



AKC DELEGATE'S REPORT

Date: January 5, 2026

Cathy M. Driggers

The AKC Delegate Meeting was held December 12, 2025.

AKC Delegate Meeting:

- The Executive Secretary read the report on the Nominating Committee and the report on additional nominations. The NOMINATING COMMITTEE made up of, Gail LaBerge, Chair – Atlanta Obedience Club, Gretchen Bernardi – Mississippi Valley Kennel Club, Ellen Hardin – Golden Retriever Club of America, Barbara Shaw – Greater Collin Kennel Club and Matthew Townsend – Carolina Working Group Association appointed by the Board of Directors at its July 2025 meeting have nominated the following Delegates as candidates for such vacancies on the Board of Directors as to be filled at the next Annual Meeting of the Club on March 10, 2026. There are three vacancies for the Class of 2030. 2 CLASS OF 2030, Dominic Palleschi Carota – Pharaoh Hound Club of America, Jason Hoke – Chain O'Lakes Kennel Club and Thomas S. Powers – Kennel Club of Beverly Hills. Pursuant to Article VIII, Section 4, of the Charter and Bylaws of The American Kennel Club, the following Delegates has 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 2030, to be filled at the next Annual Meeting of the Club on March 10, 2026: • Carl C. Ashby III – United States Kerry Blue Terrier Club, Inc. • Karen J. Burgess – Greater Clark County Kennel Club, Inc. • Patricia M. Cruz – Heart of the Plains Kennel Club • Sue Goldberg – Lewiston-Auburn Kennel Club, Inc. • Laurie Maulucci – South Windsor Kennel Club • Lisa Peterson – Norwegian Elkhound Association of America, Inc. Ms. DiNardo: The Bylaws state that nominations may not be made from the floor. Nominations, therefore, closed on November 15, 2025.
- The Chair called on Dr. Tom Davies for the Chairman's Report. The year has been a meaningful one for AKC, a period marked by transition, renewed focus, and continued evolution in our programs and relationships. We're closing a chapter that reminds us how far this organization has come, particularly with the 25th anniversary of the AKC National Championship, that has grown into an international canine event. As we consider what this anniversary represents, I'm reminded of Peter Drucker's words: "The best way to predict the future is to create it." Our championship show is a clear example of that idea – the show began as Ron's vision and, through years of hard work, has become the premier stage for our sport. What began as an ambitious concept has evolved into a showcase of the collective passion of breeders, exhibitors, handlers, judges, volunteers, staff, and partners. As we honor this anniversary, we're celebrating an embodiment of everything purebred dogs represent: tradition, heritage, commitment, and excellence. Even as we celebrate the strength of our traditions, we must look ahead. The future of our mission to protect and preserve the purebred dog increasingly demands a global perspective. We continue to strengthen our relationship across the global purebred community through meaningful international collaborations. Our work with the FCM – Federación Canófila Mexicana, including the historic upcoming show we are licensing and sanctioning, demonstrates the value and strength of working collectively. Alongside our relationships with the Royal Kennel Club, the Canadian Kennel Club, and many others around the globe, these efforts reflect AKC's growing leadership in canine stewardship. These alliances are essential as responsible dog ownership and ethical breeding face increasing pressure worldwide. Looking towards 2026, we also have exciting developments here at home. Next year, we launch the Regional National Owner-Handler Series events, an important expansion that brings higher-level competition closer to owner-handlers across the country. We're also preparing to introduce the Regional Junior NOHS competitions, offering young

handlers more pathways to grow, learn, and thrive in our sport. These initiatives reflect our long-term vision – a sport that is accessible, welcoming, and positioned for healthy growth. Engaging new exhibitors, supporting young people, and reinforcing opportunities for owner handlers are investments in our future. But no program, no event, no initiative can secure the future of our sport on its own. People do that. We do that. Perseverance is woven into every corner of our community – from the breeder working toward the next generation, to the Junior mastering their craft, to the clubs that keep the sport thriving week after week. For 2026, the challenge before us as a community and as stewards is to strengthen the culture of our sport by fostering kindness, mentorship, and a genuinely welcoming environment. Though running shows can be stressful, the tone set for newcomers and seasoned exhibitors determines who feels supported, respected, and connected within our community. Good sportsmanship, family-friendly shows, and a spirit of helping one another must remain our standard. As leaders at the club level, we must also be strong advocates for the American Kennel Club and for the importance of registration, ensuring that exhibitors and the public understand the value that it brings to preservation breeding and the future of our sport. These behaviors will influence the future of our organization every bit as much as the rules we adopt and the programs we create.

