

American Kennel Club, Inc.
MEETING of the BOARD OF DIRECTORS
AKC Offices at 101 Park Avenue, New York, NY
July 8-9, 2024

The Board convened on Monday, July 8, 2024, at 8:30 a.m. Eastern Time.

All Directors were present in the New York office except for Ms. Biddle, who participated via video conference. The Executive Secretary was also present.

Copies of the May 9-10, 2024, Board Meeting minutes had previously been provided to all Directors for review. Upon a motion by Dr. Battaglia, seconded by Mr. Sweetwood, the Board voted to approve the May 2024 Board Meeting minutes.

PRESIDENT'S REPORT

Mr. Sprung reported that since 2009/2010 following the 2008 economic crisis, our Financials are facing strong headwinds for the first time in years. Staff will finalize its mid-year forecast and present it in August. With the current decline in demand for pets following the pandemic surge, our breeders have sharply reduced their litter breeding in every category, leading to declines in Registration as well as in each related product such as pedigrees, transfers, Helpline, Reunite, etc. The demand for pet dogs will start to grow again based on the U.S. population increases and the natural replacement rate. However, predicting when our breeders will respond to that demand increase is difficult. In the meantime, management is doing a total reevaluation of current priorities and pivoting wherever necessary. We are researching new opportunities that do not have significant cost barriers to enter. Of course, Staff is also containing costs well, but we know there is no growth through cost cuts.

EXECUTIVE SESSION

There was an EXECUTIVE SESSION to discuss business matters. Nothing was reported out of this session.

Legal Update

The Board reviewed the Legal Department update as of June 2024.

CMS Update

Doug Ljungren, EVP of Sports and Events; Torraine Williams, Director of Engineering; Keith Frazier, EVP of Business Support Services; and Ian Hennigan, Sports and Events Project Manager, participated in this portion of the meeting. The Board reviewed a progress report for the CMS Upgrade Project. This is a three-year project that concludes at the end of 2024. A summary list of the key accomplishments-to-date was provided, as well as a list of all the CMS enhancements that are in some stage of development or are scheduled for completion in 2024. The Progress Report also provided a list of additional items that have been identified which could be future enhancements.

Retirement Plans Committee Meeting Report June 27, 2024

Ann Wallin, Chair of the Board Retirement Plans Committee gave a report. The Retirement Plans Committee's meeting was held at 4 p.m. on Thursday, June 27, 2024, via Zoom.

All materials presented at the meeting were sent in advance to the committee for review. The Atlanta Consulting Group presented the performance results of the Pension Plan, the 401(k) Plan, and the 457(b) Deferred Compensation Plan for the first quarter of 2024. Questions and discussion followed.

Heather Mc Manus participated in an initial discussion of the Charter of the American Kennel Club Retirement Plans Committee review. The Committee plans to meet with Staff, committee members, and ERISA counsel to discuss the charter in depth.

AKC Fundraising Department Research

Seth Fera-Schanes, Director of Strategic Planning; Daphna Straus, Vice President of Business Development; and Ted Phillips, CFO, participated in this portion of the meeting.

The AKC Board requested research on creating an AKC Development Department (fundraising) position with administrative support that encompasses donations to AKC and/or each affiliate rather than relying on individuals from multiple staff within each organization.

Mr. Carota moved, seconded by Ms. Fineburg, to authorize an RFP for an outside professional fundraiser.

There was an amendment to the motion made by Mr. Tatro and seconded by Dr. Battaglia that the fundraiser would be tasked with raising \$10 million dollars annually.

Mr. Tatro moved, seconded by Ms. Fineburg, to approve the motion as amended. The motion was unanimously passed.

AKC Canine Health Foundation (AKC CHF) Update

Dr. Mary Smith, AKC CHF Chair; Stephanine Montgomery, AKC CHF CEO and Andrea Fiumefreddo, AKC CHF COO participated in this portion of the meeting.

AKC CHF's 2024 April 2024 financial statements are included with this report. Overall contributions and expenses are both below budget for this point in the year.

In May, AKC CHF received applications for the new Canine Sports Medicine & Rehabilitation Residency, which is possible through the support of AKC. CHF received applications from 5 programs (4 academic and 1 private practice).

