

AMERICAN KENNEL CLUB
Delegates Meeting
March 10, 2015

Dennis B. Sprung, President in the Chair, called the meeting to order at 9:03 a.m.

The National Anthem was played.

The Chair introduced the persons seated with him on the dais: Chairman, Alan Kalter; Vice Chairman, Dr. J. Charles Garvin; Doris Abbate, Professional Registered Parliamentarian; Jim Crowley, the Executive Secretary and Linda Jorritsma, the court reporter.

The Executive Secretary read the report on the Nominating Committee and of the additional nominations, as follows:

Mr. Crowley: Pursuant to Article VIII of the Bylaws of the American Kennel Club, the Nominating Committee: Wayne Boyd, Chair, Bayou Kennel Club; Connie Clark, American Fox Terrier Club; Linda Ayers Turner Knorr, Greenville Kennel Club; Gail LaBerge, Atlanta Obedience Club; Steve Schmidt, Texas Kennel Club, appointed by the Board of Directors at its July 2014 meeting, has nominated the following Delegates as candidates for such vacancies on the Board of Directors as are to be filled at the next annual meeting of the club on March 10, 2015. There are three vacancies for the Class of 2019: Dr. Carmen L. Battaglia, German Shepherd Dog Club of America; Dr. Thomas M. Davies, Springfield Kennel Club; Steven D. Gladstone, Waterloo Kennel Club.

Pursuant to Article VIII of the Bylaws of the American Kennel Club, the following Delegates have been endorsed in writing by the required number of Delegates as a candidate for vacancies on the Board of Directors for the Class of 2019 to be filled at the next annual meeting of the club on March 10, 2015: Robert A. Amen, Port Chester Obedience Training Club; Dr. Gregory J. Paveza, Elm City Kennel Club.

(There was a brief recess and Delegates cast their ballots.)

Mr. Sprung reported on the passing of several Delegates as follows:

Robert Black, Delegate of Hatboro Dog Club since March of 1995, and Secretary of the All-Breeds Committee, died on December 13th.

Rose Kilgus, Delegate of Corn Belt Kennel Club since July 2003, died on January first.

Joachim Blutreich, Delegate for Piedmont Kennel Club since February 2004, died on January 4th.

On January 31st, we lost Patricia Scully, Delegate for the Obedience Training Club of Hawaii since July of 1985. Pat served four terms on the AKC Board of Directors, chaired the Companion Events Committee, and was the 2012 Companion recipient of the AKC Lifetime Achievement Award.

William Blair died on February 6th. Bill was one of two current Delegates with the longest continued service. He became a Delegate for the Pekinese Club of America in June of 1970, served until the end of 2005. In 2006, Bill became the Delegate for the Upper Suncoast Dog Training Club; and from 2007 to the present, he was the Delegate for the Progressive Dog Club. Bill also served on two Delegate committees.

The Chair called on James Crowley who read the names of Delegates seated since the last meeting, as follows:

John G. Buddie, to represent Collie Club of America

Dean Burwell, to represent Piedmont Kennel Club

Marla Capozzi, to represent Toy Dog Breeders Association of Southern California

Catherine Cooper, to represent Greater Swiss Mountain Dog Club of America

Margaret DiCorleto, to represent Chow Chow Club

Joyce Engle, to represent Northeastern Maryland Kennel Club

Kara Gordon, to represent Bulldog Club of Philadelphia

Dr. Andrew A. Kramer, to represent Norfolk Terrier Club

Steven C. McAdams, to represent Illinois Valley Kennel Club of Peoria

Crystal Messersmith, to represent Columbia Kennel Club

Janet Vining Mitchell, to represent Channel City Kennel Club

Walter O'Brien, to represent Macon Kennel Club

Janet O'Hanlon, to represent Staffordshire Terrier Club of America

Thomas Pincus, to represent Houston Kennel Club

William Russett, to represent Richland Kennel Club
Dr. Barbara Schwartz, to represent Saccarappa Obedience Club
Johnny Shoemaker, to represent Redwood Empire Kennel Club
Adrienne Soler, to represent Woodstock Dog Club
Kimberly Washington, to represent Staffordshire Bull Terrier Club of America
Robert Widden, to represent Great Western Terrier Association of Southern California

The following Delegates, who were attending their first meeting since approval, were introduced from the floor:

