

AMERICAN KENNEL CLUB
Delegates Meeting
December 15, 2017

Mr. Sprung, President in the Chair, called the meeting to order at 10:30 AM.

The Chair introduced the persons seated with him on the dais: Ron Menaker, Chairman; Dr. Tom Davies, Vice Chairman; Joan Corbisiero, Professional Registered Parliamentarian; Gina DiNardo, Executive Secretary; and Carmen Thomas, the Court Reporter.

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

Ms. DiNardo: Pursuant to Article VIII of the Bylaws of the American Kennel Club, the Nominating Committee: John J. Cadalso, Chair, Troy Kennel Club; Lee Arnold, Southern Colorado Kennel Club; Terrie Breen, Farmington Valley Kennel Club; Katie Campbell, Basenji Club of America; Cindy Stansell, Finnish Spitz Club of America, appointed by the Board of Directors at its July 2017 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 13, 2018.

There is one vacancy in the Class of 2019 and three vacancies for the Class of 2022.

Class of 2019: Ronald H. Menaker, Memphis Kennel Club.

Class of 2022: Robert Amen, Greater St. Louis Training Club; Christopher L. Sweetwood, Trap Falls Kennel Club; Harold "Red" Tatro, III, Fort Worth 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 the vacancies on the Board of Directors for the Class of 2022, to be filled at the next annual meeting of the Club on March 13, 2018: Carl C. Ashby, III, United States Kerry Blue Terrier Club; James R. Dok, Gig Harbor Kennel Club; Jan Ritchie Gladstone, Richmond Dog Fanciers Club; Ann Wallin, Atlanta Kennel Club.

Mr. Sprung: The Bylaws state that nominations may not be made from the floor. Therefore, Nominations closed on November 15, 2017. As no one self-nominated for the Class of 2019, Ronald Menaker is running unopposed. In accordance with the Delegate Standing Rule, each candidate is allowed three minutes to address the Delegate body. Keith Frazier will indicate to each candidate when the three minutes have expired. The Chair will introduce the candidates for 2022, who will speak to you in alphabetical order. No questions from the floor will be entertained. The first candidate is Robert Amen, representing Greater St. Louis Training Club.

Mr. Amen: Good morning. I started preparing for these comments by going through files...and came across an old photo of this lovely English Setter, a photo that I took in 1963 at the Westminster Kennel Club show when it was held in the old Madison Square Garden. I later realized that the handler was Jane Kamp; she later married Robert Forsyth, another very successful handler, and they went on to become successful judges, and AKC icons. The photo was taken over 50 years ago...and our world has seen enormous change. In the past 25 years, the AKC has been in the cross-hairs of

constant demographic, economic and political changes. We have been adjusting and adapting to it, while retaining our focus on purebred dogs and breeders.

I am a candidate for the AKC board because I believe in purebred dogs, and purebred dog breeders...responsible dog ownership, and our many dog sports. I am also a strong believer in the AKC brand...and in our efforts to be “The Dog’s Champion.”

My background includes over 40 years in financial public relations – half as a corporate executive, half as a consultant; and I have worked with many corporate boards and managements.

My active experience with dogs spans some 25 years, showing in conformation, obedience, rally dock diving, lure coursing, tracking and working in agility, hunt tests, and now scent work. I served on the Board of the U.S. Australian Shepherd Association. I have been a delegate for 12 years, was an AKC board member from 2011-2015, chair of the AKC Audit Committee from 2013-2015. I believe I can contribute not only to the challenges our AKC family faces, but also to the opportunities we have ahead of us. And I mean it when I use the words, “AKC family”. I realized how committed to being “The Dog’s Champion”, the delegate body and the Fancy were this past Fall, when disaster struck – three hurricanes led by Hurricane Harvey, and wildfires out west. AKC Reunite needed our support. A challenge grant went out and you and your clubs responded. The result was an extraordinary output of commitment and caring—results as of last week: some 417 AKC clubs and hundreds of individuals donated a total of \$597,000 to AKC Reunite Pet Disaster Relief. Truly extraordinary.

I am proud to be a candidate supported by the AKC Board’s nominating committee. If elected to the board in March I will keep an open mind...and work to keep the AKC and its brand, vibrant and growing. Thank You.

(Applause)

Mr. Sprung: Thank you, Bob.

The second candidate is Carl Ashby, representing United States Kerry Blue Terrier Club.

Mr. Ashby: Good morning. My name is Carl Ashby and I am asking you to return me to the Board of Directors. My background in dogs as well as business skills gained as President of AT&T Custom Manufacturing Services sets me apart...and is precisely the background required for a Director to address AKC’s challenges.

During my “sabbatical” I have reflected on my journey as a Director and ultimately Vice Chair of the American Kennel Club. I was struck by the transformation of the AKC that I helped lead.

Accomplishing anything is a team effort but the ability to get a Board to coalesce around ideas is essential. I worked to be a good listener, to compromise when needed, and bring strong leadership. I will bring these skills again to assure we continue to move forward.

My 28 years as a Delegate and service on three Delegate Committees has given me a deep knowledge of AKC as well as your concerns. As Vice Chair, I helped shape many important initiatives and guide them to adoption. My in-depth understanding of AKC, plus my finance and analytical skills have impacted many key areas.

