

AMERICAN KENNEL CLUB
Delegates Meeting
March 14, 2017

Mr. Sprung, President in the Chair, called the meeting to order at 9:00 AM:

The Chair introduced the persons seated with him on the dais: Chairman, Ron Menaker; Vice Chairman, Carl Ashby, III; Doris Abbate, Professional Registered Parliamentarian and Gina DiNardo, Assistant Executive Secretary.

The Assistant Executive Secretary read the report of the Nominating Committee as follows:

Ms. DiNardo: Pursuant to Article VIII of the Bylaws of the American Kennel Club, the Nominating Committee: Patti Strand, Chair, Dog Fanciers Association of Oregon; Robert Amen, Greater St. Louis Training Club; Karen Burgess, Greater Clark County Kennel Club; John J. Lyons, Charlottesville-Albermarle Kennel Club; William B. Tabler, Jr., Long Island Kennel Club, appointed by the Board of Directors at its July 2016 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 14, 2017. There are four vacancies for the class of 2021: Rita J. Biddle, Esq., Ingham County Kennel Club; Dominic P. Carota; Pharaoh Hound Club of America; Dr. Gregory J. Paveza, Elm City Kennel Club; Harvey M. Wooding, Westminster Kennel Club.

Pursuant to Article VIII of the Charter and 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 2021, to be filled at the next annual meeting of the club on March 14, 2017: Jeffrey David Ball, Ramapo Kennel Club; Thomas Powers, Kennel Club of Beverly Hills; Julian Prager, Central Florida Kennel Club; John L. Ronald, Samoyed Club of America; Daniel J. Smyth, Esq., Burlington County Kennel Club.

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

The Chair reported on the passing of Virginia Van Doren on December 14, 2016. She was Delegate for Lackawanna Kennel Club since March 7, 1994.

Mr. Sprung addressed the Delegates about the passing of Jack Ward as follows: Jack Ward died this past Sunday. He first became a Delegate in 1950 for the Old Dominion Kennel Club and in 1969 became the Delegate for the Mt. Vernon Dog Training Club which he founded in 1960. He served on our Board of Directors for 20 years, beginning in 1974. He was elected Treasurer in 1979 and later Chairman of the Board. He was an obedience judge for more than 30 years. Among the many honors bestowed on him was the 2001 AKC Lifetime Achievement Award for Companion Events. Jack celebrated his 100th birthday this past fall at the Mt. Vernon Dog Training Club Obedience Trial.

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

Edmond J. Blausten, to represent Virginia Kennel Club
Jacqueline Carswell, to represent Berger Picard Club of America
Frances H. Colonna, to represent St. Joseph Kennel Club
Donna M. Gilbert, to represent Greenwich Kennel Club
Mark Francis Jaeger, to represent American Brussels Griffon Association
Jean Kessler, to represent Norwich Terrier Club of America

Judith Lichtman, to represent Rhodesian Ridgeback Club of the United States
Anthony Marques-Christopher, to represent Santa Cruz Kennel Club
Frank Martire, to represent Mispillion Kennel Club
Susan Marucci, to represent Newtown Kennel Club
Christopher Orcutt, to represent Irish Red and White Setter Association of America
Debra Owen, to represent Louisville Kennel Club
David J. Peat, to represent Santa Clara Valley Kennel Club
Mimi Winkler, to represent Saw Mill River Kennel Club

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

Mary-Helene (Mimi) Brown, MD, Scottsdale Dog Fanciers
Jacqueline Carswell, Berger Picard Club of America
Frances Colonna, St. Joseph Kennel Club
Barbara Donahue, American Miniature Schnauzer
Jean Kessler, Norwich Terrier Club of America
Debra Owen, Louisville Kennel Club
Christopher Orcutt, Irish Red & White Setter Association of America
David Peat, Santa Clara Valley Kennel Club
Mimi Winkler, Saw Mill River Kennel Club

The minutes of the December 16, 2016 Delegates meeting which were published in the online January 2017 Gazette were adopted.

The Lagotto Romagnolo Club of America was duly elected a member of the American Kennel Club.

Ron Menaker gave the Chairman's report as follows:

I would like to take this opportunity to recognize three individuals who have made significant contributions to AKC over the past eight years. While their backgrounds, breed interests, and even philosophies differ, all three of these gentlemen share a dedication to AKC and the Sport and a love for purebred dogs. All three of them have known that AKC must adapt to changing times, and each was influential in AKC's evolution into a significant resource for the fancy and the public.

Will Lee Arnold, Carl Ashby and Alan Kalter please stand, and remain standing, while I acknowledge each of you.

Lee Arnold has extensive experience in all aspects of radio and television broadcasting, which was invaluable as AKC expanded its public outreach over the past eight years. He has played key roles in the AKC Canine Health Foundation, having served as Secretary and Chairman. This experience served the Board well as it worked in close collaboration with the AKC Canine Health Foundation to advance the health of purebred dogs.

Carl Ashby's background in both large and small businesses served the Board well as it sought alternative revenue from entrepreneurial ventures such as "Link AKC" and "AKC Canine Retreat," and as it transformed the marketing department into a "corporate growth group." Carl has served as AKC's Board Vice Chairman for the past two years.