CHF requested that the portion of AKC's 2022 funding for a Theriogenology Residency that has undergone significant restructuring be transferred to a second Canine Sports Medicine and Rehabilitation Residency. There were no objections to this transfer.

CHF reviewed the progress of their strategic planning initiative. AKC CHF has scheduled three educational webinars in 2024.

FINANCE

Ted Phillips, Chief Financial Officer, presented unaudited financial results as of May 31, 2024. Net operating income for the five months ended May 31, 2024, is \$4 million. Operating revenues of \$40.4 million, excluding \$900k in interest and dividends. Registration fees for litters and dogs total \$15.1 million. Recording and event service fees, title recognition, and event application fees total \$7.1 million. Advertising, Sponsorship, and Royalties total \$8.2 million. Operating and non-operating expenses total \$37.3 million.

EXECUTIVE SECRETARY

Gina DiNardo, Executive Secretary, and Seth Fera-Schanes, Director of Strategic Planning, participated in this portion of the meeting. Mari-Beth O'Neill, Vice President of Sport Services; Sheila Goffe, Vice President of Government Relations; Penny Leigh, Director of Registration Development; and Cassandra Pickle, Business Intelligence, participated in this portion of the meeting via video conference.

German Shepherd Dog Proposed Breed Standard Revision

The German Shepherd Dog Club of America, Inc. (GSDCA) has submitted proposed revisions to the breed standard's color, hindquarters, and disqualifications sections. Following a motion by Dr. Battaglia, seconded by Mr. Sweetwood, the Board VOTED unanimously to approve the revisions to be published for comment in the August Secretary's Page of the *AKC Gazette*.

2024 Nominating Committee

The AKC Board of Directors elected the Nominating Committee to select candidates for vacancies on the Board of Directors that will be filled at the March 2025 Delegates Meeting. There are four (4) vacancies for the Class of 2029.

Nominating Committee:

Karolynne McAteer, Chairperson, Irish Setter Club of America

Joellen Gregory, Otterhound Club of America

Don Hanson, American Lhasa Apso Club

Maggi Strouse, National Shiba Club of America

Mary Lou Olszewski, American Bloodhound Club

Alternates:

Cindy Stansell, Grand River Kennel Club

Marjorie Tuff, American Shetland Sheepdog Association

Breed Standard Guidelines Revisions

The AKC Board requested that staff propose a revision to the Guidelines for Writing Breed

Standard Procedures to include a minimum timeframe for revisions of a similar or same topic to be submitted if a revision fails to be approved by the membership.

Following a motion by Mr. Tatro, seconded by Mr. Powers, the Board VOTED unanimously to revise the Guidelines for Breed Standard Revisions to read Proposed revisions or like revisions, that do not receive the required ballots to be approved by the membership may not be submitted to the AKC Board for consideration for a minimum of 18 months from the date of the ballot results being submitted to AKC.

AKC Agility League New Skill Level

The Board reviewed a Staff recommendation to add a new skill level, Elementary, to the Agility League program, which will be geared towards pre-competition dogs.

There were also requests to add Puerto Rico to the list of participating regions, grouped with the Southeastern Region and change the scoring to allow all dogs to drop their two lowest scores of each season.

Following a motion by Mr. Hamblin, seconded by Dr. Garvin, the Board voted unanimously to approve these changes, which will be effective with the launch of the Fall 2024 season.

Miniature American Shepherd Stud Book

The Miniature American Shepherd Club of the USA has submitted a request to keep the Stud Book Open for the Breed beyond January 1, 2025. Currently, AKC will accept dogs registered with Stock Dog Registry Services.

This will be discussed further at the August Board meeting.

Parent Club Designation for Large Munsterlander

The Large Munsterlander Association of America requests to be designated as the Parent Club for the Breed, allowing them to hold FSS Open Shows.

This will be discussed further at the August Board meeting.

Parent Club Request to retire Blazen (Papillon)

The Board was advised that the Papillon Club of America wishes to permanently retire the kennel name "Blazen" for Papillon. The name "Blazen" was registered from 2009-2024 as an AKC Recognized Breed protected kennel name.

Staff has retired the kennel name "Blazen" as the Papillon Club of America, Inc requested.