As Vice Chair of AKC Reunite, I helped develop new initiatives to reunite pets and their owners while doubling our revenues. This allowed increased support for the trailer project and pet disaster relief.

As Chair of the AKC Political Action Committee, we regained momentum setting fund-raising records including \$51,000 last year. This allowed us to successfully influence important legislation in our fight against the animal rights movement.

Just as importantly, Jaimie and I remain active in the sport. In the past 5 years, we bred 2 litters and finished several dogs. I serve as a Cluster and Show Chair, so I understand “first hand” the challenges you face in hosting events. Companion Events gave us our start in purebred dogs and Performance Events are the best demonstration of purpose bred dog’s today. I believe both are an essential part of AKC.

Our work is not done. There are many challenges to be overcome. Here are just a few:

1. We must create events that attract and retain new and younger people to the AKC family.
2. We must strengthen our Clubs as they are the backbone of AKC.
3. And we must attract new, responsible breeders to meet the growing demand for purebred dogs.

AKC is significantly stronger than 9 years ago. We are investing in dogs and dog sports as never-before...and we must continue to do so! *To invest effectively requires vision, creativity, experience, and most of all, leadership.* These are traits I demonstrated during my past Board service...they made a difference then and they can make a difference going forward!

Please give me the opportunity to again serve you and our dogs. With my experience, I will hit the ground running for you, our dogs, and the American Kennel Club.

On a more personal note Jaimie and I wish all of you a very Happy Holiday season.

Thank you.

(Applause)

Mr. Sprung: Thank you, Carl.

Next is James R. Dok, representing Gig Harbor Kennel Club.

Mr. Dok: Mr. President, members of the Delegate Body, I too am asking you to return me to another four-year term. I would really like that. I want to do something different. I want to talk about the number of years I've been here. Next year September will be 25 years. I don't know where the time went. But I do know one thing. In those 25 years, I've met a lot of great dog people. That's what's important. Some of the work we've done as a Delegate has been substantial. We've had a few moments. We've made a few mistakes. But we've moved through them and resolved it. This body is all about deliberating. That's what we are supposed to do very well!

About 12 years ago, the Board came to some decision that we need to be somehow develop a Business Platform parallel with our Sport Platform. They struggled for years to try and discover ways to do it. We finally arrived at a legal mechanism to do just that. So, in order to have a Business Platform to help build, and grow our Sport Platform, oh, my God, we went out and hired a Chief Growth Officer. People said, what's a Chief Growth Officer? Less than eight percent of the corporations in America today have one. So your question's fair. What that Chief Growth Officer has done, along with her team, is put in place initiatives that can be monetized to bring revenue into this company. Some of you don't like the word "company," but, by God, that's what we need to be good at achieving. The Sport Platform needs the Business Platform. We really do. We need to position ourselves to grow for the future. We must do that.

I've said this many times before, we need to, within ourselves, understand that it's “important to be ALL THINGS, ALL DOGS.” We cannot capture the public's confidence that they would like to have, and visualize within the American Kennel Club. They want that. We can give it to them. Thank you.

(Applause)

Mr. Sprung: Thank you, Jim.

The fourth candidate is Jan Ritchie Gladstone, representing Richmond Dog Fanciers Club.

Ms. Gladstone: Good morning Fellow Delegates and thank you. My name is Jan Ritchie Gladstone. By way of background, I have been in the legal business for 30 years including leadership roles in Management and Marketing. I've represented large corporations and nonprofits. I understand strategic and succession planning, finance and budgeting.

But, like so many of you, "there was a dog" and I found my true passion in the dog sport: as a proud breeder of purpose bred dogs and a dedicated volunteer for my All-Breed and Parent Clubs; as Exhibitor, Judge or Club Member, I have walked the walk in every AKC Division in the contiguous U.S., counted the points for majors and appreciate the differences in culture and geography which make each of our Kennel Clubs unique. I come to you today to ask for the honor of your vote. Together, let's bring back the heart of the AKC by connection, communication and commitment.

First, let's do it by connection. Past is always pretext, but particularly so in the world of purebred dogs. AKC Preservation Breeders carefully study the history of our lines in planning for the future. We carefully assess genotype and phenotype, health and temperament to stay true to the vision of the breeders of the past on whose shoulders we stand. Similarly, the AKC must implement a cogent and comprehensive strategic plan for the future without recklessly ignoring its mission and history.

The AKC is a Club of Clubs. Our clubs must be part of the decision-making process if they are to be expected to support the AKC's future direction. Clubs feel disenfranchised when programs like LINK or the New York Kennel are rolled out without their knowledge or know-how. The AKC must also allocate more money and manpower to Clubs to insure our survival. Given the AKC's current financial stability, let's repeal the \$3.50 per dog event fee. Let's listen to our Clubs: we are the AKC.

Second, let's do it by communication. The AKC must extol the virtues of purebred dog ownership and events to those inside and outside the sport. We must also defend our right to own purebred dogs against the AR activists. Let's coordinate our education, public relations and legislative efforts to improve the image of purebred dogs and their breeders. Proactive not reactive youth outreach programs, publicity and legislation will preserve our sport. Let's invest now.