Alan Kalter's experience as the owner of the world's largest privately held advertising agency greatly assisted AKC as it enhanced and advanced its communications and marketing functions. In 2016, Alan and his wife Chris were honored as AKC Breeders of the Year. His input was instrumental in the development of programs to recognize breeders, such as Breeder of Merit and Bred with Heart. He also served on the Board of

the Theriogenology Foundation to advance the reproductive health of purebred dogs. Alan served as AKC's Board Chairman from 2012 until 2015.

This brief acknowledgment just touches the surface of all of the contributions made by these three outstanding Board members who I am proud to have served with and to call friends, and most of all for purebred dogs.

Thank you.

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

We can share in the successful year that 2016 was for the great American Kennel Club. My appreciation to staff at every level; their talent, commitment, knowledge and hard work are to be celebrated and of course to our Board and Delegates. In Events, entries exceeded the 3 million mark for the ninth time in ten years, totaling over 3,100,000, an aggregate increase of 37,000.

Agility had a notable area of growth, up 28,000. Field Trials, Hunting Tests, Herding Trials and Tests, Lure Coursing and Coursing Ability Tests each increased. The new Fast CAT had over 6,000 entries. Rally entries were up more than 4,200.

However, Conformation is down 11,855. There is a definite marketing opportunity being addressed in gaining unique exhibitors and unique number of entries in conformation. 1,456 shows included the NOHS competition, up 36 percent. The four- to six-month beginner puppy was held 607 times, a new high. The National Championship presented by Royal Canin reached 4,710 entries. It was the largest show held in the United States since our 1984 centennial. There were more than 1,000 Bred By exhibitors/competitors as well as 121 juniors. Entries in Obedience Classic were up 18 percent to 248. The Agility Invitational saw 700 and NOHS reached 712. Our public relations impressions exceeded 3.5 billion, up 57 percent at a valuation by an independent auditor of \$435 million.

Meet the Breeds in Orlando welcomed 160 Parent Clubs. We thank you. New York City's with Westminster was a major educational effort, enjoying the participation of 135 Parent Clubs. 110 elected officials from the tri-state area served as "Honorary Chairs". The success of both AKC Meet the Breeds was achieved because of the expertise of our Parent Club volunteers.

Registration and Customer Service Development continued to drive improvements in efficiency and quality. Registrations continued its path of annual success for the third year in a row. Litters were up 6 percent, over 224,000. This was naturally followed by an increase in individual dog registrations, up 8 percent, exceeding 524,000. Bred With H.E.A.R.T. now has nearly 2,000 enrollments as it engages, encourages and recognizes breeders who meet specific health testing standards, backed by inspections. 786 Breeders of Merit were enrolled just last year. There were more than 6,500 litters with 100 percent registration resulting in better than 26,000 individual dogs. Breeder of Merit was also transitioned to require qualifying on a breed-specific basis.

AKC.org had 15 million more users, reaching 45. Facebook fans were at 3.4 million and video views totaled 250 million. The content team produced 1,200 articles.

Marketplace integrated AKC's rescue network by listing Parent Club rescue information and the link. Search results were revised to display litter listings. Breeder and puppy buyer testimonials were added. 23,000 litters were advertised, a 44 percent increase, and puppy buyers visiting marketplace exceeded 1 million.

The Chief Veterinary Officer made his presence known as he wrote or reviewed 50 articles, participated in interviews and recorded numerous videos. He presented at the AKC Crop and Dock meeting, visited veterinary schools, and also attended the AVMA Conference. The Breeder of Excellence Seminar, a joint effort with the Theriogenology Foundation, covered reproductive topics. Presentations were made at 15 veterinary and one vet tech school. Advanced and basic judging institutes were offered. The Registered Handlers

Program gave 26 judging junior seminars plus 25 junior clinics, 10 adult handling clinics and 17 continuing education seminars. Our Executive Field Representatives gave 59 speaking engagements and our Inspectors 25.

Canine College extends learning and certification opportunities with online resources. Currently there are breed courses, standard exams, performance judges tests and breeder courses with corresponding exams.

On the donation front, \$500,000 from AKC to AKC CHF was given as matching dollars and \$250,000 matched dollar for dollar to the Tick-borne Disease Initiative. The Theriogenology Foundation received \$400,000 for grants to veterinary universities.

AKC CHF honored us with their President's Award. NAIA presented us with their Innovators Award. The Dog Writers Association of America recognized our publications in 10 categories, including the coveted "Best Magazine" for *AKC Family Dog*. We gave eight veterinary scholarships. In our community, Breeder of the Year Award was awarded and given in each of the seven groups as well as in each sport. Six Delegates were recognized for 25 years of service as were nine judges and two for 50 years. Visionary Awards were presented to five of our Delegates. Lifetime Achievement Award winners were honored at our last meeting. Over 2,900 dogs earned a Bred By Exhibitor medallion. AKC's Paw of Courage was awarded to nine police canines in appreciation for the sacrifices that working dogs make.

Lastly, financial assets are higher than ever before. The year resulted in a net increase of \$11.1 million. This bottom-line strength allows us to take the necessary steps for the well-being of our dogs.

Another excellent year. Congratulations to each one of you.

On behalf of staff, we sincerely thank Carl, Lee and Alan for their years of dedication to our dogs, sport, AKC, and its affiliates.