2024-2025 Veterinary Student Scholarship Recipients

The Board was advised that The Veterinary Student Scholarship Committee met to select the 2024-2025 veterinary scholarship recipients.

Government Relations Priority Legislation Monthly Update

Sheila Goffe highlighted numerous active priority legislation and administrative regulations in Congress and State Legislation.

As of June 13, 2024, 14 state legislatures, the District of Columbia, and Congress are in session. AKC Government Relations is currently tracking more than 1,600 local, state, and federal bills impacting AKC and dog owners. For the most up-to-date information on legislative issues, visit legislative/regulatory alerts and the legislative tracking tool on AKC GR's Legislative Action Center, <https://www.akcgr.org>, or contact the AKC GR Department.

MARKETING

Kirsten Bahlke, Vice President of Marketing, participated in this portion of the meeting.

Update on AKC Brand Awareness Campaign

Staff presented a memo updating the timeline for the brand campaign launch. At the August Board meeting, Marketing Staff and Leap Group will present brand planning elements and ad campaign creative for Board input.

Marketing Incremental Funding Request

Based on a Board request, Staff presented costs associated with additional Staff requests in the Email and Social Media Departments to address the changing social landscape, traffic volume, and future brand awareness campaign needs.

This will be discussed further at the August Board meeting.

MEDIA AND SPONSORSHIP

Ronald Furman, VP of Broadcasting, Sponsorship & Media; Daphna Straus, VP of Business Development; and William Ellis, Senior Director of Broadcasting, participated in this portion of the meeting.

An update on the AKC Sponsorship, Media, and Advertising Sales Department's activities during the first six months of the calendar year. The report highlighted the department's accomplishments in meeting revenue goals and concurrently advancing the mission of The American Kennel Club, Inc.

The AKC's digital video network, AKC.tv, has experienced growth in plays across all platforms, including Web plays on AKC.tv via desktop or mobile, AKC.tv app plays and plays on AKC.org via our digital content matching system (39 million plays) through May. The channel continues to grow in reach, breadth, and scope of content.

AKC's Dog Sports programming on ESPN continued to deliver new audiences for AKC Sports, with eight new shows premiering since the beginning of 2024:

- NFL Dog Plays of the Year
- AKC National Championship Highlights
- AKC K9 Detection Dogs

- AKC Fastest Dogs USA
- AKC National Agility Championship
- AKC Fastest Dogs USA Highlights
- AKC Disc Dog Challenge
- AKC Diving Dogs Challenge

Through the first five months of 2024, AKC has received a total of ninety-two broadcast hours on ESPN, ESPN2, and ESPNEWS, which represent fifty-five total broadcasts.

An important focus of expansion for AKC.tv is the AKC Good Dog TV magazine-format lifestyle program, which airs weekly on AKC.tv and in syndication across the country on local broadcast stations. It can now be seen in over 100 markets, reaching 51 million homes, which represents more than 41% of the American linear TV audience. More markets are to be added for the 2024-2025 season. Key top markets that have picked up the show for the upcoming season include Tampa, Miami, Indianapolis, and Nashville.

The Board recessed at 5:22 p.m.

The Board Meeting reconvened on Tuesday, July 9, 2024, at 8:30 a.m. All Directors were present in the New York office except for Ms. Biddle, who participated via video conference. The Executive Secretary was also present

COMPANION and PERFORMANCE

Doug Ljungren, Executive Vice President of Sports and Events, and Caroline Murphy, Director of Performance Events participated in this portion of the meeting via video conference.

Retriever Hunting Test Regulations – Six Clarifications

The Board reviewed a recommendation to allow six clarification changes to the *Regulations & Guidelines for AKC Hunting Tests for Retrievers*. The Retriever Hunt Test Advisory Committee (RHTAC) unanimously voted in favor of four changes, and the staff suggested two changes. Both Staff and the Committee agreed on all six changes.

- 1) Specify the hunt test application is required 3 months prior to the opening date.
- 2) Clarify the exact point honoring begins which is when the working dog is sent for a marked retrieve.
- 3) Clarify judges can call the next dog to the line by saying the word “dog”.
- 4) Clarify the blind must be clearly marked by a conspicuous object.
- 5) Clarify inspection of birds are required by a judge when damage of a bird is suspected due to hard mouth or unusual situation.
- 6) Specify for a senior test, blinds shall not be run between marks unless they are run first.

