

BOARD OF DIRECTORS
May 7-8, 2018

The Board convened on Monday, May 7, 2018 at 8:04 a.m. All Directors were present. Also present was the Executive Secretary.

The April 2018 Board minutes, copies of which had been provided to all Directors, were discussed. Upon a motion by Dr. Davies, seconded by Mr. Powers, the April 2018 minutes were approved.

PRESIDENT'S REPORT**Board Action Items**

Mr. Sprung reviewed Action Items, and reported on Staff initiatives.

Legal Status Report

Jay Waks, Senior Executive Vice President and General Counsel, and Heather McManus, Vice President and Deputy General Counsel, presented a status report on pending litigation and other Legal activities for the months of March and April 2018.

FINANCE

Joseph Baffuto, CFO, presented AKC's unaudited financial results through the period ending April 30, 2018. Total revenues of \$25.2 million were 1% below budget, but 7% greater than 2017. Dog Registrations' volume of 209,021 were equal to budget, but 6% higher than 2017, along with Total Litters processed of 82,920 being 2% above budget and 8% higher than last year as well. Total operating expenses of \$23.6 million were 1% below budget, but 16% higher than 2017. YTD Operating income of \$1.6 million is equal to the budget, but is below 2017's operating income of \$3.2 million. Additionally, our investment portfolio reflects unrealized losses on investments totaling \$406,000 year to date.

EXECUTIVE SECRETARY

Mari-Beth O'Neill, Vice President, Sport Services, participated in this portion of the meeting by videoconference.

German Wirehaired Pointer Proposed Breed Standard

The Board reviewed proposed revisions to the German Wirehaired Pointer breed standard as submitted by the German Wirehaired Pointer Club of America, Inc. (GWPCA). Following a motion by Mr. Wooding, seconded by Mr. Powers the Board VOTED (unanimously) to approve the request for the GWPCA to ballot its membership in accordance with the club's Constitution and Bylaws.

Lhasa Apso Proposed Breed Standard Revision

The Board reviewed proposed revisions to the Lhasa Apso Standard, as submitted by American Lhasa Club, Inc. (ALAC). Following a motion by Dr. Battaglia, seconded by Mr. Powers the Board VOTED (unanimously) to approve the proposed revisions to the Lhasa Apso Standard for publication for comment in the Secretary's page of the Gazette.

Nominating Committee

The Board was reminded that the Nominating Committee for the March 2019 election must be appointed by August 15, and its report must be received no later than October 15, 2018.

Kosovo Kennel Club

The Board reviewed a request from the Kosovo Kennel Club (KKC) to allow pedigrees from KKC to be acceptable for AKC foreign registration.

The history of KKC dates back to 1953, where Cynology in Kosovo, like in the other republican countries, was part of Yugoslavian Cynological Federation. During that time, a vast variety of cynological activities were held, like registering dogs, organizing dog shows, issuing pedigrees,

etc. As such, Kosovo also had its own pedigree number that started with 90,000. After the separation of Yugoslavia and the formation of independent countries, Kosovo formed its Cynological Federation in 2002, called Kosovo Kennel Club. From that year forward, they have been responsible for the duties and activities of a Cynological Federation. Furthermore, the federation (Kosovo Kennel Club) is the only officially registered club in Kosovo and since 2014, Kosovo Kennel Club is a member of FCI (Federation Cynologique Internationale). As a result, Kosovo Kennel Club stands as the only registry in the country. The number of dogs registered per year: a steady increase in registration within the last several years totaling nearly 3000 dogs.

- In 2014 we registered 568 dogs.
- In 2015 we registered 624 dogs.
- In 2016 we registered 956 dogs.
- In 2017 we registered 1120 dogs.

Following a motion by Mr. Harold Tatro, seconded by Dr. Battaglia, the Board VOTED (unanimously) to consider the matter at this meeting waiving its normal notice procedures. Following a motion by Dr. Battaglia, seconded by Mr. Tatro the Board VOTED (unanimously) to add Kosovo Kennel Club - Federata Kinologjike e Kosovës (KKC) to the list of registries with pedigrees acceptable for AKC registration.