Virginia Brookings, DVM, to represent Shreveport Kennel Club
John G. Buddie, to represent Collie Club of America
Dean Burwell, to represent Piedmont Kennel Club
Marla Capozzi, to represent Toy Dog Breeders Association of Southern California
Margaret DiCorleto, to represent Chow Chow Club
Joyce Engle, to represent Northeastern Maryland Kennel Club
Kara Gordon, to represent Bulldog Club of Philadelphia
Dr. Andrew A. Kramer, to represent Norfolk Terrier Club
Crystal Messersmith, to represent Columbia Kennel Club
Walter O'Brien, to represent Macon Kennel Club
Janet O'Hanlon, to represent Staffordshire Terrier Club of America
Thomas Pincus, to represent Houston Kennel Club
William Russett, to represent Richland Kennel Club
Kathy Sanders, Ingham County Kennel Club
Dr. Barbara Schwartz, to represent Saccarappa Obedience Club
Adrienne Soler, to represent Woodstock Dog Club
Anne Testoni, to represent Concord Dog Training Club
Kathie Vogel, Tidewater Kennel Club
Kimberly Washington, to represent Staffordshire Bull Terrier Club of America

The minutes of the December 12, 2014, Delegates meeting which were published on the January 2015 AKC online Gazette were adopted.

The Chair called on Alan Kalter for the Chairman's report.

Mr. Kalter: As I am sure you will recall, before Ronald Reagan became President of the United States, he had a very successful career as a television and film star and as the head of the Screen Actors Guild. What you might not remember was his long-running role as GE spokesman. Starting in 1954 Reagan appeared as the host of the General Electric Theater every Sunday night. The GE slogan then was "progress is our most important product." And every Sunday night Reagan explained the progress GE was making.

Today, I will take my cue from President Reagan and talk about the progress the American Kennel Club is making.

Our progress is usually reported to you in year-over-year comparisons. Certainly that is good business practice. But I believe progress can be best understood when viewed over time. It's like watching the puppy at home grow over time versus seeing the littermate six months later at a show. The change is surprising even though your puppy has grown just as much.

A good place to start is a look at financial performance. Like your clubs, a strong financial performance means you can do more in the future. For the AKC, our ability to deliver our mission is made possible by the health of our finances. In 2010, our health wasn't as good as we would have liked. That year we had an operating loss of over \$400,000. Staff and your Board worked together to address the business challenges with good results. For 2014, operating profit was almost \$6 million. During that same five-year period from 2010 to 2014, AKC's total assets increased by one-third to almost \$140 million.

Some of that growth has come from new programs like Canine Partners, which grew 600% to \$900,000 in AKC revenue (and also delivered over \$1.5 million in entry fees to clubs); CGC/Star Puppy which grew 54% to almost \$1,000,000; GoodDog Helpline which ended its first year with revenues of almost \$900,000; Global Services, which grew 145% to almost \$300,000, and a brand new product – ReggieBox – which delivered almost \$250,000 in its first year.

Our financial success allows us to deliver on our mission – and to keep expanding our programs.

Certainly, a crucial part of our mission is our events. Participation in our events grew from about 3 million entries in 2010 to about 3.2 million entries in 2014. Just to be clear, events do not make money. They never have. Our goal is to have them break even, but we have a long way to go. For now, we invest in our events and will continue to do so.

Our healthy financial picture enables our commitments of support for the AKC Canine Health Foundation, with cash and in-kind contributions totaling \$800,000 last year; provides financial

aid for veterinary students; provides the management of the AKC PAC, as allowed by Federal law; provides responsible breeding and dog ownership education; provides our government relations team headed by Sheila Goffe to help grassroots efforts for laws that truly benefit dogs; and provides a robust public relations program to engage the public with the AKC, build greater awareness of responsible breeders, and further the understanding and desirability of purebred dogs. None of that would be possible without a financial performance like last year.

For the first time in a decade, last year's total number of dogs registered was higher than the total of the prior year. Mark Dunn's leadership with the support of marketing, operations, and field staff all contributed to that progress through various initiatives, including: our Good Works campaign that directly links registration of a puppy to fund activities that protect and support all dogs, and the people who love them; our Breeder of Merit program which to date has directly resulted in the registration of more than 200,000 dogs; our Unregistered Dog Program that partners with breeders to help owners complete the registration of their new dog; and our newest initiative, Breeder EZ Reg, that allows breeders to complete a full litter registration online.

AKC's public outreach has enjoyed significant progress, also. Our PR program delivered 33% more clips in 2014 than 2010. And those clips had more views than ever before – from 4 billion in 2010 to a total audience of almost 26 billion in 2014 – and that was without Meet the Breeds in 2014.

