

AMERICAN KENNEL CLUB
Delegate Meeting
June 13, 2023

Dennis B. Sprung, President in the Chair, called the meeting to order at 10:30 a.m. ET.

Delegates were reminded to check in at the reception desk, so they would be recorded as present.

The Chair introduced the persons seated on the dais. On my immediate left is our Chairman, Dr. Thomas Davies. To his left is the Vice Chairman, Dominic Palleschi Carota. On my right is Joan Corbisiero, Professional Registered Parliamentarian. To her right is Gina DiNardo, Executive Secretary, and to Ms. DiNardo's right is Shari Cathey, the Court Reporter.

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

Eileen Barbieri, Pine Plains, NY to represent Mid-Hudson Kennel Association
Jean A. Boyd, Brookeville, MD to represent Bayou Kennel Club
Zac Crump, Georgetown, KY to represent Lexington Kennel Club
Peter Festa, Smithtown, NY to represent Westbury Kennel Association
Linda Gagnon, Wendell, MA to represent Pioneer Valley Kennel Club
Dr. Marthina Greer, Lomira, WI to represent Waukesha Kennel Club
Howard Gussis, Kenosha, WI to represent American Bullmastiff Association
Beth Hendrick, Sterling, VA to represent English Cocker Spaniel Club of America
Karen Justin, Westtown, NY to represent Great Pyrenees Club of America
Chris Marston, Alexandria, VA to represent Mount Vernon Dog Training Club
Christian W. Paris, Elverson, PA to represent Pocono Beagle Club
Jessica Ricker, Youngstown, OH to represent Mahoning-Shenango Kennel Club
John C. Schneiter, Kingston, MA to represent Middlesex County Kennel Club
Howard Solomon, Newton, NJ to represent Bedlington Terrier Club of America
Sally Sotirovich, Glen Head, NY to represent Soft Coated Wheaten Terrier Club of America
Lee Ann Stusnick, Shawnee, OK to represent Schipperke Club of America
Frederick Vogel, Pomfret Center, CT to represent Eastern Dog Club

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

Jean Boyd to represent Bayou Kennel Club
Zac Crump to represent Lexington Kennel Club
Mary Lou Cuddy to represent Saratoga Kennel Club
Peter Festa to represent Westbury Kennel Association
Dr. Marthina Greer to represent Waukesha Kennel Club
Howard Gussis to represent American Bullmastiff Association
Corey Heenan to represent Albany Kennel Club
Holly Johnson to represent North Shore Kennel Club

Jessica Ricker to represent Mahoning-Shenango Kennel Club
Howard Solomon to represent Bedlington Terrier Club of America
Sally Sotirovich to represent Soft Coated Wheaten Terrier Club of America

The minutes of the March 14, 2023 Delegate Meeting were published in the online April 2023 AKC Gazette and the complete transcript was posted on the Delegate Portal on AKC's website. If there are no corrections, the minutes will stand approved as published. There were no corrections, and the minutes were adopted as published.

The **American Toy Fox Terrier Club** was duly elected a member of The Great American Kennel Club.

Dr. Thomas Davies delivered the Chairman's Report as follows:

Thank you, Dennis. Good morning, everyone. As members, Officers, Delegates and volunteers in AKC clubs, we are all part of a passionate and widespread community of people who want the best for our sports, the AKC and our dogs.

With the support of the American Kennel Club, each of our affiliated organizations carries out a distinct mission to ensure that our dogs are protected, nurtured and celebrated. All of these organizations achieve important accomplishments in participation with and on behalf of our entire community.

I would like to share some updates about the affiliates to highlight their news and accomplishments.

You will hear a comprehensive review about the AKC Humane Fund later this morning, and I thank all of the members of AKC Staff who volunteer to keep this organization doing great things to advance responsible dog ownership.

The AKC Canine Health Foundation recently named Dr. Stephanie Montgomery as its new Chief Executive Officer. Dr. Montgomery is a board-certified veterinary pathologist who has been serving as Chair of CHF's Scientific Review Committee and on the Board of Directors. Welcome Dr. Montgomery – AKC CHF is fortunate to have you at the helm providing your leadership and expertise.

Registration for the AKC Canine Health Foundation 2023 National Parent Club Canine Health Conference is open on CHF's web site at <https://akcchf.org/>. You can attend in-person or virtually. This event is a great way to stay up to date with the work your clubs are supporting on behalf of your breeds.

Thanks to the generosity of the Irish Setter Club of Milwaukee, donations in support of the AKCCHF-funded research on epilepsy and hemangiosarcoma were matched dollar for dollar this spring.

The AKC Museum of the Dog held a terrific gala on May 5, 2023 honoring Ellen Charles, who serves as the Museum's President of the Board of Directors, and the Honorable David C. Merriam, who is Vice Chairperson. Nearly 200 guests helped raise about \$69,000 for the Museum.

The Museum's current exhibition, Identity & Restraint, opened on April 4, 2023 and showcases several historic dog collars. See the exhibit at 101 Park before it closes on September 4, 2023. The next exhibition - Fashionable Dogs - will open on September 8, 2023 and will feature popular dog breeds throughout history.

Long regarded as a leader in pet recovery services, AKC Reunite has surpassed 10 million pets in its database.

AKC Reunite and its supporters have donated \$2.4 million for 102 fully stocked trailers placed in communities across the United States to keep pets safe during natural disasters.

Reunite and AKC clubs have awarded almost 500 Adopt a K-9 Cop grants, worth over \$3.7 million, to provide police departments with working canines.

We thank all the clubs and their members who have joined forces with AKC affiliates, through their hearts and their checkbooks, to advance these important causes.