Third, let's do it by commitment. The AKC must be dedicated to excellence. Through the connection and communication initiatives I've discussed, progress will be made in retaining and recruiting Breeders and Exhibitors with this ideal, young and old. In addition, our Parent, All-Breed, Obedience and Agility Clubs, must be supported as the first and most personal contacts and mentors for future participants in the sport.

Encouraging club membership with strong incentives is but one place to start.

Share your ideas with me. Let's speak up and speak out. With Connection,

Communication and Commitment, let's make a difference.

(Applause)

Mr. Sprung: Thank you, Jan.

The fifth candidate is Christopher Sweetwood, representing Trap Falls Kennel Club.

Mr. Sweetwood: I am Chris Sweetwood, the delegate for Trap Falls Kennel Club, based in Stratford, Connecticut. I serve on the Delegate Field Trial/Hunting Test advisory committee as the vice chair. I was a member of the Detection Dog Conference and was

on the Achiever dog committee. I have been involved with purebred dogs since the age of eight with my father, who bred German Shorthair Pointers. After completing a military/law enforcement career I discovered the Spinone Italiano in the 1990's. I am a pointing breed hunting test judge, CGC Evaluator, Canine Ambassador and AKC Reunite's Ambassador for the Adopt a K-9 Cop Program. I participate in Conformation, Obedience, Rally, Trick dog, Therapy and Hunting Tests.

I was a speaker at the 2016 and 2017 AKC Governmental Relations (GR) conferences and the New England GR conference. I founded the adopt a K-9 Cop program that, in conjunction with AKC Reunite helps local police departments fund the purchase of police dogs which includes placing the AKC Reunite logo on the police patrol vehicle.

I grew up influenced by the Boy Scouts of America, and still am a member. I am an Eagle Scout and served as a Scoutmaster for 25 years. I serve on the Board of Directors for my local American Legion and VFW Posts and am a member of The Criminal Investigation Division Agents Association.

I love dogs and how they contribute to the betterment of the human condition. I love the dog fancy and all the great work they do for their dogs and the dog world. I am someone who understands and has been actively involved in almost every area of conformation and performance events to include promoting AKC, their events, AKC Reunite, CHF and the AKC PAC.

I believe we are a club of clubs. Without the clubs holding their events and encouraging membership, we are dead in the water. There would be no shows or events of any kind. We must embrace the clubs and help facilitate the activities of our clubs. We must help our breeders in every possible way. Registration numbers have shown that when more dogs are registered, more dogs enter shows. Our newer programs are a great start and we can do more. Our greatest message is that "*We love dogs*" and we need to get that to a broader audience, out over and over again. We have the greatest organization, dogs and people in the world and I want everyone to know it. I respectfully ask for your support in March. My thanks to the AKC Nominating committee for their endorsement and thank you, for all you do. Have a joyous holiday season and safe travels home. (Applause)

Mr. Sprung: Thank you, Chris.

The sixth candidate is Harold "Red" Tatro, III, representing Fort Worth Kennel Club.

Mr. Tatro: Good morning – my name is Harold Tatro and I am the delegate for the Fort Worth Kennel Club. Many of you know me by my nickname – "Red". I would like to give you a little background of who I am and where I come from. Many people have spoken about the need to get our youth involved to save our sport and increase our numbers. One suggestion has been more involvement with 4-H clubs. I can say this plan does work. I am someone who was a 4-H clubber and later as an adult came back to the sport of purebred dogs. Like many of you I started out in Obedience. I then acquired a dog to show in Conformation. Once that first blue ribbon was handed to me and my dog – I was hooked and never looked back!

I am a breeder-owner-handler. I still actively breed, show my dogs in Conformation, train and compete in Obedience & Rally, condition and run my dogs at Lure Coursing & racing. I am an AKC judge who just received approval for my second group. I understand what the current day situation is like at shows for the exhibitors, breeders and professional handlers.

I have served as the President of the American Whippet Club for the past 5 years as well as a past President of the United States Lakeland Terrier Club. Over the last 35 years I have served in several Board positions for my national parent clubs, local specialty club

and all-breed clubs. I understand the importance these clubs have to the continuation of our sport.

The AKC Board has the duty and responsibility to oversee the business of the organization, I believe a director should have a good foundation in the principles of business. As a CPA and someone with undergraduate and graduate degrees in business – I have that foundation. As a CFO, it is a regular part of my day job to analytically evaluate various scenarios and formulate a proposal on how to achieve a strategic goal.

Serving on the Board of the AKC requires people who not only have a sound understanding of business but also have a strong background in the sport of dogs. I believe my long-time participation in conformation, companion and performance events gives me a solid and varied understanding of our sport. A director must also have the ability to listen and work well with others. Having served on several boards and as a President has given me the understanding that a Board is comprised of several good minds and opinions – and they are all valid. As someone with a strong financial skillset I believe I would be a good addition to the decision process the 13 members of the Board make every day. Finally, the AKC Board needs people who are clear thinkers and not afraid to express their opinions – my friends and acquaintances will attest that I am not one to sit on the sidelines nor afraid to express my opinion. I thank you for your time and ask for your support in the upcoming election.

(Applause)

Mr. Sprung: Thank you, Red.

The seventh candidate is Ann Wallin, representing Atlanta Kennel Club.