In the past couple of years we have taken on many challenges that some people thought were not believable. Through our commitment to relentless positive action, we are on the path to making the unbelievable, achievable. While we continue to face challenges in registrations, event participation, club sustainability, and legislation, I am excited about how we are preparing for the future.

At the crux of our future plans is an understanding of some crucial facts. Our core constituency of clubs, exhibitors, judges, and breeders represents about 105,000 households. However,

today in America about 57 million households have at least one dog. What causes that gap?

Our research revealed the vast majority of people with dogs in their lives have great respect for the AKC. They just do not find us relevant to them. In fact many do not even think they are welcome.

The first step in changing that perception has been our social media efforts. For years our Facebook outreach languished in the tens of thousands – which makes sense if the prevailing thinking is we are not relevant to most dog owners. Two years ago we began changing that perception. Today, AKC’s social media reaches almost three million people. Engagement, or people talking about us, peaked at an incredible 148%, a colossal number compared to benchmark and competitor engagement of less than 3%. In fact, the total reach of our entire social media audience was 35.6 million people last year.

There are numerous examples of how our social media and PR efforts are getting people to not accept perception as reality, but instead see our reality as their perception. The Los Angeles Times, which in the past accepted PETA’s view, noted the following after visiting Meet the Breeds in New York last month:

This may or may not be news to PETA, but even if you're made a little queasy by the way humans have shaped the dog gene pool, and even if you'd never dream of not adopting from a shelter, you'd still be hard pressed to find among the Meet the Breed gang anything but animals that are deeply loved and responsibly bred.

“Responsibly bred.” We are now seeing social media leading news media to the understanding that there are differences between breeders - and the AKC represents the responsible breeders.

I believe we are at the tipping point of bringing the distinction of responsible breeders to the forefront of the conversation about purebred dogs. It is a conversation we will fuel through our current efforts and some new ones this year.

We recently released two breeder myth videos that speak to the positive qualities of purebred dogs and responsible breeders – and they reached more than 1.5 million people with the truth about responsible breeding.

The redesign of AKC.org will fast become the hub for everything about dogs, for everyone who loves dogs. Chris Walker and his team are creating a platform that will be the pathway to the 57 million dog households in America. As with any new digital release, there are bound to be corrections and improvements along the way – just like the apps on your phone get upgraded to improve the experience. The first phase of improvements to AKC.org are mostly executed now. Probably the best measurement of its success is growth in users – now over four million – with 58% being new visitors. In addition, the number of daily sign-ups to create a personal login went from 150 per day prior to the new website to 3000 per day after the launch – a 20X increase driven solely by the redesign!

We know new visitors come to AKC.org primarily to learn about breeds and find a responsible breeder. The ability for owners to upload photos of their dogs is a breakthrough concept that is singularly driving engagement to new heights. People who thought we would not welcome them or their dogs are amazed that we encourage them to share the photos of their purebred dogs on our website. Suddenly for them, AKC goes from not accepting of them and their dogs, to giving them a warm embrace. We are working with Parent Clubs to further enhance the new breed profile pages and improve the experience for the public.

Soon, we will launch a new breeder listing section with improved breeder profiles, including custom breeder websites. The new listing will include both breeders' dogs and rescue dogs from our Parent Club approved rescue network.

The website will also become the hub for our new health microsite – an education resource for breeders and owners. This will allow us to engage and educate a wide scope of breeders on best breeding practices and health screening. The health microsite works in tandem with the soon-to-be launched Bred with H.E.A.R.T. program that creates a resource for the general

public to find puppies from responsible breeders who are demonstrating a validated commitment to continuing education and health testing. In addition, we will be announcing our new Chief Veterinary Officer very soon; the doctor will have an important role in this site, also. As we are creating a new focus on breeds and breeders, we are also creating a new focus on our clubs. For those clubs interested in expanding their membership, we will have programs to inform and connect owners of the opportunities for their breed and their area – no matter what their interest might be. Stay tuned for more about those initiatives.

We recognize that not all dog owners have an interest in competing. Some just want to enjoy fellowship with a shared interest – their particular breed or community. The marketplace is a dynamic ecosystem that abhors a vacuum. Owners perceived a lack of organized interaction for fun, so they created their own. They are loosely called “meetup groups.” They are ubiquitous and they are robust, with local membership that dwarfs ours. We have reached out to some to learn more and to understand how we could become part of that experience. I believe this concept could become a gateway to bringing new members to our clubs and new participants to our events - much like the Boy Scouts, Girl Scouts and 4-H clubs do now.