There is now another entity joining our roster of affiliated organizations.

The AKC Purebred Preservation Bank takes a bold step in ensuring the future of all purebred dogs. A common problem standing in the way of progress in breeding is that frozen semen is often abandoned due to an owner's death or incapacitation, or because storage fees can become burdensome.

As our own Dr. Garvin has said "Preservation is not just for the breeds with lower-than-average levels of breeding activity, but for any breed that might face genetic bottlenecks or other genetic difficulties, now and in the future."

Following Dennis' recommendation, in early 2021 the AKC Board began to explore establishing a frozen semen program to increase gene pools, safeguard the potential of quality producers and make it easy for Parent Clubs to have a path forward in advancing their breeds in the near and far terms.

The Purebred Preservation Bank will accept and store frozen semen from individuals and storage providers. The AKC PPB will fund the storage and manage the transfer process according to protocols and criteria set with Parent Clubs.

I am very pleased to announce that the AKC Purebred Preservation Bank has just received 501(c)(3) status from the IRS, making donations to the organization eligible for tax deductions as allowed by law.

The future of our breeds is up to all of us. I urge you to learn more about these efforts. Information about the Purebred Preservation Bank and opportunities to fund this effort will be provided on the Bank's own web site, which is <https://akcppb.org/>.

Every one of us, involved and engaged as we are, has a stake in the success of our AKC affiliates.

So, renew your memberships. Buy tickets. Sponsor a table. Remember them during the holiday season and put them in your will. We owe it to our community of fanciers. We certainly owe it to our dogs. Thank you.

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

The Chair has been advised that the Ashtabula Kennel Club has withdrawn its appeal on the seating of its Delegate applicant, therefore the agenda of today's meeting is amended to remove that vote.

I am pleased to report that the first quarter of 2023 was successful in a number of areas. My appreciation to the Board for their leadership and Staff for implementing. Sports & Events continue their brisk pace with gains in both the number of events and entries. Our Media Department reported an increase of 33 percent in the number of events aired on ESPN for 2022 year-over-year. This includes Companion, Performance and Conformation, as well as a made-for-TV special about the ACE Awards. Government Relations continues to protect our rights as breeders and owners in numerous ways. Doug, Torraine, Keith, and Alan will continue their regular updates to the fancy on the progress of the CMS project. Registration is experiencing a slowdown for individual dogs while litters increased as compared to the previous two COVID years.

On May 17, 2023 we conducted the first Breeder Toolkit webinar, welcoming 528 attendees. 95 percent registered one to two breeds, and 62 percent have one to two litters annually. 96 percent of attendees reported the webinar was helpful and three-quarters stated they are interested in a Part 2, which has been confirmed, and will be conducted on July 26, 2023.

A little bit later, Sheila Goffe will provide an update on major Government Relations initiatives. Following her, Linda Duncklee and Jill Zapadinsky will share our Registration and Customer Service initiatives.

First, we'll turn our attention to Daphna Straus who will provide you with a presentation on the AKC Humane Fund.

Ms. Straus spoke as follows: Hi everyone – thank you for the opportunity to tell you about the AKC Humane Fund, a charitable affiliate of the AKC that focuses on Responsible Dog Ownership.

I would like to start with the mission statement of the Fund, which is to unite animal lovers in promoting responsible pet ownership through education, outreach and grant making. If that sounds rather broad, it was intentional. We want to be able to help in broad ways, share the world of AKC and its messaging, and make it possible for pet lovers in the general population to participate in our causes. Here you can see how our “Wall of Honor” has grown over the years, thanks to our many supporters, including so many AKC clubs and Delegates.

Let me tell you who’s who. Doug Ljungren is the President, Peter Rohslau is the Treasurer, Gina DiNardo and Brandi Hunter Munden are Directors, and I am the Secretary. We are all volunteers for the Fund.

First a little bit of history. Why do we have the AKC Humane Fund? This was Dennis’ brainchild. Everyone will remember, you can donate to the AKC in some ways, but those donations are not tax deductible. AKC is a not-for-profit organization – an association if you will – but it is not a public charity. In 2007 Dennis came up with the idea to create a home for people who wanted to support AKC philanthropically, and through which we could present people with options including our AKC affiliates and AKC programs like Juniors Scholarships. We went through the process with the IRS in 2007 and were on our way the following year. The result was a 501(c)(3) public charity that offers a tax-deductible opportunity to support activities that relate to what we do on behalf of dogs and the people who love them.

Many people ask, what does the Fund do? We couldn’t leave it very vague – we had to define our “Exempt Purposes.” These are the key programs of the Fund. They are all areas of funding. We make grants to a multitude of organizations, give scholarships for education, and fund programming like the ACE Awards. All of these areas advance Responsible Dog Ownership.

One of the funding areas that we are most proud of are our grants to domestic violence shelters. This came out of a recommendation by Gina shortly after the Fund was established. It is a sad and well-known fact that people who are suffering domestic or relationship abuse are often deterred from leaving their abuser, for fear of what would happen to a pet – who would have to be left behind. Many domestic violence shelters do not accept pets. The AKC Humane Fund makes grants to domestic violence shelters that are or wish to become pet friendly. Grants may be used for supplies like kennels, crates, food, flea and tick medications and other everyday needs. One shelter in Arizona used our grant to make a sun shelter for their dog kennel. We see the largest amount of grant applications in the area of domestic violence, since this issue is widespread.

This was especially true during the pandemic, when it was widely reported that during lockdown, calls to domestic violence hotlines hit record levels. Though we are thankfully past the worst of

COVID-19, the need to keep pets with their owners under dire circumstances remains critical. Applications for this grant are available on the Fund's website <https://akchumanefund.org/>.