Chief Financial Officer, Joseph Baffuto gave the financial report as follows:

Good morning everyone. We thank you all for joining us here and best of luck to all the candidates on the ballot this morning. I'm greatly enthused to be back and provide you with a positive financial report of our full 2016 fiscal year. A standalone summary of the American Kennel Club's operating revenues and expenses for December 31, 2016 are comparatively presented here. We recorded \$66.4 million in total revenue and just under \$61.3 million in total expenses, for an operating income of just over \$5.1 million. In comparison to the full 2015 year, we reflected \$62.1 million in revenue, \$53.3 million in expenses, and an outstanding year of \$8.8 million in operating income. AKC's core registration volumes and the relative increases are on display here. As we have stated, our litter volume has increased by 6 percent, our dog registrations have escalated by 8 percent and our pedigrees rose by 5 percent. All the thanks to every ounce of effort and determination from our Delegate body, our Board of Directors, our management and staff throughout each of the functional areas in our organization. This would not have been achieved without you. Congratulations. Let's just let this be the beginning of more future great achievements ahead. Let's drill down into our dollars and cents. Here we'll assess our largest increases to revenue year over year. Those great volume increases that were just mentioned, that equates to a phenomenal increase of \$1.6 million for the AKC. When 52 percent of our income rises by almost 6 percent, it's going to be a pretty good year. Our digital advertising programs have garnered us an additional \$918,000 in revenue during 2016. Our royalty and sponsorships income has grossed more than \$560,000 than we did in 2015. Our e-commerce platform also has more than \$450,000 year over year. And our marketplace accumulated greater than \$300,000 in additional revenue during 2016. All of these positive efforts are in large part of our growth groups' outstanding efforts and diligence to succeed and promote the brand message of the AKC. Kudos to our colleagues indeed. Let's glance

at the brief highlights in our Events area for 2016. There were nearly 22,000 sanctioned, licensed and member events held throughout the year. Our entries of 3.15 million reflected an increase of 1.1 percent in 2015, while producing a grand total of \$11.3 million in recording and event service fee revenue. When a 17 percent source of your income has a modest increase of 1.1 percent, we can continue to expect favorable overall results. Again, congratulations are in order to management and staff who work so hard and support AKC sports and events. We'll now move over to an analysis of expenses. Let's begin at the top of the organization and, as a bylaw requirement, I report that the total amount of Board of Directors related expenses in 2016 was \$315,766. Moving forward, we'll take a look at where AKC's operating expenses increased in 2016. Our total expenses rose by \$7.9 million, or 15 percent. The most major component of this increase relates to our head count. Our full-time equivalent staff has risen 13.5 percent over the course of 2016 calendar year. At December 31 we were at a grand total staff of 307. The growth emphasis has been within our areas of Technology Services and Marketing staff. The staff increase has equated to \$3.2 million in additional costs. This is where we are staffing for success and the future. In addition, our marketing program efforts have increased by \$1.8 million during the year. Our non-cash expenses of depreciation and amortization slightly increased by less than \$500,000 year over year resulting from our writedowns of software development costs. Our grants and contributions in 2016 increased by \$600,000 from our 2015 amount. This was due, as we mentioned, to our matching grant support of the AKC Canine Health Foundation's tick-borne disease program as well as our combined participation in thereology research. We will continue to plan and budget for future philanthropic research efforts. Outside of AKC's operations, next we'll take an overview of our investment performance. In 2016 AKC's portfolio had unrealized gains of \$6 million with an investment return of 6.8 percent. We are pleased with the positive performance. We'll take a brief look at how we performed against our benchmark and other major indicators. Our portfolio slightly underperformed our benchmark of 7.4 percent, about 60 basis points. Also, while many major indicators had near record double-digit returns in 2016, so again, we're pleased to have great participation in the upside market, however, some of our downside protection within the portfolio did restrain some of our potential returns. Next, we'll review the consolidated balance sheet of AKC and its controlled affiliates, including Smart Pet Technologies, AKC Pet Care, AKC PAC, AKC Humane Fund and AKC Reunite. We will first examine the consolidated assets. We will have finished out the 2016 year with \$151.3 million in total assets. This is just under a \$9 million increase, or 6.3 percent, from the previous year. The two major factors here are our investments of \$123 million, along with a receivable of \$4 million, and an increase to our fixed assets, including property, plant, equipment and software development, at a value of \$13.8 million. Next, on the other side of the balance sheet, are our liabilities. Our liabilities did modestly increase from 68.2 to 71.3 at December 31. We had a slight increase to our grand total of accounts payable and accrued costs by \$1.6 million. However, the major factor in our increased total liabilities lies within our long-term pension and post-retirement obligations. We have taken some steps over the past year to mitigate these long-term obligations. However, actuarial calculations and long-term interest rates have not cooperated with our efforts. We will continue to monitor and address the status of these liabilities going forward. So where does this put consolidated AKC? It puts us in an excellent place. Our unrestricted net assets increased by 8.5 percent at the end of 2016, to a total of \$78.4 million. We will take a brief look at the breakdown. Our operating reserve stands at 38.1 million. This reserve is a recommendation from our audit firm, KPMG, and it represents 50 percent of our combined operating budget, that, if in a catastrophic case our business operations were to be curtailed for an extended period of time, we would have funding to survive. Second, our property and equipment is valued at \$13.8 million. Next, our Board designated funds are stated at \$87.5 million. This has allowed

and will continue to allow our board to make long-term decisions and commitments to better the future of the American Kennel Club and its affiliate organizations. Lastly, our net assets also reflect the combined underfunded status of our long-term post-retirement and pension plans. Overall, AKC remains in very strong financial condition with continued plans of growth, expansion and success, today and towards the future as well. Thank you very much for the presentation. Please feel free if anyone has any questions, I am readily available. Get home safely.