Biewer Terrier – Recommendation to Advance to Miscellaneous Class

The Board reviewed a Staff recommendation to approve the Biewer Terrier for advancement to the Miscellaneous Class effective July 3, 2019. The Board of Directors approved the Biewer Terrier to be eligible for recording in the Foundation Stock Service® (FSS®) program with a Toy designation in 2014. The Biewer Terrier Club of America has met the requirements of the *Recognition of New Breeds Board Policy* approved in February 2017. Requirements include an active parent club, with serious and expanding breeding activity over a wide geographic area, and documented club activity. This will be discussed further at the July Board meeting.

New Breed for Foundation Stock Service® – Australian Stumpy Tail Cattle Dog

The Board was advised that the Foundation Stock Service (FSS) Committee recently approved a petition by the Australian Stumpy Tail Cattle Dog Society of the United States for the Australian Stumpy Tail Cattle Dog to be accepted into the FSS program with a Herding Group designation. The Australian Stumpy Tail Cattle Dog was developed in Australia during the 19th Century as a drover. Breed traits were selected to produce a dog with immense stamina, resilience and tenacity in order to deal with wild cattle, rugged terrain and vast distances.

New Breed for Foundation Stock Service® – Romanian Mioritic Shepherd Dog

The Board was advised that the Foundation Stock Service (FSS) Committee recently approved a petition for the Romanian Mioritic Shepherd Dog to be accepted into the FSS program.

New Breed for Foundation Stock Service® – Slovakian Wirehaired Pointer

The Board was advised that the Foundation Stock Service (FSS) Committee recently approved a petition for the Slovakian Wirehaired Pointer to be accepted into the FSS program.

Consumer Demand Presentation

Kirsten Bahlke, Vice President Consumer Demand, was present for this portion of the meeting. An update was provided on plans to create programs to educate and provide information for consumers thinking about getting a dog and/or searching for a dog. Target markets for test campaigns have been identified. Plans for upcoming social campaigns were also discussed.

Government Relations Legislative Update 1st Quarter 2018

The Board reviewed a report provided by the Government Relations (GR) Department for activity during the first quarter of 2018 and a status update on current department activity, major projects, significant legislative issues and accomplishments. As of April 19, 2018, Congress, 27 states and Puerto Rico are in session. The AKC GR team is currently monitoring more than 1,900 legislative bills that could impact responsible dog ownership, the health and wellbeing of

dogs, the rights of dog owners, and/or the interests of the American Kennel Club. The GR Department has published 43 legislative alerts online, via geo-targeted emails to impacted constituents, and via social media. AKC GR is also monitoring approximately 400 proposed regulation changes at the state and federal level, with some 235 actively pending. The AKC GR team is in the process of planning for multiple regional legislative conferences in 2018. These include a multi-day conference in Denver, Colorado in July, a one-day conference in Nashville, Tennessee in September, and a one-day conference in California (city to be announced) in late fall.

Communications Department Q1 Report

The Board reviewed a report provided by the Communications Department noting activities during the first quarter of 2018.

Clips Evaluated in Q1: 9,223
Q1 Audience Reached: 26,687,947,681
Publicity Value for Q1: \$19,993,882.14

Select Media Coverage:

Date	Media Outlet	Subject	Audience
1/2	<i>Good Morning America</i>	AKC National Championship winner	3,755,112
1/10	<i>Associated Press</i>	New AKC registered breeds	3,135,433
2/5	<i>Fox & Friends</i>	AKC Meet the Breeds	1,952,361
3/28	<i>Good Morning America</i>	Most Popular AKC Breeds	3,755,112
3/28	<i>am New York</i>	Most Popular AKC Breeds	460,152

AKC.TV Update

Staff provided an update on AKC.TV. The AppleTV and Roku apps were launched ahead of schedule. AKC Live viewership on AKC.org homepage has increased traffic to AKC.TV by 7 X. Viewership just crossed 1.3 Million, as of May 1. AKC.TV has launched new Meet the Breeds documentaries for Labrador Retrievers and Afghan Hounds. The Pembroke Welsh Corgi Meet the Breeds video is in edit now. Additional new content includes three new episodes of "In the Dog House with Bud Buccone", seven (7) feature stories from the Peach Blossom Cluster, and stories and coverage of the Poodle Club of America's National Specialty show. The first "Ask the Vet" live call-in show with Dr. Jerry Klein will air on May 30, 2018.