As a learning experience for us, we recently held a CGC test for a meetup group in New York and 18 dogs earned their title in one night. It was an amazing experience for the owners – they didn’t realize their dogs could achieve success and they certainly did not realize there is a place for them in the AKC world. We learned an important lesson that night: inclusion goes a long way to change people’s hearts and minds.

In 2015 we will be expanding our club event support program. We have an email-marketing program for AKC sanctioned matches that invites AKC registrants within 100 miles of the event to attract potential new exhibitors and club members. If you have a sanctioned match coming up, please notify Stephanie Smith (sxs2@akc.org) so we may be of help in promoting your match. There is no charge to the club for this service.

We are producing a Marketing the Sport eBook providing tips about how to best promote your shows, trials, and events. Interviews with successful cluster chairs about how they have increased show entries and public gate, successfully promoted their events, and recruited new club members will be included. The eBook will be available in the second quarter. You'll be getting yours in the mail before it goes out. We have made great progress in the last five years. I am pragmatically optimistic that with your partnership we will make even greater progress in the next five years. I believe that because I know we all do this for one common purpose. I found a video on YouTube that I believe expresses that common purpose quite well. <https://www.youtube.com/watch?v=IJ7AfSO2fKs>

Let's take a look.

(Video played.)

Mr. Kalter: About 10 years ago, I brought two simple sentences to Dennis Sprung in response to his quest for a definition and rallying cry for the AKC: "We are more than champion dogs. We're the dog's champion." I know everyone on the staff of AKC and all of you believe that, because you all live it. Today, that commitment to dogs will help the American Kennel Club continue on its path of progress. We must believe in ourselves, take courage from our ideals, and stand tall. The dogs deserve nothing less. Thank you.

The Chair called on the Chair of the Tellers Committee, Kim Johnson of KPMG, who read the results of the balloting for the class of 2019, as follows:

Ms. Johnson: The total number of ballots cast was 358. There were no invalid ballots.

Therefore, the majority to elect was 180. The results of the ballots were as follows: Robert A. Amen, 151; Dr. Carmen L. Battaglia, 209; Dr. Thomas M. Davies, 211; Steven D. Gladstone, 201; Dr. Gregory J. Paveza, 118.

The Chair declared that Dr. Carmen L. Battaglia, Dr. Thomas M. Davies, and Steven D. Gladstone, were duly elected as members of the Class of 2019.

The Chair gave the President's Report as follows:

There are a number of items to share with you this morning.

AKC Meet the Breeds last month was another successful opportunity to broaden our reach to many dog lovers and prospective owners, and educate them on the right purebred for their lifestyle. We teamed up with our friends at the Westminster Kennel Club and thank them for including Meet the Breeds at the Piers on Saturday during the annual Masters Agility Championship two days prior to breed judging. Moving from the Javits Center turned out to be a prudent choice that exceeded expectations. With the help of our dedicated parent clubs, proactively we educated thousands of individuals and families about the wonders of our purebred dogs. We were proud to have 120 elected officials serve as honorary chairpersons. This significant participation amongst lawmakers and public figures fosters the goodwill that helps us protect the rights of owners and promotes the American Kennel Club as the epitome of responsible dog ownership.

So, on behalf of AKC, once again I thank our parent clubs and their volunteers, and also our generous sponsors, Pet Partners Dog Health Insurance and Purina ProPlan. We look forward to hosting and enhancing Meet the Breeds at the Piers again in 2016.

The AKC Humane Fund enjoyed special support in February with its eighth successful Barkfest at Bonhams. Westminster as well honored the Fund with generous contributions from their prestigious art poster program, donating the original work of art as well as \$10,000, presented during evening group judging. As a reminder, the Humane Fund is an independent affiliated organization that provides grants to domestic violence shelters to equip them to accept abused women and their pets and also offers grants to parent clubs for their breed rescue efforts. I

encourage every parent club who is active with rescue to visit akchumanefund.org and apply for funding.

The third item being: In October I presented a real estate opportunity to the Board regarding our North Carolina office space. Having surplus room and rather than subleasing the no longer required square footage, I was able to execute a contract to surrender one-half of a floor. This resulted in a net savings of \$1.8 million over a five-year horizon. Importantly for our business in the years ahead: During this same timeline I worked with my North Carolina management team who performed superbly to transition 46 Registration and Customer Service Department employees into remote at-home work stations. Aside from providing an enhancement for personnel, this change seamlessly benefits AKC by ensuring quality service to customers on an ongoing basis. In addition, this business action eliminates large potential future costs of relocation, recruitment, and training.