There was a vote on the proposed amendment to Chapter 2, Section 3, - Making Application to Hold a Dog Show, of the *Rules Applying to Dog Shows*. This amendment would enable the AKC, upon receipt of an appeal, to approve a club for the holding of a show at a site within the area of another club on a case-by-case basis, if it believes the permission of the host club has unreasonably been denied. This amendment was proposed by the Delegate Dog Show Rules Committee after the subject was referred to the Committee by the Delegate body. It was put forward by the Board with a positive recommendation. It was published in two issues of the online Gazette and was emailed to the Delegates. The Board recommended its approval.

Dr. J. Charles Garvin, Board member and Delegate for the Dalmatian Club of America, spoke as follows:

I rise in support of this amendment. This issue has been very contentious for many, many years. Its solutions have been debated and massaged over many years. I think the Dog Show Rules Committee has done an excellent job of coming up with a major step forward. Like any amendment, it may not be absolutely perfect and absolutely solve every problem among the disputes that may arise between clubs. Those are incredibly complex. But by developing an appeals process when there is a dispute between the clubs it allows the rights of every club to be addressed in a fair and impartial manner. So this was unanimously recommended by the Dog Show Rules Committee, the Board of Directors unanimously recommended this, and I certainly urge the passing of this amendment. Thank you.

Dr. Robert Gloster, Delegate for the Sammamish Kennel Club, spoke as follows:

I also rise in support of this amendment and I thought by way of personal vignette I might explain why I'm so enthusiastic about it. This is the first year in the approximately 25 years I've been a member of this club that my club will almost certainly not be having an all-breed show and perhaps longer than that, if I go back to the archival history of the club. In 2015 we moved outside of our territory and were granted permission to hold a show. In 2016 we did the same. But in 2017 our permission has been declined by the host club. And I'm not going to attempt to either expand on some of the questions and negotiations going on with it because I think we are still hopeful, but, rather, to ask the Delegates to support this change as what it does is provide a bit of alternative voicing for a club that is struggling. My club is outside of Seattle. King County, when this club was first formed, was a bedroom kind of community, Bellevue, Redmond, very, very small cities without a great deal of population, comparatively speaking, and with many venues for shows. Now Redmond is the mother ship to Microsoft and Bellevue is the second largest community in Washington State. So all this rule does I think for my club is to provide us perhaps some recourse for suggesting that there may be reasons why we should be allowed to expand outside of our territory. And I hope that the clubs here will see this as a way for all of our clubs supporting all of the fancy that we all very, very much love. It is a rarified atmosphere, competitive dog shows, and we really need to be with one another in hopes of supporting all of us to do what we need to do to have a show.

There was a vote with two-thirds in the affirmative and the amendment was adopted.

There was a vote is on the proposed amendment to Chapter 14 - National Retriever Derby Championship, of the *Field Trial Rules and Standard Procedures for Retrievers*. The intent of this event is to encourage new owners of young dogs to train and participate with their dogs in AKC Retriever Trials. The amendment was proposed by staff and brought forward with a positive recommendation from the Board. It was published in two issues of the Gazette emailed to Delegates. The Board recommended its approval.

There was discussion as follows:

The Chair recognized Tim Carrion, Delegate from American Chesapeake Club, spoke as follows:

This proposal was brought before our board and was unanimously voted upon to reject this new category and new title. The board felt that this title was inappropriate, misleading, and would not accomplish its stated goal. At the present time, to place a national championship title on a derby dog, which means a dog that is under two years of age, we felt was inappropriate and if we look across the venues of AKC there is no such thing where a dog receives a prefix championship title for winning a minor stake. In the Retriever world, our other minor stake, which is for dogs above two years of age, is a suffix title, not a prefix title, more in keeping with AKC traditions. This is not really a competition for this event, is not really the best dogs against the best dogs, it is the best dogs with the appropriate birth date. If we look back over the last four years, the Retriever people keep a list of the top derby dogs in the country. If we take the top 50 dogs for each year from 2013 to the present and we put those dogs, make them eligible for this event, on average 58 percent of those dogs would not even be eligible to compete because they would age out. So what are we doing here? We are awarding a dog a title when the best dogs that year were too old to compete. Finally, this idea that this would attract new people, I ask you to just think about this. If you were looking to run and had a young dog and someone came up to you and said yeah, get involved in field trials, come run this derby, where once a year one dog will get a title, would that be an incentive? Thank you.

John Russell, Delegate for the Middle Tennessee Amateur Retriever Club, spoke as follows: I would like to respond to the representative from the Chesapeake Club. I would like to first say that there's no magic here. This is a national derby championship which in itself explains it's sub-two-year-old dogs. All Retriever championship field trial titles are prefix titles. The other one Tim speaks about is an accomplishment notation for the qualifying stake. The genesis for this was exactly about creating enthusiasm, younger people, entry level. Almost no one contemplates to run Retriever field trials and I think I'll go start at the open stake. It is bottom up and it's not just enthusiasm for this stake, but to create an enthusiasm at the derbies running all the trials around the country that there is somewhere else to go. Right now it is the only stake of note that has any longevity that does not have a head-to-head national competition. The committee that put this project together is very accomplished, very widespread geographically. For example, when Mike Lardy was approached as probably the most accomplished Retriever professional trainer of all-time, does not run the derby, was very enthused, committed much of his time and effort to helping us form this, to think it through. There are more than 25 national titles in the possession of the people on this committee. I think they understand the value of the national title. I would also like to submit to this group that this is in keeping with the entire AKC theme about encouraging new people to come, get involved, and participate on the way up. I have been involved in Retriever field trials for more than 47 years. I was a baby when I came. I have never seen such widespread enthusiasm for a new idea and it would be the first substantive change in

Retriever field trials in more than 60 years. The last one was the National Amateur Retriever Championship first run in 1957. So we don't move just for the sake of moving. We are traditionalists. But I would urge your support for this and say that for growing enthusiasm what we're doing isn't working, let's try something.