Ms. Wallin: Good morning again. Don't worry; I know what you are thinking...Thank goodness, she is the last one!! So, hang in there for 3 more minutes and then we can all take a deep breath and relax!

I am honored to have been elected this past year to the Board by the current Board of Directors and that they placed their confidence in me to serve in this important role. I am here today to ask, you, my fellow delegates to place your confidence in me as well so I can continue to serve in a job I take very seriously.

As a Delegate for the last 17 years, like you I have seen a transformation of the business side of the AKC. We can all recall the financial struggles and the registration declines of past years. Today, we can all applaud the work of Staff, Board and the Delegate Body in creating the new resources, the new knowledge, the new expertise, and the new muscle that brought about the recovery we enjoy today. Registrations continue to increase, financial performance continues to be healthy and growing, and our marketing strategies are delivering big dividends in our impact on all dog owners.

So, what lies ahead?

We all know there is more.

There are our clubs – just under 5000 of them. They are the foundation of the American Kennel Club and without them there would be no AKC.

There are our events – over 22,000 each year. They, too, are the foundation of the American Kennel Club and without them there would be no AKC.

Today, no club – not yours and not mine – and no event of any type, is insulated from significant challenges that threaten our future.

For the past 13 years as Chair of the All-Breed Clubs Committee, I have heard those challenges and focused my efforts on helping our clubs survive and thrive. I believe the time has come for us to focus those same new resources, knowledge, expertise, and

muscle squarely and passionately on helping our clubs and our sport achieve the success they deserve.

In the months I have served on the AKC Board, I have come to better understand and appreciate the outstanding capability of AKC Staff and recognize the potential impact all of them could have on our clubs and our sport.

I think Henry Ford's definition of success parallels the AKC perfectly. He said, "Coming together is a beginning; keeping together is progress; working together is success."

If you return me to the Board, I assure you my focus will be bringing the power of the entirety of the AKC to work for the success of your clubs and the growth of our sport.

It must happen.

Let's build an amazing future for AKC together.

Thank you!

(Applause)

Mr. Sprung: Thank you, Ann.

The Chair informed the Delegates of the passing of William F. Dumas on September 20th. He was the Delegate for the Ventura County Dog Fanciers Association since September of 1995.

The Executive Secretary to read the names of Delegates seated since the last meeting:

Kathy W. Colby, to represent Great Western Terrier Association of Southern California

Sharon Gierman, to represent Midwest Field Trial Club

Neal Goodwin, to represent Flat-Coated Retriever Society of America

Leah R. James, to represent Duluth Kennel Club

Victoria Oelerich, to represent Miniature Pinscher Club of America

Josephine K. Ottman, to represent Sagehens Retriever Club

Pia Paulsen, to represent Hollywood Dog Obedience Club

Dr. Judi M. Roller, to represent Badger Kennel Club

Donald Schwartz, VMD, to represent Durango Kennel Club

Bruce J. Van Deman, to represent American Spaniel Club

Elise Wright, to represent Vizsla Club of America

Dr. Barry R Wyerman, to represent Oakland County Kennel Club

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

Neal Goodwin, to represent Flat-Coated Retriever Society of America

Leah James, to represent, Duluth Kennel Club

Aubrey Nash, to represent Town and Country Kennel Club

Victoria Oelerich, to represent Miniature Pinscher Club of America

Dr. Judi Roller, to represent Badger Kennel Club

Donald Schwartz, to represent, Durango Kennel Club

Amy Schwoeble, to represent Staffordshire Bull Terrier Club of America

Elsie Wright, to represent Vizsla Club of America

Dr. Barry Wyerman, to represent Oakland County Kennel Club

The minutes of the September 12, 2017, Delegates meeting were published in the online October 2017 Gazette and the complete transcript is posted on the Delegate's Portal on our website. There were no corrections and the minutes were adopted as published.

The Chair recognized Steven Hamblin, Delegate for the Pekingese Club of America, who spoke as follows:

I have a question. I may be asking about the wrong minutes, so please forgive me. But in the last meeting, there had been a conversation about Board minutes from a prior meeting and that there was going to be some clarity of those Board minutes. But when the Board minutes were approved, they were approved as stated originally. I'm just unclear –

Ms. DiNardo: That's duly noted. But I don't know exactly what you're referring to.

Mr. Hamblin: I was referring to the date. I'm so sorry. There had been a Board conversation about limited registration, and it had been explained to us in the Delegate meeting that the minutes did not reflect the sentiment of the conversation in the Board room at the time, but it was never amended or corrected to reflect what we were told was the conversation at the time. And so, I mean, it stands as it is. I'm just confused about what it is.

Ms. DiNardo: You're talking about Board meeting minutes, not Delegate minutes?

Mr. Hamblin: Yes.

Mr. Sprung: That is the Board minutes. We will go back to those minutes for that meeting to the discussion and motion that was passed unanimously on limited registrations. You will be provided with clarification. Thank you so much.

The Carolina Working Group Association was duly elected a member of the American Kennel Club.

[The Chairman's Report follows the minutes of this meeting.]

Mr. Sprung gave the President's Report as follows:

My gratitude to our staff for their outstanding preparation of the 17th AKC National Championship and to each delegate for your support. Gina, Michael, Paula and every department have achieved the largest event in the history of the American Kennel Club with over 8,600 entries. Congratulations to each of us.