Last but certainly not least, I am delighted to introduce you to Michael Basone, our new Vice President of Technology. Michael, formerly the President and Chief Technology Officer of WeightWatchers International, will be responsible for driving AKC's digital transformation, discovering technology efficiencies across all departments and creating an agile, nimble framework that will benefit our core constituents and other customers. Michael, welcome. Please stand

The Chair called on Joseph Baffuto, the CFO, who gave the Financial Report as follows:

Good morning, everyone. Thanks to all for joining us today. I'm very appreciative and enthusiastic for this first opportunity as CFO of the American Kennel Club to provide you with the financial performance report for our 2014 year. The highlights of the 2014 audited AKC Consolidated Financial Statements are available for your reading pleasure on the Delegates' Portal. Just so all readers are aware, as a required treatment of generally accepted accounting

principles, GAAP, the audited financials consolidate the activities of AKC, AKC Reunite, the AKC PAC, and the AKC Humane Fund. The 2014 audited financials reflect an increase in unrestricted net assets of \$5.7 million. I'll just briefly mention how this amount was derived from each entity. First, AKC's operating profit was just below \$6 million, which is net after non-budgeted items of more than a half a million dollars. Next, AKC Reunite's total operating deficit was just under 300,000. However, please bear in mind, this operating deficit included total costs of \$1.4 million paid back to AKC for various services and program support throughout the year. The AKC Humane Fund had operations just in excess of \$100,000. Lastly, the AKC PAC operated even with \$33,000 in contributions during 2014. In our best interests here today, I will now purposely focus on the 2014 results of AKC rather than the consolidation and affiliate results. Our core registration revenues in 2014 were equal to that of the prior year at \$27 million. In 2014, we registered approximately 481,000 dogs and 210,000 litters, in comparison to 479,000 dogs and 214,000 litters in 13. Over the previous five years, we annually averaged a 7 percent decline in dogs and an 8.75 percent decline in litters. So what may seem as small in this one-half of 1 percent increase in dogs and 2 percent decrease in litters from 2014 -- from 2013 represents progress and an improvement of news for the AKC. Our next largest area of revenue is that of events. There were just over 19,000 events with just under 3.2 million entries garnering more than \$15.5 million in related revenue. Additionally, there were solid revenue increases in 2014 from various other programs. In particular, our Canine Partners Program increased by \$178,000. Our ReggieBox sales grew by 210,000, and our GoodDog! Helpline provided an additional \$618,000 in revenue during 2014. However, with every rose there is a thorn. AKC experienced a deep decline in our royalties and sponsorships of near \$2.5 million in 2014. This is almost entirely due to the expiration of our affinity card program for which we are now rebuilding from the ground up. Despite this significant fall-off in royalties and sponsorships, AKC's total revenue of \$59.7 million in 2014 nearly matched that of \$59.9 million in 2013. AKC's total expenses of \$53.8 million in 2014 represented a slight, almost 2 percent increase, from the

previous year. This increase was most attributable to additional efforts put forth in marketing. And there were also relatively smaller increases in our travel costs, along with some additional spending in our events areas. The AKC Bylaws require that the total amount of Board of Directors' related expenses be reported annually to the Delegate body. In 2014, that amount was \$264,324. I'd also like to quickly mention our investment results for 2014. The year brought AKC positive results; however, these results were nearly not as impressive as market record-breaking performance of 2013. Our investments generated a gain of more than \$1 million, or better than a 2 percent return on our portfolio. We expect these positive operations and results going forward in 2015. Moving from our AKC operating statement, I would next like to focus our summary on our consolidated balance sheet. Total assets increased by \$6 million to \$139.2 million as of December 31st, 2014. This was primarily due to the combined increase in our cash and investments. Having positive cash flow is always a great thing. Total liabilities increased by more than \$23.5 million at the year ended December 31st. This increase is entirely attributable to higher accrual amounts for our post-retirement and pension plans. These amounts are annually calculated by an independent actuary based upon a number of assumptions. In 2014, two major factors affected our liabilities. First, continued historically low interest rates. These low rates factor into our plan's discount rate, and in turn, increase our projected liability. This factor accounted for almost \$12 million of our total increase. The second factor relates to a change in actuarial mortality tables being utilized. The change in the tables signified that individuals are continuing to live longer. This also increased our liability by almost \$8 million. Unfortunately, we truly have no control over these assessments. However, we may take solace in the fact that we are not alone, since all organizations nationwide that sponsor a pension plan are also suffering from these types of adjustments. These non-cash expenses will decrease in the future ahead since it truly no longer is a matter of if but a matter of when interest rates begin to rise from the record lows. Finally, on the consolidated balance sheet, we will now briefly examine our unrestricted net assets. We show an operating reserve of \$32.5 million and a Board-designated