AKC PET CARE LLC

Jim Tysseling, COO, AKC Pet Care LLC, participated in this portion of the meeting. Canine Retreat, by the American Kennel Club, is currently caring for over 3,000 dogs per week. There has been an increase in the average amount of dollars spent by our customers for dog care and an increase in number and dollar value of our pet care packages which include training, grooming, walking and boarding. Staff is working to provide better online booking capabilities and additional communication via email, photos and text to keep customers updated on the status of their pet throughout the day.

EXECUTIVE SESSION

The Board held an EXECUTIVE SESSION at the beginning of the meeting to discuss sensitive business matters. There was nothing reported out of this session.

REGISTRATION

Mark Dunn, Executive Vice President, participated in this portion of the meeting to provide an update on Registration.

- April Litters were 5% better than budget and 11% better than last year.
- April Dogs were 4% better than budget and 10% better than last year.
- Year-to-Date Litters are now 2% better than budget and 8% better than the first four months of last year.
- Year-to-Date Dogs are now Equal to budget and 6% better than the first four months of last year.
- Year-to-Date Registration Revenues of \$14.1 million were \$379,000 (2.8%) Better than budget and were \$1.3 million (10.2%) better than first four months of last year.
- Registration Revenues are on track to grow to nearly \$41 million.

A historical perspective on year-over-year litter and dog registrations was provided starting back from 1940. Litter registration data by AKC Group classification was also discussed.

The ongoing growth in Litters and Dogs correlates with improvements in our Breeder Relations and Breeder Development Departments, Registration Operations Service Level Performance (process time faster), Customer Service Call Center abandonment rates which are dropping and better Customer Service training and quality. Staff provided information about initiatives in 2018 to increase Dog Registration.

COMPANION AND PERFORMANCE

Doug Ljungren, Executive Vice President Sport and Events, and Stephanie Kennerley, Sports Development Manager, participated in this portion of the meeting by videoconference. Pamela Manaton, Director of Obedience, participated in this portion of the meeting via telephone conference.

Fast CAT®- Requiring Automatic Timers

Presently, the *Regulations for Fast CAT* (Chapter XVI of the *Regulations for Lure Coursing Tests and Trials*), allow clubs to utilize either manual stopwatches or automatic “break the beam” systems to obtain the running times. Since speed is the basis for both titles and competition in Fast CAT, the Performance Events Department recommends that clubs offering Fast CAT be limited to using automatic “break the beam” timing systems for their events in order to safeguard accuracy of timing. There was a sense of the Board that this may not be in the best interest of small clubs offering Fast CAT and that this should be considered again in the future; but this is not the right time to make adjustment in the Regulations.

AKC Urban CGC - A Public Access Test

Dr. Mary Burch, Director of the AKC Family Dog Department participated in this portion of the meeting. Staff informed the Board of the plans by the AKC Family Dog Department to expand the role of the Urban CGC test. As it is currently designed, the Urban CGC test can fill a growing need to document training and public access testing for dogs in community settings. Urban CGC can fill the desire of the lodging, retail, and transportation industries, and managers of public facilities to require dog owners to provide credible evidence that a dog has been trained to behave in public.

CONFORMATION

Doug Ljungren, Executive Vice President, Sports and Events, Mari-Beth O’Neill, Vice President, Sport Services, Tim Thomas, Vice President Dog Show Judges, Glenn Lycan, Director, Operation Support, Alan Slay, Director, Event Programs, and Bri Tesarz, Manager, Dog Show Rules, participated in this portion of the meeting via videoconference.

Two Shows in One Day Policy Change

The Board reviewed a memo that recommends a change to the Multiple All-Breed or Limited Breed Shows in the One Day Program Board policy to restrict a judge to 100 entries per event not to exceed 175 entries per day according to the *Rules Applying to Dog Shows* Chapter 7, Section 13. Following a motion by Ms. Cruz, seconded by Ms. Biddle, the Board VOTED (unanimously) to amend to the Multiple All-Breed or Limited Breed Shows in One Day Program Board Policy, to restrict a judge to 100 entries per event not to exceed 175 entries per day according to the Rules Applying to Dog Shows Chapter 7, Section 13. This will become effective January 1, 2019.