Thank you to our Marketing staff for the successful Delegate web mentoring sessions.

I am delighted to have the opportunity to establish ways of recognizing individuals in our sports; this includes the Medallion Program for delegates, judges, show chairs and breeders, the Lifetime Achievement Awards in performance, companion and conformation, being given out at our luncheon today, and the Outstanding Sportsmanship Award. I initiated these programs, following my passion that we have a responsibility to honor our own.

The AKC Visionary Awards, given for the first time at this meeting two years ago, celebrates individuals of vision whose contributions have brought forward momentum to our mission.

These collective efforts have protected: our right to own and breed dogs; shared the AKC's dedication and love of dogs with the general public; and educated the public about responsible breeding and ownership. This year we recognize six delegates for leadership in our community. Tom: Please do the honors.

Susan LaCroix Hamil

Susan has been the Delegate of Shoreline Dog Fanciers Association for 17 years. She is on the Delegate Canine Health Committee for over 10 years, and has been its Chair since 2009. A member of the AKC CHF Board of Directors for 20 years and Vice-Chair. Susan is also on the OFA Board, works tirelessly on the forefront of California legislation issues, has been a Judge for 25 years and is treasurer of the American Dog Show Judges. In 2006, she was awarded AKC's Breeder of the Year Award for the Hound Group in addition to being a Breeder of Merit and A Bred with Heart designated breeder for her Quiet Creek Bloodhounds.

Lee Arnold

Lee served as the Delegate for the Chinese Shar-Pei Club of America from 1998 to 2004 and since has been the Delegate for Southern Colorado Kennel Club. During his many years of devotion to dogs, he was a Board Member, Secretary and Chair of the AKC/Canine Health Foundation. On the AKC Board for 8 years, he was liaison to the Canine Health, Field Trial & Hunting Test and Bylaws Committees. In addition, Lee chaired the Appeals Committee and served on the Canine Health Advisory Panel. Furthermore, he was the sole visionary responsible for 2 AKC CHF Public Service Announcements starring Willie Nelson and Crystal Gayle. One of Lee's legacies is as a leader working on positive collaborations with staff for the betterment of dogs.

Lynette and Stanley Saltzman

The Saltzman's started Catamount Kennels in 1959 and finished their first champion the next year. Lynette was the Delegate for the American Shetland Sheepdog Association from 1978 until 2006, almost 30 years. And now represents Oakland Dog Training Club, having served as a member of the Parent Club Committee for a dozen years. Lynette has been judging since 1968 including Best in Show at Westminster. In 1985, she was the first woman to run for the Board by petition.

Stanley is the Delegate with the longest continuous service (47 years), and he predates any current Delegate or present staff. He served as Delegate of the San Francisco Dog Training Club and Longshore-Southport Kennel Club. He chaired the Ad Hoc Committee on Committees which proposed the standing rule in 1993 that led to the creation of the Delegate Committees. Stanley was a member of the Bylaws Committee from 1999 – 2005, an AKC Board member, and has been a Judge for almost half a century. In March 1983, the Delegate body voted for a landmark initiative of theirs by adding to the number of groups, increasing from six to seven with the addition of Herding. Stanley and Lynette pioneered this change.

James W. Smith

Jim attended his first show with a Dalmatian in 1956. He was the Delegate for the Dalmatian Club of America for 16 years and since 2012 is representing the Washington State Obedience Training Club. He was a member of the AKC Board from 1994 – 1997, in his first year of service he was elected Board Chair where he inspired staff on every level with his sports knowledge and visionary business acumen. He has also served as President of the American Fox Terrier Club and is a former Board Member of the AKC Museum. In 2012 Jim was recognized as AKC Terrier Breeder of the Year for his Absolutely Smooth Fox having bred over 50 champions, campaigning numerous to national specialty and Best in Show wins.

Ron Menaker

Ron served as Delegate for the Bedlington Terrier Club of America then the Rockford-Freeport Illinois Kennel Club for two decades and since for the Memphis Kennel Club a total approaching 30 years. He was a Board member from 1996 to 1998, then 2000 until 2012 as well as currently. During that period, Ron led the effort to correct a failed registration system and personally spent months in North Carolina overseeing the creation of the new systems.

Mr. Menaker was the Board's Vice Chair, then Chairman for 10 years and is presently serving again as Chair. He is an engaged member of every Board and Ad Hoc Committee. Ron is a founder and past president of the AKC Museum of the Dog and still a Director. Also, he donated his time on the Boards of the AKC Canine Health Foundation and the University of Pennsylvania Veterinary School as well as a Trustee of the Morris Animal Foundation and St. Hubert's Giralda. A Judge since 1994, in demand nationally and internationally, including Best in Show here in 2014. Ron was the Show Chairman for the Westminster Kennel Club for 13 years and the AKC National Championship for 10, in each case enhancing their prominence. His vision brings the Museum of the Dog and AKC's headquarters to their new homes. These initiatives enhance our ability to achieve AKC's mission. Admired by staff, Ron provides leadership in countless areas to our club of clubs, thus benefitting dogs.

Please give a final round of applause to our Visionaries.