The Parent Club Breed Rescue grant is something that we would like more people to know about, not only because it helps clubs bear the expenses related to rescue, but also because it helps AKC address the matter of how we are part of the conversation about rescue. Parent Clubs can apply if they have rescue expenses, or they can refer an organization that they trust that rescues their breed. We have distributed more than \$200k for this purpose and we try to make it as easy as possible for clubs to apply and be approved. The money can be used for the costs of rehabilitating and rehoming dogs. Generally, these amount to veterinary expenses. We do not make grants to “buy” dogs in any situation.

If a Parent Club does not perform rescue work, it can enable another organization to apply on behalf of their breed. That only requires a letter of referral on club letterhead. Note this is not treated as an endorsement but rather an approval of an application for funding. I am pleased to announce that these grants are now being sponsored in part by Pet Honesty, a pet supplements company. Again, the application can be found on <https://akchumanefund.org/>.

Here is an example of a breed rescue organization who received a grant and wrote to express their gratitude. The breed they represent is the Belgian Malinois. The Treasurer wrote, *“The faithful support of your Fund is very welcome, as the growing visibility and popularity of our breed continues to increase the number of dogs coming into our rescue system despite our best public education efforts. Intakes for this year are already up 50 percent over last year. On behalf of all of us in the rescue system, thank you for having our backs!”*

In the early years of the AKC Humane Fund, we raised awareness for how pets are affected by natural disasters. We had raised money for Hurricane Sandy and there was money left in that Fund, so we paid it out to 23 organizations to help with relief from wildfires out West and hurricanes down South. We also took part in the funding of two Reunite trailers for Houston Texas in the wake of Hurricane Harvey. As we have distributed all funds raised, the Sandy Fund has been “sunsetting.” Disaster Relief is still within AKC Reunite’s exempt purposes, so in future you will hear about disaster relief only thru Reunite.

Scholarships are a vital funding area for the Fund as well. We have the long running Spurling Scholarship which helps students pursue academic studies in disciplines that promote Responsible Pet Ownership.

This Scholarship notably helps people who want to become vet techs. Also, we have seen fanciers choose to endow scholarships for Juniors through the AKC Humane Fund. The long running George Ward scholarship for apprentices of AKC Registered Handlers was brought under the auspices of the AKC Humane Fund in 2010. These are examples of the AKC Humane Fund helping to advance programs that begin inside AKC.

The Spurling Scholarships are named for its original supporter, Sir John Spurling. Every year we receive more than 100 applications from students pursuing education in all aspects of animal care, not only veterinary medicine. Students come from a variety of academic institutions, from universities to community colleges. Most successful candidates have some background or experience in AKC events.

One scholarship recipient, who was studying to become a vet tech wrote to us and said: *"Thank you to the AKC Humane Fund, Inc. for helping to establish my dreams. The John D. Spurling OBE Scholarship has made a significant difference eliminating some of my financial concerns."* At a time when the cost of education is becoming out of reach for so many, it is so rewarding to help these students achieve their goals.

The George Ward Scholarship has been assisting apprentices of AKC Registered Handlers since 2005. It became part of the AKC Humane Fund portfolio of scholarships in 2010. Every year the AKC Judging Operations department invites candidates to apply for educational assistance. This is another way in which the AKC Humane Fund plays a part in advancing education and the sport of dogs at the same time.

The Awards for Canine Excellence is a long running campaign that the AKC began to highlight the many ways in which dogs enhance the lives of humans. It is our celebration of the Human-Canine Bond. Each year, dogs are nominated in the categories of Uniformed Service, Exemplary Companion, Search and Rescue, Therapy and Service. A winner in each category gets to name a dog-related charity to receive a donation from the AKC Humane Fund. In recent years the ACE Award Winners have been the subject of a show that AKC produces for ESPN2 called *K9 Heroes*. This program brings new attention to ACE, AKC and the Fund every year and expands our audience base. Nominations are accepted on <https://akchumanefund.org/> and <http://www.akc.org/> through July 1, 2023.

The AKC Humane Fund is operated by volunteers who have full time jobs at the American Kennel Club, so we cannot boast a robust fundraising strategy. We launch a year-end Annual Appeal every October, which happens to be Domestic Violence Awareness month. Every fall, our club officers, judges and other friends will find a letter of appeal in their mailboxes. We intentionally do not bother you more often than that, and we thank you for considering supporting the Fund. One hundred percent of all donations are paid as grants in our program areas. Expenses are covered through the generosity of AKC and our Sponsors.

Survey Monkey Contribute is an example of how the public can help the AKC Humane Fund aside from writing a check. Anyone can sign up to take surveys for free, and in doing so, the company will make a donation to your charity of choice. The AKC Humane Fund applied and was approved to be in the roster of charities that receive support. It is an easy way to support the Fund. Twenty thousand people have driven more than \$40k in donations through this platform. To participate, go to <https://contribute.surveymonkey.com/charity-sign-up/akc-humane-fund>. Also, note that Amazon Smile was closed in February of this year.

The feedback we get from the organizations we have helped is heartwarming and inspiring. To date, the AKC Humane Fund has made almost \$1.5 million in grants to help pets and the people who love them.

I would like to take a moment to acknowledge our sponsors who help make our important work possible. They are Pet Honesty, The Farmer's Dog, YuMOVE, Winix, Eukanuba and AKC Pet Insurance.

And to all of you – Our Delegates, clubs, officers, judges, fanciers and friends – Thank you for supporting our work in all the ways that you do.

Mr. Sprung: Thank you, Daphna, and special thanks to Doug, Peter, Gina and Brandi for their volunteering along with Daphna, to keep the AKC Humane Fund a success.