James Corbett, Delegate for the Tualatin Kennel Club, spoke as follows:

I am speaking as Chairman of the Field Trial and Hunt Test Events Committee. Our committee reviewed the full aspect of this. We discussed it at length and we supported approval of it by a vote of nine to one.

Board member Steven Gladstone, Delegate for the Waterloo Kennel Club spoke as follows:

Having served on the Board and having these issues of things of which I absolutely know nothing about still needing votes, I think most of us here really don't know much about the field trial situation and I've learned to rely on the expertise in a lot of ways, at least in the explanation of what's going on, of Doug Lundgren, and I'm wondering if we couldn't hear from Doug to just explain to us what this is about.

Mr. Ljungren: This was a grassroots recommendation that came from the sport. As John mentioned, it was widely embraced across the country by very long-term participants and the pros who oftentimes don't participate in these junior events. It's a way to entice new people with younger dogs to get involved with the sport and have something that they can continue to strive for kind of in their own realm competing with comparable dogs and comparable owners. So it's really an effort to promote the sport at the bottom end.

Mr. Carrion: Just a few points of information. Number one, it's a definite debate as to whether the derby is still the entry level for new people. It is the entry level for young dogs but not new people. When John and I started, that's where we entered. But now that we have a hunt test program, most people come through that and enter into the qualifying stake which is for dogs over two years of age. This is a made for professional handler event. If I could just give you one example that would kind of illustrate that, plus what I said earlier, this past weekend the Mid-Atlantic area opened up their field trial season. The derby stake there had 22 dogs entered. First, second, third and fourth place went to a single professional handler. All of those dogs were owned by seasoned field trial people. Of those four dogs that placed, three of those dogs would be ineligible to run this event come when it is planned in October. The other thing I would like to point out is that in terms of the support of the field trial community, we don't know what that support is. When we established the suffix title for the qualifying stake that is something that went through our Retriever Advisory Committee, voted on by them, voted on by the clubs and passed. This new prefix title has not gone that way. We have not followed the same protocol as we did for our other event. Thank you.

There was a vote with two-thirds in the affirmative and the amendment was adopted.

The Chair called on the Chair of the Tellers Committee, Ernest Obubah of KPMG who read the results of the balloting for the Class of 2021 as follows:

Thank you. The total number of ballots cast was 189. There were zero invalid ballots. Therefore, the majority to elect was 96. The results of the ballots were as follows: Jeffrey David Ball, 53; Rita J. Biddle, 111; Dominic P. Carota, 111; Dr. Gregory J. Paveza, 36; Thomas Powers, 69; Julian Prager, 37; John L. Ronald, 57; Daniel J. Smyth, 50; Harvey M. Wooding, 92. Thank you.

The Chair declared that Rita J. Biddle and Dominic P. Carota were duly elected as members of the Class of 2021.

Dr. Paveza withdrew from consideration.

(There was a recess and the Delegates cast their second ballot)

The Chair called on the Assistant Executive Secretary to read the amendment to Chapter 16, Section 6 - Championships, of the *Rules Applying to Dog Shows*.

Ms. DiNardo: This amendment is to Chapter 16, Section 6 - Championships, of the *Rules Applying to Dog Shows*. Currently, dogs that win Best of Breed, Best of Opposite Sex, and Select from a non-regular class (such as Veterans) can earn Grand Championship points but are not included in the count for Grand Championship. This amendment would add the non-regular single class entrants in the calculation of grand championship points. Calculation details are on the worksheet sent to all Delegates. This amendment was proposed by the Delegate Dog Show Rules Committee and brought forward with a positive recommendation from the Board. It will be published in two issues of the online AKC Gazette and you will be asked to vote on it at the June 2017 meeting.

The Assistant Executive Secretary read the proposed amendment to Chapter 9 - Description of Classes and Championship Requirements, New Sections 3, and Section 5, of the *Beagle Field Trial Rules* as follows:

Ms. DiNardo: This amendment is to Chapter 9, New Sections 3, and Section 5, of the *Beagle Field Trial Rules*. This proposed New Section 3, Licensed Derby Stakes, would allow Beagle Federations to hold one licensed derby stake per calendar year. New Section 5 would allow a Beagle to earn up to one-third of the requirements for a Field Champion title from derby stakes. This amendment was proposed by the Beagle Advisory Committee and is brought forward with a positive recommendation from the Board. It will be published in two issues of the online AKC Gazette and you will be asked to vote on it at the June 2017 meeting.