I am honored to share for the very first time publicly the following staff promotions: Keith Frazier, our Vice President of Business Support Services and NC Facility Operations, and Doug Ljungren, Vice President of Sports & Events overseeing every AKC sport, have each been promoted to Executive Vice President. Keith is a 22-year employee who has received numerous promotions in his career and also served as the Director of AKC Reunite. Doug is a 10-year employee who has been involved in our sports for over four decades and also serves as President of the AKC Humane Fund.

Tim Thomas, a dog person with 36 years of experience who began as an Executive Field Representative is currently Director of Judging and has been promoted to Vice President of Judging Operations.

The next individual has successfully worked in many departments and is a tireless advocate for our organization and its mission. I am sure if asked there would be as many accolades as there are delegates. I am delighted to appoint Paula Spector Vice President of Corporate Services.

(Standing Ovation)

Joe Baffuto gave the Financial Report as follows:

Good morning Everyone! It is personally excellent for me to be back in Orlando and a part of the weekend events and celebrations that is the AKC National Championship presented by Royal Canin! Before we embark in all the festivities with such wonderful people and most especially the dogs from all over the world - I am here to provide you with a financial performance report of The American Kennel Club through November 30, 2017.

At first topside glance, let's summarize our year to date revenues and expenses. Through November 30, we have recorded nearly \$65.4 million in Total Revenue and \$60.5 million in Total Expenses, for an Operating Income of \$4.86 million dollars. This is

in comparison to our prior year results where we recognized \$59.3 million in Revenue with \$54.2 million in Expenses and an outstanding \$5.1 million in Operating Income. Let's next here observe our Core Registration Volumes through November 30. We have registered totals of 219,000 litters and 517,000 dogs over 11 months this year. Our litter volume has increased by 7% from 205,000 in 2016, while our dog registrations have also escalated by 7% from 483,000 at November 30, 2016.

As we look to close December, our hope is to surpass the milestones of 240,000 litters and 560,000 dogs by year-end. We have now had 4 consecutive years of non-declining volumes and the AKC has not recognized these peak total volumes since 2009. We are getting a return on our investments and customer support efforts! Congratulations to an entire team focus and an overall dedication to success!

As a transition, let's just highlight here our Revenue successes. Year over Year – we are up \$6 million in Total Revenue or nearly 10%. Let's assess our Major Revenue Sources Year to Date. Our Registration Items, specifically, Dogs. We have recorded an additional \$1.2 million in revenue this year which is a 7% increase from 2016. Our Litter Revenue increase of \$476,000 dollars also reflects a 7% surge.

Our next largest registration related revenue is that of Pedigrees. Our \$136,000 increase this year has jumped by 3% from 2016. Outside of Registrations, our next largest areas of revenue increases include the following: Our Canine Good Citizen and our Trick Dog programs. We have logged a 25% increase or an additional \$333,000 in revenue during 2017. Our Growth Group has increased by \$3.1 million or 38% during 2017. This includes Digital Advertising by \$2.2 million, our eCommerce platform by half a million dollars and Marketplace activities by \$400,000.

Let's transition to our year to date analysis of Expenses. Year over Year – our costs have risen by \$6.3 million or 11%. In evaluating our major expense increases year to date, our Payroll and Benefits of \$31.4 million represents a \$4.7 million or 17% increase from this same comparative period in 2016.

Our current Full Time Headcount is 338, which has increased by 8% from our level of 313 at November 30, 2016. Also, coinciding with an increase to headcount, has been an increase in our Consulting costs. We have spent \$1.3 million in total year to date, which is a 63% increase or \$543,000 – in order to help drive revenue and support our customer focus. Our Equipment costs – including maintenance and rentals – have risen by \$165,000 or 15% during the year. This can mainly be attributed to our advancement of moving our information technology services to the cloud and the related dual progress with it.

Lastly, we have spent approximately \$265,000 to date as part of our research, development and preparations for our forthcoming office relocation endeavors. To summarize the current status of our operations, revenue numbers have shined, we have controlled our current costs, while expending toward new activities and programs with continued potential streams in the future.

Aside from our operating results analysis, we'll take a brief look at our investment portfolio results as well. For the 11-month period of 2017, our portfolio has unrealized gains of \$11 million dollars. Our phenomenal year to date investment return of 10.9% has participated in the overall upside market with our benchmark at 12.4%. If this current unprecedented rally continues, then we can expect to come close to our portfolio's single year investment gain high from back in 2013, when we reached \$13.0 million dollars.

The Balance Sheet of the AKC maintains our long-term strength. We are at \$164.2 million in Total Assets, a 14% and \$20.5 million dollar increase from the same point last year. Finally, our Total Liabilities of \$71.2 million have increased by 6% and \$4.0 million over the past year. The majority of our liabilities are extended term in nature and include more than \$63 million in pension and post-retirement benefits.

I'd like to conclude our brief performance report with the phenomenal fact that our long-term Net Assets have increased by more than \$16 million or 21% over the past year! Thank you to everyone on the Board, Management and Staff, and the Delegate Body for contributing to AKC's outstanding achievements in 2017! We wish everyone to have a memorable time here in Orlando! Continued success ahead in 2018! Happy Holidays and Happy New Year!
(Applause)

The Chair informed the Delegates that the annual meeting will be held on Tuesday, March 13, 2018, at the Doubletree Newark Airport Hilton. The March meeting will be the annual election of Class of 2022 Board of Directors.

