to be accepted into the FSS program.

New Breed for Foundation Stock Service® - Transylvanian Hound

The Board was advised that the AKC's Foundation Stock Service (FSS) Committee recently approved a petition for the Transylvanian Hound to be accepted into the FSS program.

Office Vacancies in Clubs

Staff reported on how future complaints or requests for interpretation concerning the filling of vacancies in club offices are to be handled for clubs that have adopted the AKC drafted bylaw: "Any vacancies occurring on the Board or among officers during the year shall be filled until the next annual election by a majority vote of all the then members of the Board, except that the vacancy in the office of the President shall be filled automatically by the First Vice-President, and the resulting vacancy in the office of the First Vice-President, shall be filled by the Board."

AKC has consistently interpreted that language to mean vacancies are filled until the club's next annual election for all positions. For the time being, Staff will continue to advise clubs that AKC interprets the provision to mean until the next annual election for all vacancies that are filled. The club Secretary and Delegate will be copied on any communications regarding this bylaw provision. Clubs will also be advised to determine if the state in which they are incorporated has the same interpretation as The American Kennel Club.

Staff was directed to draft a policy reconsidering if and when AKC should become involved in inter-club disputes as opposed to advising the parties to resolve it themselves per the state law for the state in which the club is incorporated at the March meeting.

Legal Status Reporting

Heather McManus, Senior Attorney, participated in this portion of the meeting. She presented a status report on pending litigation and other activities for the months of December 2014 and January 2015.

FINANCE

Joseph Baffuto, Chief Financial Officer, participated in this portion of the meeting.

Mr. Baffuto reported on the unaudited financial results for the full year ending December 31, 2014. He commented that KPMG has nearly completed their annual fieldwork, and the expectation is to have complete consolidated audited financial statements by the end of February. He indicated that revenues of \$59.7 million were almost flat to 2013's amount of \$59.9 million, while expenses of \$53.2 million were 1.7% higher than 2013. This resulted in operating income, before investment activities, of \$6.5 million, which was slightly below that of 2013's \$7.6 million operating income. Additionally, Mr. Baffuto also reported on investment gains of \$1.1 million for the 2014 year.

MARKETING AND COMMUNICATIONS

Chris Walker, AKC Staff, participated in this portion of the meeting. He reported on a number of business initiatives in development.

EXECUTIVE SESSION

There was an Executive Session to consider sensitive business matters. Nothing was reported out of this session.

COMPANION & PERFORMANCE

Companion Dog Clubs

Doug Ljungren and Pamela Manaton, Staff, participated in this portion of the meeting, via video conference.

Based on a request from the Board, Staff presented a plan that would allow for the formation of a new type of club that would be inviting to the general pet-owning public.

It is the Staff's recommendation that the AKC establish a new club designation called Companion Dog club. Most AKC clubs are currently built around specific sports or breeds. Companion Dog clubs will be for owners that desire social activities built around providing fun and educational things to do with your dog. Companion Dog clubs may become licensed to hold companion events plus the Coursing Ability Test. They would be encouraged to promote CGC training/testing and to hold AKC recognized events such as Barn Hunt, Flyball or Dock Diving. This will be discussed further at the March meeting.

Obedience Advisory Committee Recommendations

Staff presented to the Board 75 recommended changes/additions to the Obedience Regulations. These recommendations which originated from an Obedience Advisory Committee (OAC), have been commented on by the fancy and judges, and reviewed with the Companion Events Delegate Committee. The OAC was clearly focused on the future of the sport. In addition to the usual Advisory Committee recommendations meant to clarify and bring greater consistency to current judging practices and event requirements, the OAC also made recommendations with the hope of attracting new participants by modifying administrative procedures to make events more enjoyable and to "extend" the preferred classes to include a new Preferred Utility Dog Excellent title (PUDX) and a Preferred Obedience Champion title (POC). This will be discussed further at the March meeting.