This will be discussed further at the August Board meeting.

Tripod Dog Pilot Program for Obedience & Rally Non-Jumping Classes

At the May 2023 Board meeting, the Board approved an 18-month pilot program to allow three-legged dogs (tripods) to participate in the non-jumping classes in Rally and Obedience. The pilot program became effective July 1, 2023, and expires at the end of 2024. This is a recommendation to extend the pilot program for six months.

This will be discussed further at the August Board meeting.

CONFORMATION

Doug Ljungren, Executive Vice President, Sports & Events; Mari-Beth O'Neill, Vice President of Sports Services; Tim Thomas, Vice President of Conformation; Glenn Lycan, Director of Event Operations Support; and Mark Desrosiers, Director of Event Programs, participated in this portion of the meeting via video conference.

Specialty Show Event Application Fee

The Board reviewed a recommendation to modify the event application fee for specialty shows to make it consistent with the other sports that use the "30 or less entries" application fee structure. Currently, there is no application fee for specialty shows when the entry was 30 or less at the previous year's corresponding event. For Rally, Obedience, and Agility events where the entry was 30 or less at the previous year's corresponding event, the application fee is \$25.

This will be discussed further at the August Board meeting.

2024-2025 Junior Scholarship Recipients

The list of Junior Scholarship recipients was presented to the Board.

JUDGING OPERATIONS

Tim Thomas, Vice President of Conformation, and Doug Ljungren, Executive Vice President of Sports and Events, participated in this portion of the meeting.

Publishing of Handlers and Agents in Dog Show Catalogs

Staff presented a recommendation to adopt a policy requiring professional handlers and agents listed in dog show catalogs to successfully complete the *Stewards of Children*® training from the non-profit organization Darkness to Light once every three years.

Following a motion by Mr. Carota, seconded by Mr. Tatro, the Board VOTED unanimously to approve the recommendation.

Effective January 1, 2025, all professional handlers and agents listed in dog show catalogs must

successfully complete the *Stewards of Children*® training from Darkness to Light once every three years.

Exhibiting Restriction for Sweepstakes and Futurity Judges

At its May 2024 meeting, the board requested Staff review the current exhibiting restrictions for Futurity Judges and report back to the Board any recommendations to modify them to assist clubs in filling these assignments.

Effective January 1, 2009, the exhibiting restriction for Sweepstake and Futurity judges was modified, prohibiting one from exhibiting at events within 200 miles of the day(s) they judge. The revised policy maintained the allowance to exhibit the day before and the day after the event they judged. The policy also defines when a Sweepstakes and/or Futurity is held as part of a multi-day specialty; the restriction ran the entire length of the event.

Acting on a recommendation by Staff, the Board, at its February 2024 meeting, approved a modification to the exhibiting restriction for Sweepstakes and Futurity judges, whereas one may not exhibit the breed they judge the same day. The revised policy, effective March 6, 2024, permits Sweepstakes and Futurity judges to exhibit in any breed other than the one they judge on the day of their assignment. It did maintain the application of the restriction “to the day” as well as the entire length of the event when held as part of a multi-day show.

This will be discussed further at the August Board meeting.

Conformation Judging Statistics

FINAL REVIEW ACTION SUMMARY									
2024 NEW BREED JUDGING APPLICANTS									
	APPLICATIONS						BREEDS		
	Total	Fully Appr.	Limited	Denied	Wthdrn	Held	Req.	Appr.	Pend.
January	4	4	0	0	0	0	17	17	0
February	5	5	0	0	0	0	8	8	0
March	7	7	0	0	0	0	8	8	0
April	6	6	0	0	0	0	15	15	0
May	4	4	0	0	0	0	6	6	0
June	10	10	0	0	0	0	13	13	0
NB TOTAL	36	36	0	0	0	0	70	70	0

FINAL REVIEW ACTION SUMMARY									
2024 ADDITIONAL BREED JUDGING APPLICANTS									
	APPLICATIONS						BREEDS		
	Total	Fully Appr.	Limited	Denied	Wthdrn	Held	Req.	Appr.	Pend.
January	23	21	1	1	0	0	102	99	0
February	27	22	5	0	0	0	135	125	0
March	26	26	0	0	0	0	148	148	0
April	36	32	2	2	0	2	267	249	3
May	36	31	0	4	1	0	132	111	0
June	42	42	0	0	0	2	192	192	9
AB TOTAL	190	174	8	7	1	4	976	924	12