Entry Limits

The Board reviewed a recommendation from the Delegate Dog Show Rules Committee to amend *Rules Applying to Dog Shows Chapter 1, Section 4* to provide clubs the option to limit their event by the total entry (current rule) or by the number of dogs so that sweepstakes and other non-regular class entries (which are often second entries of the same dog) do not count towards the limit of the total entry. Staff agrees that this is a good option to give clubs in addition to the current option to limit by the total entry. Following a motion by Mr. Sweetwood, seconded by Ms. Biddle, the Board VOTED (unanimously) to amend Rules Applying to Dog Shows Chapter 1, Section 4 to allow clubs the option to limit their event by either total entry or number of dogs. This proposal will be read at the June Delegates' meeting and voted on at the September Delegates' meeting. If approved, the effective date will be January 1, 2019.

Allow Three-Time Win Trophy for RBIS

The Board reviewed a Staff recommendation a change to *Rules Applying to Dog Shows Chapter 5, Section 9*, to allow clubs to offer a three-time win trophy for Reserve Best in Show. Following a motion by Mr. Tatro, seconded by Mr. Powers the Board VOTED (in favor: Battaglia, Biddle, Carota, Cruz, Feeney, McAteer, Menaker, Powers, Sweetwood, Tatro, Wallin, Wooding; against: Davies) to change Rules Applying to Dog Shows Chapter 5, Section 9, to allow a three-time win trophy for Reserve Best in Show. This will be read at the June Delegates' meeting and voted on at the September meeting. If approved, the effective date will be January 1, 2019.

Judge Eligibility

The Delegate Dog Show Rules Committee is recommending modification to *Rules Applying to Dog Shows Chapter 7, Section 1*, which addresses eligibility to judge.

The Committee's recommendation relative to Chapter 7, Section 1, is comprised of two components:

1. Remove the italicized portion stating a judge shall not be granted a license to be a superintendent, and that one who resides in the same household with a professional handler or licensed superintendent may not be approved to judge.
2. Convert the italicized section restricting judges from accepting an assignment "at any event where a member of his or her household is involved to the extent that there might exist an actual conflict of interest" to the rule and add to it, a reference to Chapter 11 Section 13 and the *Occupational Eligibility Addendum*.

Staff had suggested alternative wording for the second portion of the proposal; and the Board asked Staff to send this information back to the Dog Show Rules Committee for their consideration.

Reinstatement of a Dog Disqualified for Attacking

The Board reviewed a proposal from the Delegate Dog Show Rules Committee.

The Dog Show Rules Committee has submitted a revised amendment to Chapter 11, Section 8-A, of the *Rules Applying to Dog Shows*.

The proposed rule amendment:

1. Requires that the dog have permanent unique identification prior to disqualification (microchip, tattoo or some visible physical feature). If, according to the owner, the dog is microchipped at the time of the event but was not able to be scanned, proof of microchipping must be sent to the Executive Secretary within 5 days. If the dog does not have permanent unique identification prior to disqualification, it is not eligible for reinstatement.
2. After an incident requiring disqualification, the dog must remain in the ring until the unique ID is recorded and the dog photographed.
3. The same identification procedure would be applied to a dog disqualified for attacking outside of the ring by an Event Committee.

The proposed procedural changes, which would be added to the rule in the committee's proposal (currently the rule does not define reinstatement procedure or policy):

1. The reinstatement would be done by a committee of three qualified individuals but not judges.
2. Reinstatement will not be done at shows.
3. Proper identification and a rabies certificate are required at the time of reinstatement.
4. AKC must communicate to superintendents all dogs disqualified for attacking including the owners contact information. (AKC began providing superintendents a list of DQ'd dogs in June 2016, ownership information was not provided)

In 2016, the AKC enacted several changes related to the disqualification of dogs: insurance for judges, notification to superintendents and trial secretaries, and advance notice to clubs of upcoming reinstatement examinations. Additionally, two procedure changes were made: (1) reinstatement examinations can only occur 30 minutes prior to the start of judging at conformation events, and (2) disqualified dogs are required to leave the site immediately after the disqualification and the reinstatement examination. The 2016 DSRC proposal went forward to the delegates for a vote but was withdrawn by Sue Goldberg prior to the vote at the September 2017 Delegates meeting.