Retriever Hunting Tests – Changes to Entry Process and Allowing the Use of Shotgun Simulators

The Board reviewed recommendation originating from the Retriever Hunt Test Advisory Committee (RHTAC). The RHTAC recommends three changes to the Retriever Hunting Test entry process. Clubs that limit the number of entries they will accept in their Master level test: (1) must advertise a date and time when entries will start to be accepted, (2) must establish a "first in – first out" waiting list, and (3) may choose to set aside 15% of the Master level test entries for event workers. A fourth recommendation is to allow the use of shotgun simulators in Retriever Hunting Tests. This will be discussed further at the March meeting.

Danish-Swedish Farmdogs Eligible to Participate in AKC Herding Events

The Board reviewed a recommendation to allow the Danish-Swedish Farmdog breed to participate in the AKC herding program. The breed is enrolled in the AKC Foundation Stock Service program. This will be discussed further at the March meeting.

CONFORMATION

Doug Ljungren, Alan Slay, Bri Tesarz, and Mari-Beth O'Neill, AKC Staff, participated in this portion of the meeting.

Modification of Points Schedule Formulation

The Board viewed a Staff proposal to modify the conformation points schedule calculation by excluding events with breed judging held near a designated Parent Club National Specialty Club. Following a motion by Dr. Battaglia, seconded by Dr. Garvin, it was VOTED (unanimously) that breed judging within 50 miles and plus/minus three days of the Parent Club designated National Specialty show be excluded

from the points-schedule calculation process. The modified points schedule formulation process will be implemented in the next points schedule which has an effective date of May 15, 2015.

All Parent Club shows will continue to be excluded from the point schedule process. This modification will also exclude breed judging held in conjunction with the one show designated as their National Specialty.

Reserve Best Junior Handler

The Board reviewed a recommendation to revise the Conformation Junior Showmanship Regulations and Guidelines for Judging Juniors in Conformation to include the awarding of Reserve Best Junior Handler. There was a motion by Mr. Gladstone, seconded by Mr. Powers, it was VOTED (unanimously) to revise The Conformation Junior Showmanship Regulations and Guidelines for Judging Juniors in Conformation as follows: (revisions underlined)

Section 5:

E) Best Junior Handler. A club offering Junior Showmanship must offer Best Junior Handler. If a prize is offered, it must be described in the premium list in accordance with Rules Applying to Dog Shows Chapter 5, Section 5. The Junior Handler placed first in each of the regular Junior Showmanship Classes, if undefeated in any other Junior Showmanship Class at that show, shall automatically be eligible to compete for Best Junior Handler.

F) Reserve Best Junior Handler. A club offering Junior Showmanship may offer Reserve Best Junior Handler. If a prize is offered, it must be described in the premium list in accordance with Rules Applying to Dog Shows Chapter 5, Section 5. After the judge has awarded the Best Junior Handler, the second place winner from the class that the Junior was awarded Best Junior Handler is to return to the ring to compete for Reserve Best Junior Handler.

Section 13. Ribbons and Prizes. The color of ribbons or rosettes for Junior Showmanship Classes shall be:

First Prize - Rose

Second Prize - Brown

Third Prize - Light Green

Fourth Prize - Gray

Participation Ribbon for Novice Class exhibitors that do not receive a placement at the option of the Club - Light Blue. This ribbon is not required to have the club name and date.

Best Junior - Rose and Green

Reserve Best Junior - Rose and Gray

These revisions will be effective on October 7, 2015, in order to be consistent with the "Top 10" Junior competition calendar year.

Reserve Best Owner-Handled in Show

The Board reviewed a recommendation to allow for the awarding of Reserve Best Owner-Handled in Show at National Owner-Handled Series events effective October 8, 2015. This will be discussed further at the March meeting.

The Board Adjourned at 5:30 p.m.

Meeting reconvened on Friday, February 13, 2015 at 8:15 am. All Directors were present, as were the Executive Secretary and the Assistant Executive Secretary.

Alan Slay and Bri Tesarz, AKC Staff, participated in this portion of the meeting via video conference.