Ted Phillips, CFO, delivered the Financial Report as follows:

Thank you, Dennis, and good morning, Delegates. I'm pleased to hear so much talk about two 501(c)(3) organizations, the Humane Fund and the PPB. I feel like I'm in a room filled with accountants! I always enjoy meeting with you, seeing the yellow buttons when you're new and introducing myself.

Today we will look at some key performance indicators of both non-financial and financial results of operations for the fiscal quarter ended March 31, 2023. The first quarter results are positive, with solid revenue and good expense control. Let's start with the non-financial statistics. The first chart presents totals for litter and dog registrations. Litter registrations total 79,000, which is 6 percent lower than in the first quarter of 2022. Dog registrations total 182,000, which is also lower than the first quarter of 2022. Please keep in mind that the online litter and dog registrations continue to exceed 85 percent of all registration transactions for our business. For Sports & Events, we have both entries and events on this slide. First-quarter events totaled 5,087, which is 9 percent higher than the first quarter of 2022, and entries exceeded 782,000, which is 3 percent higher than the first quarter of 2022. In summary, on the non-financials, we'd like to thank our breeders, and you, the Delegate Body, our Board of Directors, my colleagues on Staff for the strength of these two programs.

Now, let's look at a high-level overview of the first quarter financial results. These results reflect the Board-approved spending from our 2023 budget. Each month, Dennis and I provide the Board with a detailed report with an analysis of financial results. In the first quarter of 2023, AKC had a solid financial result, with a net operating income of \$4.3 million. These results demonstrate the delivery of budgeted AKC programs. They are led by registration and events income totaling \$27 million in the first quarter of 2023. You'll note on this slide that almost 70 percent of the first quarter revenue is from the major programs, registration and events and totals \$18.8 million. Within this total, \$14.9 million is registration, and events total \$3.9 million. Another significant area of revenue is the advertising, sponsorship, and royalty revenues which represent a total of \$4.4 million and represent 16 percent of operating revenue. Finally, our various e-commerce products and services total \$3.6 million. Those revenue streams,

e-commerce, and such total 13 percent of our operating revenue. Each of these programs has started the year with solid results.

Next up, we have operating expenses. Total operating expenses for the first quarter are \$22.9 million. Staffing expense, which is the largest line in the budget, total 50 percent of the operating expenses for this quarter, and that total is \$11 million. The other substantial operating expense lines listed on this slide include budgeted items that run the AKC programs. We break them down between professional fees, fulfillment, travel and insurance, rent, and depreciation. Each of these has been affected by price increases, inflation, and supply chain risk. We expect this will be a challenging year, but we will be monitoring these costs closely and do a quarterly review with management as well as review financials with the Board. We will endeavor to complete all the programs intended within this budget. One item I'd like to draw your attention to is the AKC continues to support our charitable affiliates with donations equal to five percent of our operating expenses. There are other non-operating expenses that include the annual cost of the pension expense and changes in the value of investments.

Finally, here is our balance sheet. We have total assets of \$247 million at the end of March 31, 2023. I can happily say that most of the financial markets have recovered from the disastrous 2022, and investment performance guided by our investment policy statement for the first quarter was positive at almost four percent. On this slide, the liability section is primarily comprised of future obligations for pensions and leases; both are long-term costs for AKC.

Once again, thank you for your time today; we appreciate your dedication. I'm available to answer any questions at your convenience. Thank you.

There was a vote on the amendment to **Article VI, Section 6** of the ***Charter and Bylaws of The American Kennel Club***, which removes the reference to professional judges (one who charges a fee in excess of expenses) as it relates to Delegate occupational eligibility.

This amendment was proposed by the Delegate Advocacy and Advancement Committee submitted by the Delegate Coordinating Committee and approved by the Board of Directors.

The Chair recognized Barbara Burns, Rockford Freeport Illinois Kennel Club, who spoke as follows:

Barbara Burns, Delegate for the Rockford Freeport Illinois Kennel Club. I've been advocating for this for quite a while, so I wanted to bring to everybody's attention. There are several other Delegates that have professions that they make money from, such as Show Secretaries, Superintendents, photographers, everybody that's on a committee gets a stipend for their work, and the Board Members get stipends for their work. In fact, I found out that the committees are asking for a raise. If they are about to have this, I see no reason why judges should be set in a separate entity. We put a lot of money into our education and travel so that we can do our job and do it well, and I really would like to see this pass today and allows us to be equal paid for equal work.

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

The Chair called on the Executive Secretary to read the proposed amendment to the **Chapter 2, Section 14**, of the ***Rules Applying to Dog Shows*** – Dog Show Entries, Conditions of Dogs Affecting Eligibility.

Ms. DiNardo: The amendment to **Chapter 2, Section 14**, of the ***Rules Applying to Dog Shows*** – Dog Show Entries, Conditions of Dogs Affecting Eligibility, inserts “or access to”, to recognize the acceptance of digital copies of required booklets at events. It modifies the list of required references, removing *The Complete Dog Book*. It also replaces the list of documents to have available “when applicable” with the generic statement of “any other applicable rules, regulations and/or guidelines for the competitions being held.” in recognition of the greatly expanded and changing list of competitions held with Conformation dog shows.

This amendment was proposed by the Delegate Dog Show Rules Committee and brought forward with approval by the AKC Board of Directors.

It will be published in two issues of the *AKC Gazette* and you will be asked to vote on it at the September 2023 meeting. The full text is on the worksheet previously emailed.

There were no questions or discussion.