- **President's Report.** As we close out the year together, I want to begin with simply – thank you. This has been a year of transition, of growth, of continued evolution for our organization and our sport. Throughout every change, every challenge, and every opportunity, the AKC community has demonstrated that we are dedicated, resilient, and deeply committed to the future of our dogs. We have so much to be grateful for. This year has reminded us that progress doesn't happen all at once, it happens step by step, decision by decision, with the support of people who care. I'm proud of the direction in which we are moving and the work we are doing to strengthen our programs, modernize our operations, expand our outreach, while still protecting the traditions that make our sport meaningful. As we gather here at year's end, our thoughts naturally turn to this wonderful weekend in Orlando, the flagship event that has come to define our celebration of dogs – the AKC National Championship. Many of you remember its beginnings, the journey to get to this 25th anniversary was a long one. In 2001, the show launched as the American Dog Classic, a new idea derived by Ron Menaker, an invitational event that marked the early days of what would become our crown jewel. Over the past 25 years, we've transformed this event into a true showcase of excellence, passion, and community. In that time, we've crowned 24 National Champions across 22 different breeds, each representing the very best of our sport. As the event has grown, so has our commitment to elevating the experience for exhibitors, breeders, handlers, and spectators alike. In 2003, we introduced the Best Bred-by-Exhibitor competition. In 2013, we added National Owner-Handled Series Finals. In 2017, we debuted the AKC/Royal Canin All-Breed Puppy and Junior Stakes, a competition that highlights the next generation of show dogs. This year, on our 25th anniversary, we celebrate an extraordinary milestone with more than 9,160 total entries and 5,557 dogs competing for the title of America's National Champion. These numbers represent more than participation. They represent commitment, your commitment. They reflect breeders, exhibitors, handlers, volunteers, and staff who believe in this sport and will work tirelessly to preserve it. They represent our future. And they represent something even deeper – connection. We are fortunate to be part of a sport that continues to bring people together at a time when so many institutions see declining engagement and participation. As more of our daily lives shift online, the real in-person spaces where people can gather and build relationships and find belonging have grown fewer. Yet here we are together in Orlando, surrounded by dogs, friends, competitors, and the place that brings us joy, purpose, companionship, and a reason to show up. This week is about more than spirited competition, it's about belonging, friendship, the joy that comes from sharing our passion. It is a reminder of why our mission matters and why this community endures. As we celebrate this week, I encourage each of you to take a moment to reflect on the gift we share, the

privilege of stewarding a sport rooted in purpose, passion, and tradition. While we're together this week, practice one random act of kindness. Smile at someone you don't know, offer help, share a moment of grace. You never know whose day you might change. Thank you for your leadership, for your commitment to the American Kennel Club, for your partnerships, and I look forward to what we will continue to build together.

- Ted Phillips, CFO provided the Financial Report. As of September 30, 2025, the result from operations is a loss of \$3.97 million, primarily due to lower registration revenues. The prudent use of the annualized spend of the investment portfolio and current interest and dividends reduced the loss from operations to \$1.6 million. The net loss from operations on total revenues of \$66.4 million is 4.6 percent, rounded up on the slide to 5, below the same nine-month period in 2024. Expenses total \$70.3 million and are 1 percent lower than the same period in 2024. An important note is that this expense variance is less than the relative inflation rates impacting our largest expenses, which are staff and professional fees. In summary and based on the forecast that we prepared as we did our annual budget in September, we expect total revenue to be lower for the remainder of 2025, and we forecast a net loss from operations at year-end. On this slide, we have the three primary sources of operating revenue. These major areas total the amount of \$66.4 million that I mentioned on the previous slide. Registration and event fees total \$45.2 million and represent 68 percent of total operating revenues, which are 5 percent lower than the nine-month period in 2024. The largest component of this revenue line is registration and related revenues, which total \$31.5 million and represent 47 percent of our total revenues. When you compare this to that segment of this total against the 2024 period, that number is 7 percent lower than the 2024 period. We're just isolating it down to be specific about that area. Revenues from events total \$13.7 million represent 20 percent of total revenues and are comparable with the same period in 2024. Advertising, sponsorship, and royalty revenues comprise 19 percent of total revenues and are 11 percent or \$1.5 million lower than the same period in 2024, which is principally due to lower advertising revenue as that revenue follows our registration activity. E-commerce products and service revenue total \$8.5 million and are 13 percent of revenue. This line increased by \$700,000 or 9 percent over 2024. Dog registration revenue totals \$15.5 million and was \$2.2 million or 12 percent below the same prior year period. Litter registration revenue totals \$8.7 million and was \$1 million or 13 percent higher than the same period in 2024. Pedigree sales totaling \$3.62 million, which is 22 percent lower than the same period in 2024, and the remaining registration-related revenue totaling \$3.6 million, principally earned from certificate transfers, AKC Canine Partners, purebred alternative listings, litter certificates, and AKC Puppy Folders. Conformation and Companion revenue, totals \$9.2 million and are comparable with the prior year period. Performance events total \$3 million and are 7 percent higher due to increased event application and service fees. The Family Dog program revenues 15 total \$2.87 million and are 3 percent lower than 2024. Year-to-date advertising revenue totaled \$3.2 million and is \$1.3 million or 28 percent lower than the same period in 2024. Let's move on to expenses. As mentioned earlier, total operating expenses are \$70.3 million. Staff and travel expenses total \$36.8 million or 52 percent of total operating expenses. Donations are lower than prior years as the allocation of in-kind contributions to affiliates is lower than 2024. Total donations to affiliates was \$3.6 million or 5 percent of our total expenses. As a reminder, our financial reports include expenses authorized by the Board of Directors in the annual operating budget. Finally, we have our balance sheet. This is a standalone statement of financial position for AKC as of September 30, 2025. Assets total \$268 million with the largest asset on the balance sheet of investments of \$191 million. Investment performance for the ten months ended October 31, 2025 was positive at 14.5 percent. The benchmark set up based on the asset allocation policy was exceeded by 1.3 percent. The liability section of the balance sheet is comprised principally of retirement plan obligations; they total \$73 million. The net assets are restricted by the Board back in 2009 for the