The following Delegates spoke during New Business:

Julian Prager, Delegate for the Central Florida Kennel Club, spoke about an issue facing a long-time member of the Fancy.

Gail LaBerge, Delegate for the Atlanta Obedience Club, wanted to remind Delegates that AKC PAC is always prepared to receive donations and that representatives were outside the meeting room as well as at PAC booth at the show. She urged Delegates to support candidates in the upcoming election year who support dog owners' rights.

Barbara Mann, Delegate for Dayton Dog Training Club, shared a conversation she had with a gentleman, who along with his wife, have had purebred dogs for 30 years and currently run one in agility. He mentioned that when they got their first dog there were a dozen breeders statewide for their breed but now there are only two. Ms. Mann concluded that it's getting harder and harder to get a purebred dog and she sees limited registrations as a major cause.

Barbara Norton, Delegate for the Upper Snake River Valley Dog Training Club, had suggestions on ways to effectively battle the spay and neuter issue. She contacted the NRA and they came out and lent support in California. She suggested Delegates getting the NRA as well as the Cattleman's Association to come out at help them in their states.

Pamela Stacey Rosman, Delegate for the Canaan Dog Club of America, told the Delegates about how the Canaan Dog Club of America, which is a small parent club with very limited resources, raised money for AKC Reunite. One of their members donated a one-week stay in a Maui condo as a raffle prize at their national specialty. They were able to raise enough money to make a substantial donation to AKC Reunite. She hoped other clubs with limited financial resources and a desire to contribute would find creative ways to fundraise for AKC affiliates.

David Hopkins, Delegate for the English Springer Spaniel Field Trial Club of Illinois, spoke as a member of the Legal Outreach Committee and wanted to bring two matters to the attention of the Delegates. First, that there is a writing contest for law students throughout the country under the auspices of JADA. Information can be found at writeaboutanimallaw.com. Students can write on pet custody, evaluation of animals and estate planning and litigation matters involving dogs. The deadline for submission of the paper is March 30, 2018. Mr. Hopkins asked for lawyers to work through their bar associations to channel materials on the contest to law schools in their areas.

On behalf of all members of the Legal Outreach Committee, Mr. Hopkins expressed a huge thank you to the Board for approving a protocol to facilitate membership for several members of the Legal Outreach Committee to serve on the Animal Law Committee of a particular section of the American Bar Association. This is the premiere bar association in the animal law world. To date, there are no AKC-affiliated lawyers on that committee. Barbara Penny, Martha Feltenstein and Mr. Hopkins will be the initial members of this committee.

Gregory Paveza, Delegate for the Elm City Kennel Club, wanted to thank Dr. Davies and the members of the Ad Hoc Committee who worked hard on the redevelopment of the judging approval process, and appreciated the exceptional work that had gone into it. He did however have some issues with the testing process as it does not, in his opinion, take into account the average age of our judges and the fact that they learned how to take tests in a different way. He asked that the staff take a serious look at both the test-taking development and test-taking psychology for the age group that comprises the majority of our judges.

Steven Hamblin, Delegate for the Pekingese Club of America, informed the Delegates that he was the coordinator for the upcoming issue of *Perspectives*. He encouraged Delegates to write an article, or if they wanted assistance writing an article to reach out to anyone on Perspectives' Staff. Mr. Hamblin gave his email address (dancinglionpekingese@gmail.com) for those interested in submitting an article.

Sylvia Thomas, Delegate for Kennel Club of Riverside, urged everyone in the room to take a look at *Perspectives*. Some of the articles deal with topics discussed at the meeting. There is also a staff interview with Tim Thomas in the current issue and she pointed at there is a staff interview in each issue of *Perspectives*. Board candidates have been asked to address a hot topic that she feels all Delegates will want to see answered that will appear in the March issue.

Sue Goldberg, Delegate for the Lewiston-Auburn Kennel Club, spoke about a crop and dock meeting she attended the day before, where an attendee pointed out the difficulty in finding vets who will crop and dock. She suggested that AKC put together a list of those Veterinarians across the country that will do so. She asked that if any of the Delegates were a veterinarian who will crop and dock or if a Delegate has a vet that will do so, the names of those vets should be sent to AKC. She further informed the Delegates that the American Veterinary Medical Association will be coming out against this being taught in veterinary schools, so a list of vets that will crop and dock will be extremely useful to our breeders.

Ann Wallin, AKC Board member and Delegate for the Atlanta Kennel Club, wanted everyone to know she had the pleasure of meeting our Public Education Director, Leslie Fetzer, who told her that the Public Ed Department had expanded and were doing some fantastic things, one of which was an art competition for local students. There were 175 submissions displayed at the show and she believed that all the children except for one would be attending the show. Ms. Wallin felt it was a fantastic way to reach out to young people and to get them excited about dog shows and wanted to congratulate Ms. Fetzer and her department for a job well done.