Linda Duncklee, Director of Registration Services and Jill Zapadinsky, Director of Call Center & Registration Support delivered a presentation on innovation and new technology for AKC breeders and dog owners.

Ms. Zapadinsky: Good morning. We're happy to be here today to share the Customer Service and Registration technology. As Dennis stated, my name is Jill Zapadinsky, and I'm the Director of the Call Center & Customer Registration Support. As you can see from the picture, I've been with the AKC for a long time, since 1994 to be exact. Also pictured here is my amazing team.

Before I get into the details about the call center, I'd like to provide a little bit of background about the work we do. My department handles all the calls that come into AKC's main number which is (919) 233-9767. Yes, I have that number memorized. This is a number that appears on all the AKC registration forms and on our website. It's used by dog owners and breeders alike. We do transfer some calls that come into this area, but we handle 90 percent of them. Some of the areas we may transfer calls to would be Government Relations or Event Records. We handle about 60,000 interactions monthly, so we are very busy. These interactions include inbound and outbound calls, emails and we also do live chat. Of the 60,000 interactions, about 80 percent of them are registration related. Our customer service agents all work from home. As a matter of fact, we were working from home five years before the pandemic hit. This meant when the world shut down, we were able to continue business as usual. We're available Monday through Friday from 8:30 a.m. to 8:00 p.m. Eastern Standard Time. Including management, we have 31 full-time agents and 39 part-time agents to optimize the scheduling.

At the top of the slide, you'll see where it says customer service doesn't cost, it pays. We say that because our agents work hard with our customers to walk them through every step of the online registration process.

Next, I'm going to tell you about the technology we use with the call center. When customers call in, they are presented with an interactive phone tree, they do things like press one for dog registration. When they make a selection, they are routed to the appropriate agent. This slide shows you how many calls are in queue, how many are with an agent, and how many agents are in after call work. Since we do have a high call volume, we do have an option to have an automated call back so a customer can select for a call back and not lose their place in line. The system automatically calls them back when it's their turn. We also have email through the phone system. The emails have been separated to streamline the process so if they get a question about a certificate issue date, it would go one way, where someone with a litter registration would go to a different agent. This allows us to route the emails to the right person and they're handled more efficiently. In addition to this, we also handle a live chat. This is a visual of what our live chat looks like. The agents enjoy chatting with the various customers, and the live chat is only available on the registration pages. We also handle private Facebook messages as well as feedback from AKC.org.

As you may be aware, sometimes it's hard to retain customer service agents. We work hard to hire the right people for the position. It takes about six to eight weeks to onboard a new agent and we provide them with an amazing training manual that details everything they need to know for the job along with actual AKC documents. We've changed our training over the years where now we really work to train them to use the resources and let them find the rule as opposed to memorizing every portion of our rulebook. Technology plays such an important part of our training. This is what our training looked like pre-COVID. We had in-person training. We had to get agents who normally work from home, to come to the office, sit with the new agent, listen to phone calls and assist each other. When COVID hit, it forced us to make a change for the better. We hired virtually and we trained virtually. The agents love it and so do we. During training, they can see each other. They can chat through Microsoft Teams. They can share screens with one another and listen to live customer service calls. We take quality very seriously in customer service. It's important that we keep agents engaged with us, and that they get quality assurance checks to make sure they're giving the right information. Since they do all work from home, we want to make sure that they get to know us and have that relationship, and they love AKC as much as we do. The system will automatically deliver a monthly quality assurance check where their manager has reviewed a phone call, and they've given them feedback. The customer services agents are able to listen to the call and can see the screen that they were on during that call, so that really helps us with efficiency. I'm excited to say that our Customer Service Department has been nominated for CCW 2023 Best in Class Contact Center. CCW is the world's largest customer service trade show and educational event. I've also been nominated as Contact Senior Leader of the Year by my amazing team. Before we move from CCW, I'd liked to say that our very only Mark Dunn was awarded CCW's Next Generation Leader there last year. Mark earned that award by championing the many efforts in technology that we use at AKC today.

Another way that we evaluate customer service is through our Stella Connect survey. This is a third-party AKC branded tool that we use. You may have seen this if you've ever called into AKC's main line, and this is only used by our department so you would have to call into the main line to receive a survey. But it's a way for our agents to get immediate feedback, which means a whole lot to them, and it also tells us right away if there is an issue so we can make it right by the customer. Here an example of some of the feedback Kay received: *"I was having trouble transferring registration and she walked me through everything, step by step and stayed on the line. She also gave me useful information. She was very patient and kind. That feedback makes the agent feel really good and it also helps management to know Kay is doing her job correctly."* The way it works for them to get the automated Stella Survey is that our agents receive a screen prompt from Salesforce whenever a phone call comes in. Salesforce is our Customer Relationship Management System. After they are done with the call, the disposition the reason for the call, they close the Salesforce case, and the survey just automatically goes out. What's really neat to me is that 30 percent of our customers take the time to complete this survey. I think that's a very good survey rate, and then 94 percent of those people say that they've resolved their issue with that phone call. I'm very proud of our agents, and I can tell you we've earned 4.9 out of 5 stars. The program also has a rewards area based on points that we use each month for incentivizing the agents.

The next piece of technology I would like to share with you is about our screen share technology. This has just been recently implemented, and we are still training our agents on it, but it allows us to see a customer's computer screen while they're doing the online registration. This is really helpful because we found historically when talking to a customer and telling them where to go on the application, by the time we tell them to enter pin number, they say, I don't see that. So, we have to start the process again. This way we can see where they're at and we can even highlight on their screen to help them find the necessary information. We can do this two ways, one by live chat like on the screen so they will just hit connect, and the other way is through a phone call where they would enter in a 4-digit code that we provide for them. I'm really excited about this because it brings a better experience for both the customers and for the customer service agent.