Limiting Specialty Clubs to Two Days of Shows Per Year

The Board reviewed a memo from the Staff that looked into modifying the Limited Number of Events Policy specialty clubs to allow specialty clubs to hold two days of shows per calendar year rather than two shows per calendar year. There was also discussion about allowing clubs to hold one additional show per year in conjunction with their National Specialty. This will be discussed further at the March meeting.

Change to Rules Applying to Dog Shows, Obedience Regulations, and Tracking Regulations to Allow for Electronic Documents

Based on a request from the Board at the June meeting, Staff reviewed the requirements for clubs to publish printed materials for their events (conformation, obedience, rally, and tracking), specifically premium lists, judging programs, and catalogs, and to seek input on these requirements from the Delegate Dog Show Rules Committee, Companion Events Committee, and the All-Breed Clubs Committee. Staff was asked to consider changes that can reduce the administrative burden on clubs while still meeting the needs of exhibitors. This will be discussed at a future Board Meeting.

Conformation Judges' Books

Staff was directed to review the various formats being used for conformation judges' books. There was agreement that one format should be used by all clubs and superintendents. This had previously not been followed through by superintendents. This will be discussed at a future Board meeting.

Allowing All-Breed and FSS Parent Clubs to Host FSS Open Shows

The Board reviewed the Staff recommendation to expand the clubs that may hold FSS Open Shows by (1) allowing all-breed clubs to host FSS Open Shows, and (2) allowing any FSS breed Parent Club to hold an FSS Open Show for all FSS (including Miscellaneous Class) breeds. Currently FSS Open Shows may only be held by FSS breed clubs approved as the Parent Club. Additionally, FSS breeds that are eligible to be shown in the Miscellaneous Class can host FSS Open Shows for their breed only or for all FSS (including Miscellaneous Class) breeds. This will be discussed further at the March meeting.

Certificate of Merit Title Expansion

The Board reviewed the Staff proposal to allow Certificate of Merit points to be awarded in the regular puppy classes. Currently Certificate of Merit points are awarded to FSS breeds participating in FSS Open Shows and Miscellaneous classes and fully recognized breeds participating in the 4-6 Month Beginner Puppy competition (BPUP). The Board also discussed a proposal to count a Certificate of Merit as one point towards a championship.

Staff was directed to consider modifying the certificate point schedule and the proposal will be discussed at the April meeting.

Compressing the Show Day Survey

Based on a Board request, Staff conducted a survey to determine if participants in the sport thought that the show day was too long and, if so, what are some actions that could be taken to compress the length of the show day. The Board reviewed the survey results.

Most of the survey respondents do not feel that compressing the length of the show day is a very important issue in the sport. Many respondents are in favor of more flexibility in when to start group judging, when to post the order of group judging, and changing the order of group judging to accommodate a more efficient show. The clubs have all of these options available to them today. The respondents do not support judging more than one group at the same time or having fewer published starting times within a block. They feel that scheduling the judging of 25 dogs per hour is appropriate, that clubs/superintendents do a good job scheduling judging, and the judges have the most responsibility for the efficient judging of a show.

Based on the results of the survey, AKC Staff will remind clubs of the flexibility they have in the scheduling of groups as well as the support they will have within the sport to make use of the flexibility.

Further Reduction of Initial Processing Time

At a recent Board meeting it was reported that the average time between receiving an application/panel and the initial processing of the application/panel is at two-year low. The Board and Staff discussed what Event Operations has planned to achieve a further reduction in initial processing time.

Multiple All-Breed or Limited Breed Shows in One Day Follow-Up

At the December 2013 meeting, the Board approved a pilot program for multiple all-breed or limited breed shows in one day, allowing flexibility by the clubs. The pilot program was approved with the stipulation that after one year of implementation, the success would be assessed. As of February 1, 2015 eight of these pilot events have taken place, with an additional five currently scheduled. Staff plans to continue the pilot program under the current format and will encourage participation by more clubs by directly communicating with eligible clubs about the pilot program.

Staff was directed to consider how Group Club and All-Breed Club events could be held simultaneously and to report back to the Board on this at the April meeting.