The Assistant Executive Secretary read the proposed amendment to Chapter 9, New Section 2 and 7, of the *Beagle Field Trial Rules* as follows:

Ms. DiNardo: This amendment is to Chapter 9, New Section 2, and New Section 7, of the *Beagle Field Trial Rules*. The proposed New Section 2, Field Champion Only Stakes, would allow licensed clubs, associations and federations to hold field champion only stakes at their regular licensed field trial or as a champion only stand-alone licensed field trial. New Section 7, Grand Field Champion Title Requirements, would specify the requirements for a dog to earn a Grand Field Champion title. This amendment was proposed by the Beagle Advisory Committee and is brought forward with a positive recommendation from the Board. It will be published in two issues of the online AKC Gazette and you will be asked to vote on it at the June 2017 meeting.

Mr. Corbett, Chairman of the Field Trial and Hunt Test Events Committee, spoke as follows: We reviewed both of these Beagle measures at our meeting yesterday and it is our feeling that the Beagle Advisory Committee voted in favor of them by a measure of ten to three and our committee voted in favor of both of the measures at nine to one.

The Assistant Executive Secretary read the proposed amendment to Chapter 4, Section 4, Second Paragraph, of the *Field Trial Rules and Standard Procedure for Retrievers* as follows:

Ms. DiNardo: This amendment is to Chapter 4, Section 4, Second Paragraph, of the *Field Trial Rules and Standard Procedure for Retrievers* which would give the clubs the freedom to use a system of rotation if they desire. This amendment was proposed by the Field Trial Advisory Committee and is brought forward with a positive recommendation from the Board. It will be published in two issues of the online AKC Gazette and you will be asked to vote on it at the June 2017 meeting.

The Chair called on Carl Ashby to give an update on the AKC PAC. Mr. Ashby spoke as follows:

Good morning. Today I will give you a bit of history on our PAC, share how the President's Challenge went, and leave a few closing remarks about the PAC and where it's going. The AKC Political Action Committee (PAC) is important as it provides a way for AKC to influence legislation. AKC is not in a position, as you know, to make any direct contributions to candidates. The PAC is our only way to do that. We support the candidates that you want supported with PAC dollars. Your identification of candidates at the state and local level is essential. The AKC PAC is your PAC and your way of influencing legislation at the state and federal level. That sometimes gets lost because people tend to think that there is a small group that is making these decisions. That's just simply untrue. In fact, I wish we had more suggestions.

100 percent of the money you donate goes towards supporting candidates. It's not a matter that 10 percent is skimmed off for overhead. 100 percent goes to that. I urge you, if you are not supporting it now, to donate.

Now let's talk a bit about the challenge results. First off, we raised a record \$53,500. We have never in the history of the PAC raised that amount of money and it is something all of you should be extremely proud of. If you look at how that money came in, 52 percent was donated by 13 percent of our Delegates. We need more Delegate participation. It is very difficult to ask others to give if you're not participating, through your own leadership. So please consider that going forward. 88 percent of the candidates you supported won. That is a great return on your investment. When we are able to identify those folks who will listen to our point of view and grant us time to tell our story we have great results. We don't just support people that we think will win. We support people that will carry the message of AKC and purebred dogs forward.

Our parent clubs were a key to our great year. 42 percent of contribution came from parent clubs, of that, the average donation was \$65. This was substantial and well appreciated. I wanted to recognize the top five clubs this year and tell each of their Delegates how much we appreciate their efforts on behalf of the AKC PAC.

The AKC Political Action Committee was formed in 2008 and let's look its history. I'm very proud of the last five years and what we've been able to accomplish. On the screen is the history of it since its inception. You can see that we kicked it off with about \$15,000 in donations in 2008 and you can see that in 2012, which was our first challenge, we raised around \$45,000 In the off year we dropped, which is traditional, but in the on-year elections we had a tremendous boost over previous. Then in 2016 we raised \$53,500. All of you all should be extremely proud of the way we have been able to grow the AKC PAC and that was done by you.

I believe we have great momentum going forward. There was great leadership over the 5 years shown by your PAC Board supported by Government Relations but the fact is that money came from you and it wouldn't have been possible without you. You were willingness

to take a chance on our ability to be successful with 88 percent of the candidates that we support winning.

As we build on this momentum please consider several things. You remain the key. As I said earlier, you provide the leadership in the trenches to have your members support the PAC. Our PAC faces significant restrictions who can donate...only members of AKC member and licensed clubs. It is a small group and so you're out there talking it up and sharing the information like we are today is critical.

Government Relations is expanding. We probably have, I say probably because we are in the process of adding staff, eight people in Government Relations. That is an incredible commitment on the part of AKC to the importance of Government Relations. So you're not by yourself. Those assets are going to be deployed more broadly across the country so we will have people in local areas as opposed to everyone sitting in a single location. And, finally, the truth is that the climate in Washington, at least for four years, is more favorable to getting our message to congress. We must back up this opportunity with the financial assets to make that happen. I can already tell you that the work that Government Relations is doing and some of our sister organizations that we work closely with is going to have a tremendous impact. I urge you to support them as we go forward.

This is a time of change for our PAC. I've served on the PAC Board for the last six years Chairperson for the last five. As I term limit off the AKC Board I also will no longer serve on the AKC PAC Board along with Alan Kalter. You are being left in great hands. The new Board is just as committed as Alan and I to keep the PAC growing.

I would like you to meet your new PAC Board. Joe Baffuto represents staff, Dr. Carmen Battaglia and Karolynne McAtteer along with Jim Dok will serve as the AKC Board directors, Sheila Goff, Dave Helming, Wendy Jordan, , Gail LaBerge, and Bill Marley. These people need your support. Those that are in the room that are part of the PAC board please stand.