The last featured technology I'll be sharing today is our chat bot. We have a new chat bot, and we've named our virtual chat bot Bailey. She's our virtual assistant, and she was developed based on the top 75 customer service and registration FAQs. We collaborated with our Marketing team to make sure our responses went along with AKC's brand and tone. We really appreciated their efforts with it. The bot is available on registration pages, and it's available 24/7. I hope we can reach new customers this way and assist our current customers. The bot will transfer to a live agent during normal business hours. She's going to grow with us. She'll learn about our customer journey, and we'll use analytics to continue to improve the bot. As I said, this is only available on the registration pages right now, but I hope one day it will be in other places. Of course, I had to show a picture of my dog. I have four dogs at home, two of which are Conformation Champions that I co-own. It's been such a neat experience getting them as puppies, taking them to training classes and all of the different dog shows and watching them grow into lovely examples of the Boxer breed. My daughter, Ally, shows in

Juniors, and I'm sad to say she's aging out in September. This experience has really helped me to learn more about that side of AKC and made it even easier to help our customers.

Ms. Duncklee: Good morning, everyone. My name is Linda Duncklee, and I am the Director of Registration Services & Breeder Relations. I've been with the AKC 30 – almost 31 years. One of my big roles at AKC is working with our IT department on new development. Anything internally and externally that relates to registration, I'm involved in helping them implement it. There are a few things I'm going to tell you about today, one of them is Breeder Tool Kit. We created Breeder Tool Kit as a replacement for our old online recordkeeping system. We wanted a new, updated look and feel, and we wanted a place where breeders could do all things AKC. We are working to implement a lot of new technology in here. You can register your dogs, register your litters, as well as working with our inspectors to ensure that Breeder Tool Kit meets 100 percent of recordkeeping requirements. This is great for them because when they go out to do inspections, any breeder who is using Breeder Tool Kit does not have to print out the paperwork. It's right here. We began showcasing Breeder Tool Kit last year at ANC. We were also at the International Kennel Club Breeder Symposium and as Dennis said, we had a live webinar which had over 500 people in attendance. This is great for us because we get a chance to talk to our breeders and get their input, so we not only can share Breeder Tool Kit and the things that it can do, but they give us input, and it helps us to determine our next step and what we want to add into the Breeder Tool Kit. One of the things requested is simple how-to videos for all the things you can do, and we are getting those developed. Prepaid dog registration is one of the tools inside a Breeder Tool Kit. With prepaid dog registration, a breeder can purchase all the registrations in advance for the puppy owners. They can set a registered kennel name or a dog name so it can't be changed during registration. They can also electronically designate limited registration so that cannot be changed as well. They can complete the registrations on behalf of the puppy buyers, and this is a great tool to easily identify which puppies are not registered to ensure that you're getting 100 percent of the puppies in your litter registered. We're working right now on developing a new online litter process. We have cut the technology down from 10 steps to 4. The current online litter is oldest application, so it really needed an update. One of the new features that you can do inside our online litters, since it connects with Breeder Tool Kit, is that you can select the breed of your dog from a drop list that's in your managed dogs. We've enhanced the à la carte offerings so you can purchase prepaid directly in line, and we've also included all the artificial insemination types, which you were not previously able to do online. Currently in production, we have artificial insemination fresh and fresh extended, and we'll be releasing standard litter and even frozen semen litters. We talked a lot about frozen semen litters today. They will be able to be submitted online. Online foreign applications became available for online registration in the last couple of years. A person that purchases a foreign-bred dog can now submit their foreign registration online by uploading their documents and completing their online application. Internally we still have to review everything, just as we would paper, but it's a very big timesaver for a customer not to have to print and mail everything into us. This has been a great tool for them, and we also implemented online response letters which means when they send in their documents electronically, if they're missing something, we will email the customer and say, you're missing this pedigree and they can send it back to us electronically, so no paper

ever has to be mailed. For online duplicates, a customer who owns a dog or litter can now order them online. They no longer have to contact AKC by calling or mailing in a request to get a duplicate.

With forward-thinking, we have a lot of new technology that we're working on. We're going to be streamlining our online dog registration process in 2023. We are also working to implement email response letters with all our applications, not just those online but our internal applications as well. When someone does mail in paper, instead of waiting for a paper response, we will email you and you can email back, and I know that's something a lot of people have been asking for over the years. We're also putting open registration online, it will be a similar process for any dog that is from a domestic registry. A big tool that we are working on is AB testing. What AB testing means is that is a strategy that we can use internally to have multiple versions of the same application go down different the paths. For online litters, I can send 20 percent of people down one path while everyone else stays in the standard path. That's going to allow us to see quickly and easily what the best flow for our customers is. We wanted them to have the best experience when we're building these new online applications, so this is really going to help us.

Here is contact information for Jill and I, and if you have any questions for us, feel free to email, feel free to call us – and we'll be glad to talk with you. Thank you.

Mr. Sprung: Thank you, Linda and Jill. Those two talented executives bring 60 years of AKC experience with them. Linda just mentioned that the average tenure in the Registration Department is 20 years. I should share with you along those lines, the average employee in AKC management is with us for 16 years. According to the Department of Labor, the average is 6.2 years. So, we've added about 10 years to that statistic – and we can only each aspire to be like Paula, who looks upon us as rookies.

Sheila Goffe, VP of Government Relations delivered a presentation on legislative highlights and updates.