Interpretation of Entry Receipt

The Board and Staff discussed the longstanding interpretation of Chapter 11, Section 4, of the *Rules Applying to Dog Shows* which defines the conditions of an acceptance of an entry as:

No entry may be accepted unless the Superintendent or Show Secretary, named in the premium list to receive entries, receives such entry:

- prior to the closing date and hour as published in the premium list
- and in the case of a limited entry, prior to the time the limit is reached.

Superintendents (and some show secretaries) commonly use post office boxes for the collection of entries. There has been an interpretation of this rule by Event Operations that the receiving of an entry in the post office box prior to the closing date and time is in compliance with the rule and considered to be received by the superintendent/show secretary. The Board concurred that going forward, entries must be physically in the Post Office Box of the superintendent prior to the closing date and time of the show in order to be considered acceptable.

Board Policy will continue to deny the acceptance of entries in situations where a customer contracts with a delivery service to deliver their entries prior to the closing date and time, but the delivery service fails to meet their service level and the entries are marked as delivered after the closing date and time.

Events and Entries Update

Staff gave a year-end report on entries and events for the twelve month period ending December 31, 2014. Entries were down 1% and Events were up by 2% compared to the same period in 2013.

In the case of conformation, all-breed, group and specialty shows, entries were down 2%, up 3%, and down 2% respectively.

JUDGING OPERATIONS

Tim Thomas, AKC Staff, participated via video conference for this portion of the meeting.

Reinstatement of Judging Privileges: Michael Heflin

The Board reviewed a request for the reinstatement of Mr. Michael Heflin's judging privileges, which was received by Judging Operations on January 7, 2015. The Board denied the request.

Judging Approval Process Implementation Plan

Ms. Cruz made the following motion:

I move that further consideration of the proposed Judging Approval Process, in its current form, be suspended at the time because: 57,000+ surveys actually delivered out of 70,000

sent with just 750 replies (these replies constituted about 1.3% of those delivered and 1% of those sent, a number of those lack sufficient statistical significance for any kind of possible meaningful analysis); insufficient time was provided for response and to poll club memberships; changes and clarification of wording in the document has been made AFTER survey was sent which may have altered some responses; and, that the Board instruct the Staff to prepare a survey to be sent to judges, exhibitors, breeders, Parent, local All-Breed, Group, specialty clubs and that this survey be short, facilitating yes or no replies to eliminate essay-type answers. There should be a one-year window for reply to allow for annual club meetings; and, the Judges' Task Force is to be apprised AFTER the new survey is complete and analyzed and the results have been evaluated after the one year survey period.

There was no second to this motion.

The Board reviewed an outline for a plan on how the proposed Judging Approval Process would be implemented, if approved. The re-written version incorporating much of the input received is to be reviewed by the Board and then sent to all segments of the Fancy for comment prior to the Board considering it for adoption.

Conformation Judging Application Quarterly Statistics

The Board reviewed the quarterly Judging Application statistics which relate to conformation judging applications considered by the Judges Review Committee.

The Judges Review Committee acted on the applications of 21 New Breed Judge Applicants and 38 Additional Breed Judging Applicants.

COMPLIANCE

Jack Norton, AKC staff, participated for this portion of the meeting via video conference.

(Final Board Disciplinary actions are reported on the Secretary's Page.)

Enhancements to the Inspection Candidate List

Based on a request from the AKC Board, Staff presented enhancement to the criteria used to identify inspection candidates based on the number of dogs listed in an individual's recorded ownership. Additionally, Staff advised how the number of individuals that are operating or assisting with the care of the dogs at the inspection location is taken into consideration during each inspection..

The following AKC Management actions were reported:

REGISTRATION DEVELOPMENT

Mark Dunn, AKC Staff, gave a report on registration trends.