reserve for long-term purposes of just nearly \$84 million. These reserves, along with our positive cash flow, will continue to allow AKC to meet a myriad of challenges and endeavors in the future. We all are appreciative and enthusiastic about the AKC in 2015 and beyond. Thanks very much for the opportunity and your attention this morning. I will be available up front here after the meeting if anyone would like to discuss the report, and safe travels home.

The Chair thanked Mr. Baffuto and indicated that this was first report to the Delegate body since being elected CFO by the Board of Directors in December of 2014.

There was a vote on the proposed amendment to Chapter 11, Section 1 of the *Rules Applying to Dog Shows*. This amendment changes the time frame of when the limited registration must be removed for a dog to compete in a breed competition. This amendment was published in two issues of the online AKC Gazette and on the worksheet previously emailed to Delegates. The Board recommended its approval. The amendment was adopted, effective July 1, 2015.

The Chair called on the Executive Secretary who read the proposed amendment to Chapter 2, Sections 1 through 16, of the *Rules Applying to Dog Shows*, as follows:

Mr. Crowley: This amendment is to Chapter 2, Sections 1 through 16, of the *Rules Applying to Dog Shows*.

It would make the following changes: Deletion of the word "member" from Section 2 would bring the rules into compliance with current operating procedures. Changes to Section 3, requires a club to hold events in their territory to retain exclusivity and only provides exclusivity for a defined period of time surrounding the show date. Additionally, an appeals process is outlined for clubs that believe permission to hold a show within another club's territory has been unreasonably withheld.

The deletion of Sections 5 through 7 removes outdated and repetitive language. Sections 8 through 16 will be renumbered accordingly. Changes to the new Section 14 which was previously 17 allows clubs to have digital copies of required documents rather than hard copies. There will be one editorial change from the worksheet that you received as opposed to what's going to be published and voted. Since Rally is now in a separate book from the Obedience regulations, we are adding the Rally Regulations to the list of publications required, if applicable. The amendments were approved by the Dog Show Rule Committee and the Board of Directors. It will be published in the online Gazette and you will be asked to vote on it at the June 2015 meeting. The full text is on the worksheets previously emailed to you along with the one editorial change concerning the Rally Regulations.

The proposed amendments will be published in two consecutive Secretary's Pages, and this will be voted on at the June 2015 Delegate Meeting.

The Chair called on Carl Ashby who recognized the AKC PAC President's Challenge honorees, as follows:

Mr. Ashby: Good morning. This morning is the wrap up of the 2014 PAC Challenge. I would like Sheila Goffe to join me to help as we recognize those clubs who finished in the top of those who participated.

This year we had 721 contributions. We raised about \$33,000, all of which the PAC Board, in my opinion, spent in a very well-planned effort that resulted in supporting 56 candidates in both Federal and State elections. Our winning percentage was 92 percent....which was outstanding(Before we recognize the groups, there is something that I would like to emphasize. This PAC is your PAC. We do our very best to be responsive with all of you as you work closely with your local and Federal legislatures to make sure we are putting money on the heads of people that can help us be successful with our legislative agenda. We generally have been able to

accommodate every request. Occasionally when we go to vet someone, we'll dig into them a little deeper and we'll find that perhaps some of their past history suggest they will not be consistent with our positions and they not be awarded a grant. But 99 times out of 100, we are able to accommodate your request. We urge you to engage in your communities and bring those requests forth. Now, obviously, we have to have money to do that, and in 2016 we will be right back up here again with another President's Challenge. In 2015 be sure and the support the AKC Legislative Support Fund. Thank you all so much for participating and for helping us achieve this success.

Now what I would like to recognize the honorable mentions and the clubs' total member contributions. I would like to ask that Ann Cook come forward from the Siberian Husky Club. The Kokomo Kennel Club is not a member club, yet they were also recognized in honorable mention. The Siberian Husky Club has just been a great supporter of the PAC over the years and we appreciate so much your willingness to carry this forward again. Thank you so much, Ann. I and entire PAC Board very much appreciate it.

(Applause.)

We would now like to ask Martha Feltenstein of the American Tibetan Mastiff Association to come forward as the top contributor. Thank you so much. We really do appreciate it. She gets the gold frame.