On a personal note, although I'm not going to be on the PAC board, I'm going to continue to be supportive with a regular monthly donation. I encourage all of you all to do to the same. I will also share that this is a bittersweet moment for me. This has been a joy to be part of this fine group of people and have the opportunity to support purebred dogs both on the AKC Board and through legislation as Chair of the AKC PAC. Thank you for this wonderful opportunity.

A video produced by the Delegate Advocacy and Advancement Committee on the responsibilities of the AKC Delegate was shown.

Daniel J. Smyth Esq., Chair of the Delegate Advocacy and Advancement Committee and Delegate for Burlington County Kennel Club spoke as follows:

This is an example of your Delegates Committee at work. It took the full committee two years to do this. Jane Ruthford started it and saw it all the way through, Karolynne McAtteer stepped in when she became our liaison, Dan Stolz, and I could go on and on like an academy award. The bottom line is this is the committee system working. Delegate Advocacy is falling into line to tell you this is what you need to take to your clubs so they understand what goes on here and we hope that this will go to clubs that don't have Delegates and those clubs where your Board of Directors wants to know what's going on, here is what it is. But, seriously, we want to thank Jane Ruthford for all of her hard work and we hope you take this and show it to all of your clubs. Thank you.

Mr. Sprung Chair thanked and recognized the collaborative effort of Delegate Committee, Karolynne McAtteer and staff.

The Chair recognized Barbara Shaw, Delegate for the Greater Collin Kennel Club, who spoke as follows:

You have a fabulous piece of material here for marketing, especially to the public. Obviously I want to take this back to my kennel club to show individually what we do as Delegates, but the front half of that video and the short bit prior to the three-minute segment was a beautiful advertisement for what we have in our dogs and with us and I would like to request that the marketing side of the American Kennel Club take this beautifully set piece and restructure it, put it out there to the general public.

The following Delegates spoke during New Business as follows:

Sherry Wallis, Delegate for the Akita Club of America:

As editor of Perspectives, I want to thank everybody that contributed and I hope you guys are reading our publication. The next issue's editor is Sylvia Arrowwood and if you have an article or something you want to say, please send a copy to her and a copy to me. I would also like to say that in our committee meeting we formulated a new policy. I know that there are a lot of people who have great ideas that they would like to share but they don't feel like they can write well or they don't like to write and so we have decided that we will collaborate with people as co-authors. Any of the members of the committee will be glad to help you. You can contact me or anybody else on the committee and we'll be happy to co-author an article with you if you don't feel confident enough to do it on your own. The next issue articles are due by, I hate this date, April 15th, so it's easy to remember. Thank you very much.

Abbe Shaw, Delegate for the Santa Barbara Kennel Club:

Those of us that are at our shows every weekend, following the rules and giving value to purebred dogs, know the value of our field reps. So when we lose our best reps for a reason we don't know or understand, we feel slighted. No one knows better who the best reps are and which ones are the most respected by the clubs than the exhibitors, judges and families attending their first show. We all feel the recent loss of Lee Herr and want to understand how we have lost one of our most valuable allies. If it is true that we, the AKC, want to reach out to the general public, no one did that better than Lee. He was universally respected and now he will be universally missed.

Gail LaBerge, Delegate for the Atlanta Obedience Club:

I would like to recognize Alan Kalter and Carl Ashby for their work on the AKC PAC board. Alan is a founding board member, as I was, and am, and without them we would not be where we are today. I hope that we can go forth and do as well as we have done with those two gentlemen serving on the board. Thank you.

Barbara Mann, Delegate for Dayton Dog Training Club:

I know Dennis knows what I'm going to talk about. I have been up here nagging about T-shirts for quite a while and now we have them and I'm so pleased. I swore I would wear mine today but I'm glad I had a long-sleeved blue T-shirt with me because I would have frozen to death otherwise. So I hope that you all enjoy your T-shirts and I hope you would encourage your club members to buy them when they get on the market and I'm told they will be in various colors. So, you know, white is not necessarily the best background color for us with dogs, especially Airedale Terriers who bring live possums into the house through the dog door.

Mr. Gladstone: Mr. President, earlier today you mentioned the passing of Jack Ward and I feel it's appropriate to say that Jack was probably the strongest adversary I had at the AKC

during his time. God bless him. He filed suit against me to keep me from being seated in this Delegate body. However, I honestly believe Jack was one of the giants of his generation in leading the AKC and in loving the AKC and I would ask that we take a moment of silence in his memory.

(Moment of Silence)