CONSENT

Following discussion, there was a motion by Mr. Arnold, seconded by Ms. Cruz, it was VOTED (unanimously; absent Mr. Wooding) to approve the following Consent Items:

Delegates Approved

Dean Burwell, Lake Wylie, SC
To represent Piedmont Kennel Club

Marla Capozzi, Manorville, NY
To represent Toy Dog Breeders Association of Southern California

Catherine Cooper, Martinsville, VA
To represent Greater Swiss Mountain Dog Club of America

Margaret DiCorleto, Lasacassas, TN
To represent Chow Chow Club

Joyce Engle, Bel Air, MD
To represent Northeastern Maryland Kennel Club

Kara Gordon, Midland, MI
To represent Bulldog Club of Philadelphia

Walter O'Brien, Fort Valley, GA
To represent Macon Kennel Club

Jeannette O'Hanlon, Selkirk, NY
To represent Staffordshire Terrier Club of America

Crystal Messersmith, Columbia, SC
To represent Columbia Kennel Club

Janet Vining Mitchell, Santa Barbara, CA
To represent Channel City Kennel Club

Thomas Pincus, Houston, TX
To represent Houston Kennel Club

Johnny Shoemaker, Las Vegas, NV
To represent Redwood Empire Kennel Club

Retirement of Kennel Name

The Board VOTED to approve the request from the English Springer Spaniel Field Trial Association, Inc. to retire the kennel name "Salilyn" for English Springer Spaniels used by the late Mrs. Julia Gasow.

NATIONAL OWNER-HANDLED SERIES (NOHS)

The Board reviewed the success and increased participation in NOHS, which made the phasing out of any mandatory component appropriate.

There was a motion by Ms. Cruz, seconded by Mr. Ashby, and it was VOTED (unanimously; absent Mr. Wooding) that the Owner-Handled Series be made an Opt-In Program, effective for shows held on or after January 1, 2016, rather than mandated and that clubs be permitted to hold other non-regular events without having to incorporate NOHS in their schedules.

PENSION AND INVESTMENT COMMITTEE

Joseph Baffuto, AKC Staff, was present for this report.

Dr. Garvin gave the report for the Pension and Investment Committee. The Committee met with representatives for New York Life, which manages AKC's employee pension plan funds, as well as the funds in the employee 401K Plan. The Pension Plan was frozen in 2011. The Committee also met with

representatives of the Atlanta Consulting Group and Goldman Sachs, each of which manages half of AKC's reserves.

FCI RESTRICTION ON AKC JUDGES

The Board reviewed the situation where AKC judges had been "blacklisted" from judging at FCI shows held in the FCI's ASIA PACIFIC SECTION. The Section action was based on the judges having judged at non-FCI shows in a country where there was an FCI club. The AKC President and Executive Secretary had spoken directly to the FCI President on October 15, 2014 after this blacklist came to the attention of AKC. He indicated that the FCI Executive committee had no advance knowledge of and had not approved this action. While promised a reply by November, when the FCI Executive Committee was to meet, no communication was received as of the February, 2015 Board meeting.

The AKC Board was advised by one of its members, that FCI has rescinded the blacklist, while not reinstating any assignments cancelled under it, and effective February 1, 2015, the FCI ASIA PACIFIC SECTION has announced that any AKC judge who judges a non-FCI show in a country with an FCI member runs the risk of not being approved for future FCI assignments at FCI shows in the ASIA PACIFIC SECTION.

Staff was directed by the Board, without dissent, to communicate to FCI and to the ASIA PACIFIC SECTION of FCI that:

- Effective immediately, no FCI judge from a country within the FCI ASIA PACIFIC SECTION where there is a full FCI member registry will be approved to judge an AKC show. This would apply to any future applied for or previously approved assignments.
- In 90 days after the notification is sent to FCI that unless the threat to AKC judges made by the FCI ASIA PACIFIC SECTION is rescinded, and AKC officially notified accordingly, no FCI judge would be approved to judge an AKC show. This would also apply to any future applied for or previously approved assignments.

Both of the above actions would only apply to the judges of Full FCI members and not to the judges of FCI Associate members and contract partners, neither of which hold FCI shows.

NEW BUSINESS

Dr. Battaglia reported on an independent conference call concerning Junior Showmanship. He addressed the status of litter registrations in low entry breeds.

It was VOTED to adjourn Friday, February 13, 2015 at 4:10 pm.

Adjourned

Attest:

James P. Crowley, Executive Secretary