Ms. Feltenstein: I like gold.

Mr. Ashby: We do, too. Thank you so much, Martha.

Total member participation is just so important because that's the way we're really going to grow the PAC. It's not whether you give \$2 or \$2,000, but what's important is to get people engaged. That says there's a real commitment at the grass roots level to support the PAC. So today we

would like to recognize these kennel clubs in terms of total member participation. If Daniel Stolz, Mary Manning-Stolz and Ruth Naun would come forward to be recognized. Thanks to each of you for making a difference!

Our final recognition is Catonsville Kennel Club, Bev Drake, Delegate, for most member participation. Thank you so much.

Finally I just want to remind everyone who is on the PAC Board and let you know who you can reach out to. Sheila coordinates all this, of course, through Government Relations in Raleigh. I want you to know who meet on a quarterly basis to make sure that we are being good stewards of your donations. Please reach out to any of these individuals going forward as we approach the next legislative session that's in progress.

Thank you for supporting the AKC Political Action Committee and the 2014 Presidents Challenge.

The Chair informed the Delegates that the Monday, June 8th, Delegates meeting will be held at the Doubletree Newark Airport Hotel and that Conference and Travel will place the hotel information on the Delegates Portal as soon as our block of rooms becomes available.

The following discussion took place during New Business:

Sherry Wallis, Delegate for Akita Club of America, reminded the Delegates that the deadline for *Perspectives* articles is April 15th. The Coordinator for the June issue is Don James, whose email appears in the current issue of *Perspectives*. Articles can also be sent to anybody on the *Perspectives* staff.

Barbara Shaw, Delegate for Greater Collin Kennel Club, requested that AKC send the Delegate Body the link to the YouTube video shown at the meeting.

(The link, was sent to the Delegates following the meeting)

<https://www.youtube.com/watch?v=IJ7AfSO2fKs>

Gretchen Bernardi, Delegate for the Mississippi Valley Kennel Club, extended a thank you to those who were in charge of the caucus the evening before the Delegate meeting. She felt it went beautifully and that it gave the Delegates a lot of information.

Crecia Closson, Delegate for Lakes Region Kennel Club, thanked the Board for their position on the FCI judges' situation. She hoped this conflict would be resolved very quickly.

Michael Houchard, Delegate for Conyers Kennel Club, announced that his club will be providing AKC Reunite with a check for \$19,500 for a disaster trailer.

Tom Pincus, Delegate for Houston Kennel Club, spoke about the proposed rule change for territory protection. He wanted to remind all of the Delegates that certain clubs are very concerned about the protection, but not so much about their territory as they are about their site. He indicated that the Houston Kennel Club recognizes that territories can be shared, but would like to make a special provision, which they will be proposing in June, for a specific site protection.

Julian Prager, Delegate for Central Florida Kennel Club, indicated that he heard a number of Delegates comment that they think that the website is making things easier for non-member clubs and for clubs that are not licensed to get services from the American Kennel Club than it is for member clubs.

On the subject of providing events, he did not see why clubs have to let AKC know that they want AKC to put something on the website if they already have submitted the information. He

asked for a system, where when the application comes in and is approved, it is automatically put on the website and notices sent to everybody within a 100-mile area, or whatever AKC determined. He requested that greater thought be put into servicing the member and licensed clubs on the website.

The second issue he raised was concern about the import rule and the retail pet store rule coming from APHIS, for which he works. Any large group can request that APHIS come and speak to them. If the request is approved, it doesn't cost the club anything. He explained that APHIS is a part of the U.S. Department of Agriculture. It's the Animal Plant Health Inspection Service, and it consists of animal care, and they are the people who enforce all of these rules.

Cindy Stansell, Delegate for the Finnish Spitz Club of America, was critical of Bulldog pictures posted on the AKC website. She had questions on the guidelines that AKC has on editing, and who may post. The majority of the pictures that she saw on the Bulldogs of AKC were puppies for sale and stud services from a handful of high-volume color breeders, and new colors that have never existed before in the world of the Bulldogs.

Mr. Sprung indicated that AKC would instantaneously address any type of submission for sales, stud services, et cetera.

Don James, Delegate for the Leonberger Club of America, hoped that the majority of the Delegate body would join him in offering a huge thank you to Chris Walker and his Communications team.

Marilyn Currey, Delegate for American Chinese Crested Club, indicated that the Pet Emergency Trailer Task Force would like to begin applying for some grants from nationwide corporations.