Ms. Goffe: Good morning again and thank you very much for the opportunity to speak with you today. Many of you have heard me say before that anti-breeder legislation is one of the greatest threats to the future of our breeds and our sport. A simple piece of legislation at the federal level carries the potential to undermine or wipe out thousands of high-quality breeding programs and the strength of our sport. The same thing can also happen at the state or local level.

This morning I'll provide a brief update of the legislation we're seeing around the country and especially at the federal level.

I would like to start also by thanking all of you for participating in legislation. They're a lot of you in this audience who are participating, including as legislative liaisons, and your engagement is crucial. Thank you very, very much for all that you do.

The AKC Government Relations team is comprised of 11 Staff with decades of experience in all aspects of public policy. Our responsibilities are divided by function and region. I'm very pleased to say we now have five team members who are deployed throughout the country, covering the northeast, southeast, Mid-Atlantic, Texas/central states and the West Coast. This map is available for you at the GR table. Please take a copy. This tells you who your direct contact is in your region.

Our efforts fall into four basic categories. On a daily basis, we review, monitor and respond to legislation and regulations. This includes tracking bills, issuing alerts, amending problematic legislation, testifying and providing model legislation. We also advocate for policy that supports responsible dog owners and breeders. Today we're introducing more legislation than ever before, and we're having better successes than ever before. We entertain all threats to responsible dog ownership and the future of our breeds; and we provide resources and policy expertise to both lawmakers and to dog owners so that together we can successfully advocate for dogs in our own communities.

All of our materials and information – legislative tracking, alerts, videos, talking points, etc. are available on our Legislative Action Center at www.akcgr.org.

Year-to-date we've analyzed and tracked approximately 1400 federal and state bills impacting dogs and dog ownership. The largest category we're tracking by far is cruelty. Unfortunately, that typically also includes breeder regulation, breeder restrictions, etc. That's because the bills that we see that are introduced by anti-breeder types often refer to cruelty and "puppy mills" along with breeding.

The second slot is working dogs. These are measures impacting service, detection and law and enforcement K-9s.

Then, animal control proposals such as limit laws, tethering, temperature restriction and so on; Veterinary, which is vet licensing, crop dock, mandatory spay-neuter, and those types of laws. Increasingly, we're seeing a lot of efforts in the area of land use, field trials and hunting. This really focuses in on the use of public lands for field trials and performance activities; and in some cases, our Conformation dog shows as well.

Over the last six months we have tracked approximately 1400 new dog bills at the federal and state level. We are reviewing, tracking and responding to each as appropriate. We're seeing an unusually high number of implementing regulations, at 781. Despite the heavy amount of research and analysis this all involves, on average we published an alert or testified to lawmakers somewhere in the country every day so far this year.

What I really want to focus on this morning however is federal legislation. Federal legislation is crucial because it can potentially impact everyone. Most federal dog bills seek to amend the Animal Welfare Act, which governs federal breeder regulation. This falls under the purview of the U.S. Department of Agriculture.

When most people think about USDA licensed breeders, they often think about large commercial facilities. Animal rights organizations often equate USDA breeders with what they call “puppy mills.” But here is the reality: If you maintain five or more intact females of any small pet species: cats, dogs, gerbils, hamsters, rabbits, etc. or any combination of those and breed and transfer just one sight unseen, you are subject to USDA licensing.

Requirements for USDA licensing involves maintaining commercial kennel engineering standards (whether you have a kennel or you raise dogs in your home); Annual inspections; being listed in an online, publicly searchable database, along with your inspections; and other requirements. This is why USDA licensing is such a big deal. It's not just commercial kennels.

Like other USDA programs, the Animal Welfare Act is reauthorized every five years, and 2023 is the year. We are expecting to see a lot of action on federal legislation that relates to the Animal Welfare Act and breeding this year. The bill reauthorizing the Animal Welfare Act is called the Farm Bill because it reauthorizes farm programs. It funds all USDA programs, and it's absolutely enormous. It's so big it's only reauthorized every five years. It covers everything from nutrition assistance to commodity programs and even pet breeding. It's must-pass legislation. So that means that it's a target for every imaginable animal interest group trying to get their legislative agenda attached to it. Incidentally, that does cover us as well.

Animal rights groups spend millions trying to add restrictive breeder legislation to it. This year their primary focus is on two bills. The first is the Puppy Protection Act and the second is Goldie's Act. AKC priorities are to keep the animal rights bills off the Farm Bill, while also spearheading efforts to provide more resources for USDA to enforce existing laws. Very simply, we don't believe we need more new laws, we believe we need better enforcement of existing laws. Also, if possible, it's very important to try to get the Healthy Dog Importation Act attached to this measure.

When you see our alerts, please act on them, and urge everyone you know to contact your members of Congress. Again, the Farm Bill is a once-every-five years effort.

Here's a quick synopsis of what these bills do:

The Puppy Protection Act is one of the HSUS's top priorities this year. It is their stated intention to attach it to the Farm Bill. It includes arbitrary one-size-fits-all requirements that can undermine small, high quality and specialty breeding operations. Here are some, just some, of its prohibitions. Prohibiting breeding unless a dog is prescreened by a vet, but it doesn't tell us what tests are going to be required or who makes the decisions about the breeding, prohibiting more than two litters in 18 months. Arbitrarily prohibiting breeding based on age and size of dogs. It also mandates temperature ranges for kennels, irrespective of the dog's acclimation or breed, and mandates annual dental exams in addition to standard annual health exams. We believe these kinds of decisions should be made by owners in conjunction with their veterinarian, not by arbitrary government mandate.