protection of retirement plan obligations, support of the affiliates, and to sustain future business operations.

- Today's vote is on the proposed amendment to **Chapter 14, Section 2** of the Field Trial Rules and Standard Procedure for Retrievers. It explains that a disqualification by a judge in hunting tests or field trials will count as a disqualification across both sports. If approved, corresponding revisions will be made to the following rulebooks: • Beagle Field Trial Rules for Brace, Small Pack and Small Pack Option – Chapter 5, Section 4 • Beagle Field Trial Rules for Large Pack Field Trials – Chapter 5, Section 4 • Pointing Breed Field Trial Rules – Chapter 14, Section 4B 16 • Spaniel Field Trial Rules – Chapter 5, Section 4 This amendment was initiated by Staff, proposed by the Delegate Field Trial and Hunting Test Events Committee and brought forward with approval from the AKC Board of Directors. ***Passed.***
- The Chair called on Ashley Jacot, Vice President of Education, to present the Eddy Awards. We all recognize that exceptional dogs begin with dedicated, knowledgeable breeders. Education drives our sport forward and that commitment to learning and sharing expertise is what strengthens the future of purebred dogs. This year's AKC Eddy Award honorees represent the highest standard of breeder education, creating innovative programs, resources, and mentorship that uplift and empower the breeding community.

It is my honor to announce the 2025 AKC Eddy Award recipients:

American Pomeranian Club – Delegate, Dr. Geno Sisneros

American Rottweiler Club – Delegate, Peter G. Piusz

American Whippet Club – Delegate, Karen Lee

Icelandic Sheepdog Association of America – Delegate, Patricia Putman

Irish Setter Club of America – Delegate, Karolynne M. McAteer

Newfoundland Club of America – Delegate, Julie Poulin Siefert

Congratulations to these exceptional clubs for their dedication to advancing breeder education. Your efforts inspire all of us to pursue excellence and continue enriching our shared mission.

- The Chair called on Gail LaBerge, Delegate from Atlanta Obedience Club, to provide an update on the AKC PAC. First, the AKC PAC Board wants you to know that for us, PAC stands for Preserve, Advocate, and Care. Several people have talked about protection. That's our goal – to help Sheila Goffe's Government Relations Department protect our interest as it appears with laws, ordinances, etc. Since the beginning of the year, bills to regulate hobby breeders have been introduced in 20 states. AKC GR is working hard with a lot of success to push back on these bills, but we need your help. The AKC PAC is crucial because its funds give responsible breeders and advocates direct access to lawmakers who impact the future of dog breeding and help keep supportive lawmakers in office, that is so crucial when there are so many that are opposed to what we do. But we are being significantly outspent by groups seeking to shut down or regulate hobby breeders out of existence. Listen carefully – in 2024, we contributed \$67,800 to key election campaigns and we were very successful. We had over a 90 percent success rate, which is very unusual, but we are very picky about who we support, and they have to understand the AKC position on laws and ordinances. By comparison, Animal Wellness Action, which is a new group created by Wayne Pacelle, who used to be HSUS's head, spent more than \$1.35 million, so to say that they outspent us enormously is putting it mildly.
- The Chair recognized Patricia Cruz, Delegate from the Heart of the Plains Kennel Club, who spoke as follows: Ms. Cruz: I'm asking for a moratorium on the increase in fees set to start January 1, 2026 and January 1, 2027. I ask if anybody is in favor of that, they rise with me. Ask the Board for a one year stay in the raise of the event fee. Anybody with me? (Members of the Delegate Body stand.)