David Hopkins, Delegate for the English Springer Spaniel Field Trial Club of Illinois: Right now I'm wearing my hat as chair of the Legal Outreach Committee. Going back two or three weeks ago there were posts on the Delegates List focusing on the work of our committee and the need to reach out to the legal community. I wasn't a member of the Delegates List. At the time I was correcting that deficiency. But Ruth Crumb very graciously forwarded the response from me that was posted on the list covering some of the points. Earlier this morning I addressed the Legislative Caucus participants saying a little bit more about the Legal Outreach Committee's work, and I just want to say very briefly a few things before the Delegates body. We are a Board-created committee. We were created about three and a half years ago. We meet quarterly either in person or with a teleconference. The members of the committee are Bill Feeney, Martha Feltenstein, Barbara Penny, Sheila Goffe, Alan Kalter, myself and Jay Wax is a liaison on our committee from the Legal Department. Before she retired, Margaret Poindexter was on the committee. There are quite a number of things that we have done in the last three plus years, some of which really are not particularly visible. We did draft the domestic violence position paper and the supporting summary. We are currently sponsoring a writing contest for law students, it is the second time we joined with ADMA on this. The topics this year, and the material is about to be launched, there is an October 1st deadline for submission by law students of their work products. But one of the topics is pet custody, another topic is civil damages for loss or injury of pets. We are always politically correct on something like this. We invite any law student to take any side, any issue, what have you. I do want to point out, and I'm sure that this is consistent with what everybody here would anticipate, there is a virtual void in terms of presence of the AKC in the legal community, particularly law schools and bar associations. About four years ago I joined our State Bar Animal Law Section Council. It was a classic case of being alone in the crowd. I attended my first meeting. I was one of about 15 people there, the only AKC person, the rest were AR people. I do want to point out many of the AR people that I have dealt with in recent years in Illinois and elsewhere are highly professional. They are people we can work with. They are not part of the AR extremists fringe groups. We always have to be wary and watchful, Patti Strand's teachings have sunk home on all of us, but there are things that we can accomplish. Ten days ago I participated in an annual animal law legal conference in Illinois sponsored by our state bar. There were two presentations, one on mediation, one on disaster, the state of disaster law in Illinois that had an AKC presence involved. One of the speakers in the disaster area was the contact person with the disaster team for Will County in Illinois that received a trailer from AKC Reunite last September. In her PowerPoint there was a picture of the trailer with a group of us at the presentation ceremony with our dogs prominently featured. There was also a slide listing major pieces of equipment included with the trailer. Our committee welcomes all suggestions. There was an excellent one on the post suggesting, from a Maureen Setter from Cleveland, suggesting that we reach out to lawyers, members of local clubs, who are not Delegates to encourage them too to join their local bar association animal law section committees section. We will be focusing on a number of matters brought up on the post and we will be back in touch with you and we'll keep you posted.

The Chair called on the Chair of the Tellers Committee to give the report on the second ballot.

Mr. Obubah: Here are the results. The total number of ballots cast was 192. There were five invalid ballots. Therefore, the majority to elect was 97. The results of the ballot were as follows: Jeffrey David Ball, 42. Thomas S. Powers, 63. Julian Prager, 26. John L. Ronald, 51. Daniel J. Smyth, 50. Harvey M. Wooding, 95.

Julian Prager, Central Florida Kennel Club, withdrew.

(There was a recess and the Delegates cast their third ballot.)

Mr. Gladstone: Mr. President, for the record, and in accordance with Robert's Rules, I would like you to please confirm the existence of a quorum at the meeting with a continuation of the vote.

Mr. Sprung: We have a quorum.

Melinda Vogt, Delegate for the Del-Otse-Nango Kennel Club:

It is really sad to say that the leather stocking cluster in Syracuse is no more. We had our last show in November. Shenango Valley Kennel Club pulled out which would have left us with a Friday and Saturday show, since they get to hold their day. The two clubs involved lost \$1,500 while everybody else made money. The New York State Fairgrounds was \$30,000 for three days. It was not sustainable. So that was the end of the leather stocking cluster.

John Shoemaker, Delegate for the Redwood Empire Kennel Club:

For all the clubs that have not offered the pee wee event, I think you are missing out on a great opportunity for the young kids that come to your show to show their dogs with a responsible adult. Every event that I have been to, and I have been mentor in quite a few of them, has been a tremendous hit with not only the club but the children and the adults. A lot of people are bringing their dogs back to the shows because of that event. So I encourage any club that hasn't done it to please think about it. If you have any questions, please call me. Thank you.

The Chair called on the Chair of the Tellers Committee for his report.

Mr. Obubah: The total number of ballots cast was 191. There was one invalid ballot. Therefore, the majority to elect was 97. The results of the ballot were as follows: Jeffrey David Ball, 44. Thomas S. Powers, 73. John L. Ronald, 54. Daniel J. Smyth, 53. Harvey M. Wooding, 111.

The Chair declared that Harvey Wooding was duly elected to the Class of 2021.

Jeffrey David Ball, Delegate for the Ramapo Kennel Club withdrew.

(There was a recess and the Delegates cast their fourth ballot.)

The Chair called on the Chair of the Tellers Committee who gave his report as follows:

Mr. Obubah: The total of ballots cast was 190. There were five invalid ballots. Therefore, the majority to elect was 96. The results of the ballots were as follows: Thomas S. Powers, 84. John L. Ronald, 49. Daniel J. Smyth, 52.

(There was a recess for voting and the fifth ballot was cast.)

The Chair called on the Chair of the Tellers Committee who gave his report as follows:

Mr. Obubah: The total number of ballots cast was 190, one invalid ballot. The majority to elect was 96. Here are the results: Thomas S. Powers, 99. John L. Ronald, 42. Daniel J. Smyth, 48. Thank you.

Thomas S. Powers has been duly elected a member of the Board. Now that the meeting stands adjourned, please proceed to lunch. The Board will assemble in the Salem room.

Mr. Ashby: Very quickly, as you are leaving the room, I left off a member of the PAC board. Karolynne McAteer is also on our PAC board and we are looking forward to all of their participation.

(Meeting adjourned at 12:17 p.m.)

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