Goldie's Act basically removes the distinction between minor paperwork infractions and care and conditions violations. We care – we're AKC, we certainly care about paperwork. But we believe that care and conditions must always be the priority. Goldie's Act would create an environment where you could be put out of operation or targeted because of a paperwork violation. Now, keep in mind all of those inspection reports are publicly available online and regularly accessed by animal rights groups. Again, this is a big deal. Goldie's Act also allows for immediate euthanasia or seizure of animals at an inspection. At that point of inspection, if your dogs are found to be suffering “psychological harm” – and it doesn't define for us what psychological harm is – your dogs could be euthanized or seized. The bottom line is this bill creates far too much opportunity for mischief by animal extremists.

There's a third bill I'd like to mention – and this one we do want to see advance. We are very pleased to support the Healthy Dog Importation Act. In 2019, the last year for which we have statistics, more than one million dogs were imported into the United States. Many of those dogs came in with forged or invalid health certificates, creating major risks to pet and public health. The Healthy Dog Importation Act quite simply brings U.S. canine import requirements in line with those of other western countries, to protect that pet and public health. It requires all imports to be negative for disease and parasites, a valid health certificate from a veterinary authority recognized by the U.S. Department of Agriculture, and dogs to be micro-chipped so those records can be verified. Additionally, it would also make the CDC's current country-based blanket bans unnecessary.

Here are our takeaways: The 2023 Farm Bill could have a huge impact on federal licensing and requirements that impact professional and hobby breeders. Dogs aren't one size fits all, and the regulations shouldn't be either. But animal rights activists are pushing for one size fits all requirements that could hamstring breeders and potentially undermine high quality small breeding programs. AKC GR Staff, and our representatives are meeting with dozens of lawmakers and staff in Congress and in states across the country, talking to media, testifying, creating alerts, and providing resource materials. But lawmakers need to hear from their constituents. They need to hear from the folks who vote for them. We are asking for your help. Please share our alerts and resources and please reach out to your lawmakers when you see these alerts. More resource information is available, again, on the table; and on our website, again www.akcgr.org.

Please don't hesitate to contact the GR team if we can be of any assistance to you at all. That is our job. We're here to help you. Thank you for your time.

Mr. Sprung: Thank you, Sheila.

Gail LaBerge, Delegate from the Atlanta Obedience Club, gave an update on AKC's PAC.

Ms. LaBerge: Good morning. First, I wanted to say how lucky we are to have Sheila and her Staff out there fighting every day for us. That gives me the opportunity to bring up how you can help her advocate by donating to the AKC PAC. Every dime that you give goes to elect or support those in office who have the same approach and respect for AKC's position on canine

legislation. It opens the door for Sheila and her Staff to get into some of these offices. So that's one way you can help.

Today we're kicking off our annual sweepstakes, titled "Treat Yourself." You're going to be getting these flyers electronically. The grand prize is a gift basket valued at least \$350, but in addition there is a \$1000 gift card inside that basket. Every dime that goes into this will go into the PAC funds for officials. It is \$25 per ticket or five for \$100. You can get your tickets today. Yes, I understand that if you keep this among the Delegate Body, your chances of winning are better than if you take this back to your clubs. We really need you to take this back to your clubs because we need as much funding as we can get, because you heard all the animal rights groups Sheila mentioned, and they have a heck of a lot more money than we do. So please take it back. We'll also be sending this out to club secretaries that are affiliated in any way with the America Kennel Club so that they can share it with their membership also.

Now I'm going to ask Michael Knight, will you come up please? The AKC PAC Board of Directors have given me a resolution honoring Michael for the term that he served on the AKC PAC Board. We are appreciative for the leadership and the many suggestions that he gave us, and helping us raise funding, and we wanted to publicly recognize him and say thank you, Michael, for all of your work.

Don't forget, Sheila's outside at the corner table.

Mr. Sprung: Thank you, Gail. Congratulations, Michael.

The Chair called on the Executive Secretary to read the list of vacancies for the Delegate Standing Committees that are to be filled in September.

Ms. DiNardo: These are the vacancies on Delegate Standing Committees that are to be filled at the September 2023 Delegate Meeting:

All-Breed Clubs Committee: 3 - three-year terms

Bylaws Committee: 4 - three-year terms

Canine Health Committee: 4 - three-year terms

Companion Events Committee: 3 - three-year terms and 1 - one-year term

Delegate Advocacy and Advancement Committee: 3 - three-year terms

Dog Show Rules Committee: 3 - three-year terms and 1 - two-year term

Field Trial & Hunting Test Events Committee: 4 - three-year terms

Herding, Earthdog, Coursing and Scent Work Events Committee: 3 - three-year terms and 1 - one-year term

Parent Clubs Committee: 3 - three-year terms and 1 - one-year term

Perspectives Editorial Staff: 6 - two-year terms and 1 - one-year term

Mr. Sprung: Delegates will be emailed self-nomination forms by the end of June. The self-nomination form must be returned to the Executive Secretary by Friday, July 21, 2023.

Questions on the procedures to be followed should also be directed to the Executive Secretary. Delegates may only self-nominate for one committee, except that a member of the *Perspectives* Editorial Staff may also serve on another standing committee.

In August, the Delegates will be emailed the nominees for each committee, and their qualification statements with the September Delegate Meeting notification.

The following Delegates spoke during New Business:

Gretchen Bernardi, Mississippi Valley Kennel Club, expressed concerns regarding the AKC Judges Recertification Program.

Marylyn DeGregorio, Taconic Hills Kennel Club, shared a statement from her club regarding their perspective that Judges approved for groups and Best in Show (BIS) should not be eligible to compete in the National Owner Handler Series (NOHS).

Hearing no further business, the Chair adjourned the meeting.

(One sharp rap of the gavel.)

(Proceedings concluded at 12:15 p.m. ET.)

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