Following a motion by Dr. Battaglia, seconded by Ms. Biddle, the Board VOTED (unanimously) to DENY approval of this recommendation.

Central Florida Kennel Club's Reinstatement Proposal

The Board reviewed a proposal submitted by the Delegate for Central Florida Kennel Club (CFKC) on behalf of CFKC. The proposed revision is to Chapter 11, Section 8-A of the *Rules Applying to Dog Shows* which deals with a dog being disqualified for attack.

Staff's opinion is that the current process best accomplishes the goal of ensuring that reinstated dogs do not pose a hazard to the sport, has not changed because of the proposed changes to the amendment.

Following a motion by Dr. Davies, seconded by Ms. Cruz the Board VOTED (unanimously) to DENY approval of this recommendation.

Remove Reference to Stud Book in Rules Applying to Dog Shows Chapter 11, Section 1

The Board reviewed a Staff recommendation to remove the reference to the AKC Stud Book in *Rules Applying to Dog Shows* Chapter 11, Section 1 as it is no longer correct.

Since 1952, only dogs and bitches producing a litter for the first time have been published in the AKC Stud Book. This contradicts the wording included in *Rules Applying to Dog Shows* Chapter 11, Section 1 which requires a dog to be individually registered in the AKC Stud book before being eligible to exhibit in a conformation event. This change is being proposed in order to bring the *Rules Applying to Dog Shows* up to date to reflect the intent of the rule and current practice. This will be discussed further at the July Board meeting.

Canine Partner Event Catalog Listing

Staff provided a memo to the Board to advise them that they would like to communicate to the superintendents and event secretaries that information regarding the sire, dam and breeder of Canine Partner dogs entered in AKC events should not appear when associated with official AKC documents, such as event catalogs. There was no objection to this by the Board.

Adding Collar Policy to Rules Applying to Dog Shows

The Delegate Dog Show Rules Committee (DSRC) has proposed adding a new section 16 to Chapter 11 to address the use of inappropriate collars and leads at dog shows. The Board denied this proposal at their February meeting and the DSRC has voted to submit the proposal to the Delegate body for consideration in accordance with the Bylaws.

The DSRC is proposing to insert an existing Board Policy into the *Rules Applying to Dog Shows* based on the justification that the “average exhibitor would not read the Show Manual” and that this amendment would provide clarity in the *Rules Applying to Dog Shows*.

Staff recommended that the proposal be denied because this information is already addressed by Board policy.

Adding Best in Show Judging Procedures to Rules Applying to Dog Shows

The Delegate Dog Show Rules Committee (DSRC) is proposing to add back into *Rules Applying to Dog Shows* Chapter 3, Section 16, a sentence regarding judging procedures for Best in Show. The rationale for this is that exhibitors do not always know where to look for this information and including it in the *Rules Applying to Dog Shows* makes it clear. Staff recommended the proposal be denied because this same sentence was removed as an italicized sentence from this section in May 2016 based on input from Judging Operations, as this is best addressed by the *Rules, Policies and Guidelines for Conformation Dog Show Judges* where other items regarding judging procedure are also outlined. The Board denied this proposal at their February meeting and the DSRC has voted to submit the proposal to the Delegate body for consideration in accordance with AKC Bylaws.

CLUBS

Lisa Cecin, Director of Club Relations, participated in this portion of the meeting.

The Board reviewed a report on the prospective Delegate credentials to be published in two issues of the AKC Gazette, applications for AKC Membership and newly licensed clubs.

Club Relations 2017 Activity Report

The Club Relations Department provided a status report

Number of clubs as of January 30, 2018:

Member clubs	630
Licensed clubs	4,085
Sanctioned Plan A clubs	92
Sanctioned Plan B clubs	<u>113</u>
Total	4,920

New Clubs in 2017: 61

New Parent Clubs in 2017:

- Biewer Terrier Club of America
- National Treeing Walker Coonhound Association
- United States Lancashire Heeler Club.

New All-Breed Club in 2017: Sarasota Kennel Club

New Group Club in 2017: Alaska Sporting Dog Association

New Member Clubs in 2017:

Lagotto Romagnolo Club of America
Hungarian Pumi Club of America
American Polish Lowland Sheepdog Club
Carolina Working Group Association

Territories - 17 club territories were reviewed and adjusted.