**FINAL REVIEW ACTION SUMMARY
2024 YEAR-TO-DATE**

	APPLICATIONS						BREEDS		
	Total	Fully Appr.	Limited	Denied	Wthdrn	Held	Req.	Appr.	Pend.
NB	36	36	0	0	0	0	67	67	0
AB	190	174	8	7	1	4	974	924	9*
TOTAL	226	210	8	7	1	4	1046	994	9

COMPLIANCE

Bri Tesarz, Director of Compliance and Jessica Lopez, Compliance Manager, participated in this meeting portion via video conference.

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

CLUBS

Doug Ljungren, Executive Vice President, Sports & Events, Glenn Lycan, Director, Event Operations Support, and Lisa Cecin, Director of Club Relations participated in this portion of the meeting.

REPORT ON MEMBER CLUB BYLAWS APPROVED IN MAY AND JUNE

Canada del Oro Kennel Club, Marana, AZ (2007)

REPORT ON NEWLY LICENSED CLUBS APPROVED IN MAY AND JUNE

Cirneco dell'Etna Club of America, 86 total households; 41 households in 10 states west of the Mississippi River; 24 households in 14 states east of the Mississippi River.

Doberman Pinscher Club of Southern California, Oceanside, CA (including communities north to Placentia, south to Coronado, in proximity to Interstates 5 & 15), 21 total households, 12 local.

Great Lakes Pomeranian Club, greater Akron, OH (including communities north to Interstate 90, south to Interstate 70/Grove City, east to Interstate 75 and west to Interstate 79/279), 32 total households, 12 local.

Mid-Michigan Labrador Retriever Club, greater Saginaw, MI (including communities no further south of Flint, MI), 25 total households, 15 local.

Mississippi Valley Coonhunters Association, Hancock County, IL, 16 total households, 9 local.
New England Finnish Lapphund Club, greater Lowell, MA (including communities north to Pembroke, NH, south to Acushnet, MA, and west to Cummington, MA), 24 total households, 13 local.

Pinetree Retriever Club of South Georgia, Smithville, GA (including communities north to Americus, south to Ochlocknee, west to Route 45 and east to Routes 19/300), 25 total households, 12 local.

BUSINESS INTELLIGENCE

Mark Dunn, EVP Registration, and Seth Fera-Schanes, Director of Strategic Planning participated in this portion of the meeting.

AKC Corporate Project Roadmap Review

The AKC Board of Directors has asked the President for multiple roadmap status updates during the year. Staff presented the second project check-in of 2024. The presentation included a sample of work completed in Q2 and a sample of work currently in progress.

Key programs include:

- Registration Console Update (RCU)
- Competition Management System (CMS) Update
- Revenue Collection and Reporting System Modernization
- Systems and Security Infrastructure
- Business Continuity
- Customer Relationship Management (CRM)
- Data governance and oversight

REGISTRATION DEVELOPMENT

Mark Dunn, EVP of Registration; Kirsten Bahlke, VP of Marketing; Jacqueline Taylor, Director of Marketing; Linda Duncklee, Director of Registration Services; and Vanessa Skou, Breeder Development, participated in this portion of the meeting.

Registration Update

January thru May Results, compared to same period in prior years:

The number of breeders is down 19% from peak COVID and up 11% from 2018;

The number of litters is down 20% from peak COVID and up 6% from 2018;

The number of litters per breeder is down 1.3% from peak COVID and down 4.3% from 2018;

Most recent Return Rate metrics show a recovery after dipping in 2021 and 2022.

There was a general discussion of what is going on in the Pet Industry. Companies across the pet industry are reporting declines in pet and pet supply sales while services, nutrition, and Rx continue to grow. *Forbes* magazine reported that it now appears that some of the pandemic-era growth was borrowed from the future and may have the effect of slowing down growth now.

AKC is working to mitigate industry effects, with a focus on initiatives to promote registration.