Patricia Laurans, Delegate for the German Wirehaired Pointer Club of America, spoke about Pet Disaster Relief Trailers, and how deeply grateful she and the team are to the

Delegates and the clubs that demonstrated an amazing outpouring of support since Labor Day and Hurricane Harvey, with a total of \$582,981.87 donated. Since the launch four years ago of the AKC Pet Disaster Relief program there are now 64 trailers and there will soon be 7 added. Trailers have been deployed 21 times in response to hurricanes, tornadoes, wildfires, flooding and an apartment fire. She quoted Tammy Miller, manager for the Tri-City Animal Shelter, who said, "I cannot express how grateful we were to have these resources that we could share with those in such desperate need. You are truly lifesavers. Thank you to every member of the AKC family."

On a personal note, Ms. Laurans thanked everyone for their concern and help during the last year and especially thanked the AKC and the committee that chose the judges for the show. Her assignment to judge the Best National Owner/Handler in Show spurred her on and was impetus to be able to walk into the ring on Doug Ljungren's arm. She again thanked the Delegates and the judging committee for their support and said they were like family.

David Michael Powers, Delegate from Los Encinos Kennel Club, spoke about being present at the last meeting when he inquired about the history of the foundation, the financial statistics, the administration of both LINK and the dog day care programs. At the time he was informed that there would be a press release, which there was. However he felt that it did not answer his questions. He requested that the Board and Staff perhaps be more trusting and open with the Delegate Body.

Cathleen Rubens, Delegate for Butler County Kennel Club, reminded the Delegates that a legislation survey was sent out from the All-Breeds Subcommittee on Best Practices. She requested that everyone respond (one response per club), because without input, they can't get best practices to the rest of the community.

As there was no further business, the meeting was adjourned.
(The meeting concluded at 12:10 p.m.)

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

December 2017 Chairman's Message

As we near the end of our 133rd year as America's strongest advocate for purebred dogs, it is a privilege to reflect on how much we have accomplished. The cornerstone of our mission, AKC Sports and Events are our link to the past, present and future. In 2017 we challenged ourselves to create a path to growth for Events. An extraordinary set of projects were set in motion this year to fortify and expand our events for the benefit of all dogs and exhibitors.

A retention strategy was developed to ensure that current exhibitors will have a lifetime of activities to enjoy with their dogs. To achieve it, we created ways to expand existing sports and encourage transitions into other types of events. The Conformation Puppy of Achievement pilot program, the first Retriever Field Trial National Derby Championship, two new classes in Rally and the introduction of FSS breeds into Junior Showmanship are just some of the opportunities we created to encourage exhibitors to "go deeper" into our sports. We also introduced an enhanced Juniors Recognition Program and Junior Versatility scholarships to celebrate and support the diverse accomplishments of our

youngest constituents. Our new advanced levels of the Breeder of Merit program recognize breeders' long-term commitment and honors their mentorship of puppy buyers. The new Achiever Dog pilot program and an email campaign to CGC graduates not only recognize versatility but also encourage exhibitors to try their hand at new events.

Attracting new participants to AKC events was also a focal point of the year's activities. Education, communication and innovation were the components we leveraged to build a foundation for growth. Five videos were produced to educate newcomers about our Sports, including dog shows, the Agility ACT class, CGC and STAR Puppy, Farm Dog and Rally. There is now an AKC Sports Facebook page that shares our stories with a broadening audience. We have been making significant improvements to the Event Search functions on AKC.org to make it easier for potential exhibitors to find events, classes and training. A geo-targeted email campaign to new dog registrants will build awareness about Specialty shows and plant the seeds of community that we so enjoy through our breeds. We also launched an email campaign expressly for first-time exhibitors to welcome them to the sport and encourage continued participation.

Expanding our portfolio of events has been another means to increase and diversify our constituency, as first happened with Agility back in the nineteen-nineties. This year we introduced the AKC Tricks program and the new sport of AKC Scent Work, which are welcoming new dog owners to the wonderful and wide world of AKC. Scent Work outpaced expectations with five thousand entries in its very first month. Our Tricks program has already achieved more than fifteen thousand title applications, proving the value dog owners place on training that is fun and flexible. Notably, thirty percent of Tricks title holders are new to AKC Events. Reaching a new audience through innovative programs is the first step in engaging dog owners, opening their eyes to broader possibilities with their dogs, and inspiring them to challenge themselves further.

Clubs are the lifeblood of our Sports and Events, so in 2017 we put new infrastructure in place to provide them with even greater support. We launched the Club Development Program to help clubs needing extra assistance to manage their shows and to devise strategies for growth. As a result of working with this new department, several clubs have seen a notable increase in entries. Offering a helping hand and proving our commitment to quality and integrity are the most important ways in which AKC can make a difference for our Sports. Revisions to the judging approval process that emphasize breed education have been approved and will become effective in January; we hope the end result will be more qualified judges, more confident exhibitors, more successful shows, and happier host clubs. We are already seeing the positive effects of this approach. Participation in the National Owner Handled Series has grown to cover nearly seventy percent of all breed shows, thanks in part to our strengthening of judging requirements for NOHS in 2017.

Improving the overall experience for current exhibitors and drawing in new participants with innovative programs are key objectives as we continue to foster the health and growth of AKC Events. Our focus over the past year will only sharpen as we head into a new year and a new season of exciting and rewarding events to share with our purebred dogs.

With very best holiday wishes,
Ron