Sanctioned Matches - 54 sanctioned matches were applied for and processed.

Clubs that Dissolved in 2017 - 6

2017 Actions

- Member club dues are now able to be paid online (implemented Nov 1, 2017) - 33% of the Member clubs are now utilizing this new service.
- The 100 miles between local Specialty clubs restriction was eliminated for new clubs and instead, clubs are now approved based on membership (67% of the members must be “new” – not members of an existing local club of the same breed, and the new club is not the result of a split from an existing club).
- Local Specialty clubs with 25%+ experienced membership are eligible for a reduced sanctioned match program of only 1 Plan B and 1 Plan A match held 6 months apart. If the percentage is not met, only 1 Plan B and 2 Plan A’s are now required, each at least 6 months apart. (Previously new clubs were required to hold 2 Plan B and 2 Plan A matches with a presentation for advancement in between the 2 different sanctioned match programs.)
- Obedience clubs membership requirements were reduced to a total of 20 households and of which 12 must be local. (Previously the requirement was 30 total and 25 local households.)

Report on Member Clubs Bylaws Approved in March and April 2018

American Chinese Crested Club (1991)

Clearwater Kennel Club, Clearwater, FL (1999)

Delaware Water Gap Kennel Club, Phillipsburg, NJ (2007)

Report on Newly Licensed Clubs Approved in March and April 2018

French Bulldog Club of Colorado, greater Denver, CO (communities from Loveland to the north, south to Colorado Springs), 25 total households, 21 local.

Michiana Scent Work Club, greater Michigan City, IN (north to Allegan, MI, south to Valparaiso, IN, along Interstate 94/196) 21 total households, 13 local.

COMPLIANCE

Jay Waks, Senior Executive Vice President and General Counsel, and Heather McManus, Vice President and Deputy General Counsel, participated in this portion of the meeting. Wanda Forlines, Director of Compliance, participated by videoconference. Marcus Bach, Director of Investigations & Inspections, attended with Ms. Forlines.

The Compliance Department presented a quarterly report of activity within the department.

Mr. Barry Elliott

The Board reviewed a request from Mr. Barry Elliott. Mr. Elliott has requested reinstatement of his privileges pursuant to Article XV, Section 7 of the *Charter and Bylaws of The American Kennel Club*. Mr. Barry Elliott is suspended from all AKC privileges for ten (10) years and fined \$2000 due to a charge of cruelty and neglect. The Management Disciplinary Committee has reviewed his request and recommends that it be denied. The Board VOTED (unanimously) in support of the staff recommendation.

The following AKC Management actions were reported:

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

CONSENT

Following a motion by Mr. Powers, seconded by Dr. Battaglia it was VOTED (unanimously; absent Mr. Wooding) to approve the following Consent Items:

- **Delegate and Club Approvals**
- **Minimum Distance Requirements Between CAT and Fast CAT® Events**

Delegate Approvals

Jack Cadalso, Wilton Manors, FL

To represent Washington State Obedience Training Club

Robert Rynkiewicz, Douglassville, PA

To represent Eastern German Shorthaired Pointer Club

Club Approvals

Approved for AKC Membership

United States Neapolitan Mastiff Club

First License Show: October 9, 2004.

Minimum Distance Requirements Between CAT and Fast CAT® Events

The Board VOTED to approve changes to Chapter XV, Section 6 and Chapter XVI, Section 9 of the *Regulations for Lure Coursing Tests and Trials*. to institute a 100-mile straight-line minimum distance requirement between Coursing Ability Tests, and to institute the same distance requirement between Fast CAT events. This change is effective July 2, 2018.

The Board adjourned at 4:13 p.m.

Meeting reconvened on Tuesday, May 8, 2018 at 8:02 am.

The Chairman called for the meeting to begin in Executive Session. All Directors were present; also present was the Executive Secretary.

EXECUTIVE SESSION

The Board called an EXECUTIVE SESSION at the meeting to discuss two sensitive business matters. There was nothing reported out of this session.

It was VOTED to adjourn Tuesday, May 8, at 12:23 p.m.

Adjourned

Attest:

Gina M. DiNardo, Executive Secretary