She appealed to the Delegate body, and asked if anyone is an experienced grant writer and would come forward to help the committee.

Marilyn DeGregorio, Delegate for Taconic Hills Kennel Club, expressed the view that AKC should focus on working with AKC clubs in advocating or opposing legislation.

Felice Jarrold, Delegate for Old Pueblo Dog Training Club, requested that AKC try to have complimentary Wi-Fi for Delegates at the Delegate Meeting hotel.

Sidney Marx, Delegate for Colorado Springs Kennel Club, raised two points. He opposed pictures of dogs on the website not in accordance with the breed standard. He requested that AKC check with the parent club before something like that was done.

Secondly, he felt it was nice to include other people and have them add their puppy pictures and dog pictures on the site. However, he thinks AKC should take a stand that we want to raise *their* standards, not lower *ours*.

Jeannette O'Hanlon, Delegate for Staffordshire Terrier Club of America, addressed the issue of the debarking bill. She is the treasurer of the Associated Dog Clubs of New York State, which is an AKC federation of dog clubs and urged all New York dog clubs to join this association.

Johnny Shoemaker, Delegate for Redwood Empire Kennel Club, thanked the Board for their last vote on the National Owner-Handled Series.

Nancy Fisk, Delegate for Hockamock Kennel Club, spoke about a bill that is now currently before the U.S. Congress that the Government Relations Department sent out an alert on. HR-674, the Pets on Trains Act, establishes an Amtrak pilot program that would allow train

passengers to travel with their pets on certain trains operated by Amtrak. AKC is working with the bill's sponsor in actively supporting this measure. The measure has been added to the HR-749, the Passenger Rail Reform and Investment Act of 2015, which has been approved by the House Committee on Transportation and Infrastructure in late February. The measure now awaits consideration by the full House. She urged the Body to please contact their representatives in the House and also take back to the clubs that each member should contact their representative and support this bill so that we have another option for traveling with our pets other than the airlines

Dr. Thomas Davies, Delegate for the Springfield Kennel Club, reported that the combined efforts of the clubs that show at Springfield, Massachusetts and the administration of the show site, which came up with a substantial contribution, got together and bought a trailer for the show facility.

Nancy Perrell, Delegate for Scottsdale Dog Fanciers Association, reported on the success of an abbreviated Meet the Breeds at the recent Fiesta Cluster in Arizona. The group also turned in its check for their first trailer for the State of Arizona, and they are working on their second.

Patricia Laurans, German Wirehaired Pointer Club of America, on behalf of the trailer task force, thanked everyone for their support. Since the program rolled out 18 months ago, 19 trailers have already been delivered.

Ann Cook, Delegate for Siberian Husky Club of America, called Chris Walker to register some corrections, complaints, et cetera for her breed on the web site. She indicated he had been very cooperative. A lot of things have been corrected. On the other hand, the one thing that has not been addressed, and she hopes will be, is that many breed standards are abbreviated on the

site. She suggested that everyone check the site to make sure that their standard has not been abbreviated.

Katie Campbell, Delegate for the Basenji Club of America, spoke about the need to bring new people and the next generation into the Sport. She suggested that everyone sit down with one person with our message and mentor them, eyeball to eyeball. She feels that if our message isn't personally passed on to inspire people to join a club, to demonstrate how to show a dog, and how to breed a litter responsibly, we will not have that next generation. She urged everyone in the meeting to personally be responsible for bringing another new person into their club, and then another and another.

Barbara Mann, Delegate to Dayton Dog Training Club, stated that her club was concerned about the difficulty of finding CGC evaluators on the website. When she brought this up at a meeting the proceeding day she was questioned by a staff member about why the club did not put that information on their own website.

Susan Sholar, Delegate for Black Russian Terrier Club of America, outlined what her club had done to review the new website and that they sent the AKC a list of their issues. She indicated that within one day she got a reply back that they had already corrected some of her club's concerns and were working on the others. She recommended that other clubs do the same.

Walter O'Brien, Delegate for Macon Kennel Club, thanked the Board and Delegates on behalf of himself and his club for the warm welcome he received as a new Delegate.

Beverly Drake, Delegate for Catonsville Kennel Club, thanked The American Kennel Club for recognizing her club as the top club in the AKC PAC challenge. She also suggested it would

help if all of the Delegates wore a name badge for the whole time that they were at the Delegates' meeting.

Hearing no further business, the Chair adjourned the meeting at 10:54 a.m.

The opinions expressed by the speakers may not necessarily reflect those of The American Kennel Club.