AKC continues to optimize its online Systems (update user experience and features; improve mobile), call Center Outbound Campaigns, and Customer Service.

Registration Initiative Update

Linda Duncklee and Jacqueline Taylor participated in this portion of the meeting. An overview of the marketing campaigns used to increase registration was presented.

Breeder Development

Vanessa Skou, Breeder Development, participated in this portion of the meeting. An overview of the department and its work was presented.

The importance of providing breeders with education was discussed. The department offers monthly or bi-monthly webinars and attends conferences and breeder forums.

CONSENT

There was a motion by Dr. Battaglia, seconded by Ms. Biddle, and it was VOTED (unanimously) to approve the following Consent items:

Championships - Rules Applying to Dog Shows, Chapter 16, Section 2

The Board VOTED to approve a recommendation by the Delegate Dog Show Rules Committee (DSRC) to revise **Chapter 16, Section 2** of the *Rules Applying to Dog Shows* to award championship points to a class dog awarded Reserve Best in Show, calculated as the highest number of points awarded in any breed from all groups excluding that from which Best in Show advanced.

This will be read at the September Delegate meeting for a vote at the December Delegate meeting. If approved by the Delegate Body, the effective date will be July 2, 2025.

NOHS Regulation Updates

The Board VOTED to adjust the NOHS Regulations regarding who may judge and allow clubs to offer three-time win prizes.

NOHS Regulations, Section 4: Judges Eligibility

- A judge cannot be assigned the NOHS Group ~~on the same day~~ at the same show they are assigned that same group for the all-breed/limited-breed show.
- At Specialty shows, additional prizes may be offered on a three time win basis for Best Owner Handled Dog, provided permanent possession goes to the owner and/or breeder winning the award three times, not necessarily with the same dog, and further provided such prizes are offered by the specialty club itself, or through it, for competition at its specialty shows only.

Memphis Kennel Club

The Memphis Kennel Club (MKC) requested that the AKC Board grant them an extension on the exception to the 125-mile distance a club may travel to hold a show policy granted by the Board in 2022. Memphis is requesting to continue holding events in Lebanon, TN, 221 miles from Memphis, TN.

In 2022, the Board approved Memphis to hold all-breed events beyond the 125-mile travel distance in 2023 and 2024.

The Board VOTED to deny this request. The 125-mile policy will be enforced for 2025 events.

Agility International Sweepstakes Class Awards

The Board approved a change to the Agility Regulations Chapter 14, Section 4 to allow for the colors of ribbons and rosettes, if awarded in International Sweepstakes Classes, to be at the trial giving clubs discretion.

Appointment of AKC PAC Board Members

The Board VOTED to appoint Dr. Carmen Battaglia, Ms. Gail LaBerge, Mr. Robert Rynkiewicz and Mr. Christopher Sweetwood for 2-year terms to the AKC PAC Board.

Delegates Approved

John Brading

To represent Dachshund Club of America

Published May 2024, June 2024

Alyson Casper

To represent Dog Obedience Club of Hollywood

Published May 2024, June 2024

Anita M. Forde

To represent Santa Maria Kennel Club

Published May 2024, June 2024

Jan Ritchie Gladstone

To represent Waterloo Kennel Club

Published May 2024, June 2024

Chris Murphy

To represent St. Petersburg Dog Fanciers Association

Published May 2024, June 2024

Robin Springer

To represent Klamath Dog Fanciers

Published May 2024, June 2024

Brice Wonders

To represent Skye Terrier Club of America

Published June 2024, July 2024

Member Club Approved

Big Apple Working Group Club

Focal Point: greater New York City, NY (including Long Island and New Jersey communities east-northeast to Manorville, NY, west-southwest to Stockton, NJ, north-northwest to New Milford, NJ and southwest to Robbinsville, NJ).

1st Licensed Show: March 27, 2021

Households: 21HH/ 20L

Bylaws: Acceptable

Recommendation: Approve - Published in May 2024 & June 2024 AKC Gazettes

EXECUTIVE SESSION

There was an EXECUTIVE SESSION to discuss business matters. Nothing was reported out of this Session.

It was VOTED to adjourn on Tuesday, July 9, 2024, at 12:45 p.m. Eastern Time.

Adjourned

Attest: _____

Gina M. DiNardo, Executive Secretary