

Director's Report
AHA Board Meeting
August 1-2, 2014

Highlights

- Revamp of the Sweepstakes program was agreed upon by the Trustees and ratified by the Board but several aspects are continuing to be discussed and some changes may be made so I am not going to give specifics at this time. See the Sweepstakes section for an excellent summary by Chuck Rickart of the process by which the Sweepstakes Commission made its decision.
- National Shows
 - Effective immediately: Championship and Reserve Championship award ceremony in the arena at national shows allow only one person for award photographs
 - Sport Horse Nationals will be in Raleigh NC in 2015, not Lexington VA
 - Canadian Nationals will stay in Brandon for 2015 and 2016
- Modern Arabian Horse received first place from the American Horse Publications in the Magazine Cover Circulation 10,000-20,000 category, Issue 4, *Drink*, photo by Peter Conway, designed by Liz Bilotta
- 2014 Convention is in Denver 11/19-22
 - Early Bird Registration closes Oct 1
 - Friday night event will be B-I-N-G-O instead of an offsite event
 - Looking for sponsors and door prizes since is non-hosted
- There is a strong market for racing prospects
- Our Youth Director Molly Schwister was elected to the position of secretary of AHYA
- Region 10 members will be running for the following:
 - AHA Futurity Commission: Chuck Rickart
 - Commissioner's Review Panel: Chuck Rickart (show manager)
 - Education/Evaluation Commission: Lori Conway and Juli Goder-Larson
 - Nominating Committee: Laura Mickelson
 - Registration Commission: Christine Rickart and Dean Meier
 - US Nationals Show Commission: Stacey Dunn

Passed by the Board:

- Changed investment policy to allow more diversified investments of no more than 30% of AHA assets. Prior policy limited investments to CD which are very poor investments these days. Also set up an Investment Advisory Committee
- Directed the Executive Committee to develop a prioritized plan for addressing both Business Technology and Building Capitol expense that will likely require AHA to borrow money and/or take a mortgage out on the building, said plan to be approved by the Board of Directors
- The 2015 AHA Distance Nationals be held at the Big South Fork National River and Recreation Area, Oneida, TN
- Championship and Reserve Championship award ceremony in the arena at national shows allow only one person for award photographs
- Regional offsite shows are required to pay \$50 per show recognition
- Ratified the actions of the Sweepstakes Trustees
- Via an email vote on June 9, agreed to move the 2015 Sport Horse Nationals to Raleigh NC on September 16-21 (change from 2015 Lexington VA dates of September 23-28)

For the complete text of all actions taken by the AHA Board (unapproved), go to:

http://www.arabianhorses.org/bod_motions.asp

All Director's reports and any supporting materials will be available on our website.

President's Report: Cynthia Richardson

American Horse Council. Where have all the horses gone? was the theme for this year's meetings in Washington. Debbie presented her stats and I participated on a panel about the condition of our shows. Represented were the Morgans, AQHA, Racing, USEF and various others. All agree that they are having troubles and must change their model to attract either viewers/bettors (racing) and owners/breeders – all the breeds. Much of the drop in numbers is attributed to the changes in our environment affecting equines such as availability of horses, cost of horse ownership (breeding, raising, and training), cost of showing, land use, and just exposure to equine sports. Interesting was that some of the disciplines have slowed down and are not offering as much prize money. The exception seemed to be Jumpers which have attracted a great deal of corporate funds. Morgans presented a study they had done showing the current number of horses, the current number of trainers, the current number of horses showing and the projection of with decreasing number of foals being born, **the direct result will be that there will not be enough horses to sustain the trainers in**

the future. The Saddlebreds, Hackney and Morgans have gotten together to help each other. The trainers are lowering their fees for the first 3 months to get horses started, the breeders are lowering their stud fees, and the mare owners have started a database of mares that can be leased. We are going to present this study to the APAHA at convention.

USEF — Chris Welton was introduced as the new EVP to replace John Long. During the USEF summer meeting we spent a ½ day on a strategic planning and staff was directed to work on the plan and come back to the BOD. We spent a lot of time on Value Proposition – what do the members receive from USEF. Change the mission/vision to include a wide range of horse enthusiasts and not just those that “have” to belong to USEF. I will share that report with the BOD as much of the results may be useful to us. The USEF staff is in the process of interviewing all of the disciplines and affiliates in an effort to determine what we need and/or expect from our relationship with USEF.

Business Technology Architecture -- We need to upgrade the system that currently contains our financials, but also many of our other programs. IAHA had purchased a financial package and built other programs into it. We need to design a system that includes financials, but is designed to run the entire business. Work has started on Process Mapping. It may well require an outside architect to come in to establish the requirements and complete the overall design.

The Executive Committee also spent a lot of time discussing the governance of our association. Our conclusion at this time is to leave the representation on the board as it currently stands, but to make the EC more efficient and effective.

Nominating Committee – We need to ensure that we have the right people on the Executive Committee to cover the necessary skills to manage a multi-million business to ensure its growth for future owners/breeders/exhibitors. I have asked the nominating committee to work on documentation of skill sets and then tailor the self-nominating form to reflect that criteria so that the delegates will know the skills of those running for office.

Executive Vice President Report: Glenn Petty

As can be seen from the following pages, AHA staff has been quite busy since March. Within department reports too are personnel changes within the building. It was determined that the HR and Accounting Supervisor position being combined did not work for either HR or Accounting and has been again filled as 2 separate positions. All these changes were implemented within the budget. Our major focus has been the new website development, IT software and equipment upgrades and evaluation, preparing for our national and other events, working with auditors, evaluating the building and dealing with HVAC issues, Marketing reorganization including bringing onboard an outside Corporate Partner consultant, and interaction with sister organizations.

Treasurer's Report: Bob Nash

For Fiscal Year 2014 (which ended in March) we are up \$163,000 so we ended the year in the black. As of this meeting we are ahead of budget by \$471,000 so we are doing well on day-to-day items. Registrations are flat which is actually good news but memberships continue to decline. Our investments in CDs are not generating much profit in current market conditions so we need to develop a better investment strategy. The Board supported this idea—see approved motion for additional detail.

In addition, we have significant potential outlays for both business technology and improvements to the building. The antiquated nature of our business systems is getting in the way of running the business. After much study and consultation with local real estate people, it makes sense to keep the building and fix it up. We have delayed repairs and business tech issues for years but the situation is such that we need to bite the bullet and deal with these. The Board agreed and passed a motion to require the Executive Committee to develop a plan for approval by the Board-- see approved motions for additional detail.

Committee and Commission Activity Reports

Following is a list of significant committee and commission activity. For a complete list of committee activity go to <https://secure.arabianhorses.org/per/AHA/committeedirectory.cgi?func=start>

I am the Board liaison to the Amateur and Awards committees.

Once again there is talk about how to make committees more efficient. If anyone has any ideas to fix this, let me know.

Ad Hoc Halter Scoring Committee: Cindy Reich reported that while their work is ongoing, they have identified 8 issues:

1. How to reconcile the needs for shows to make halter showing 'entertainment' vs critically evaluating breeding stock
2. Consistency in using the score card
3. Feet and leg scores
4. Judges using high scores to please show managers, trainers, and owners
5. Judges using low scores being persecuted and not being asked back to judge shows
6. Comparative judging—judging to the standard

7. Lack of courage in the show ring by judges, including penalty scoring
8. Lack of comprehensive method of monitoring judges in the ring

Note: The above language is taken exactly as written. There was more detail under some points and I can share that if anyone is interested. Also, the committee had originally planned on putting 4 motions to the Board but withdrew them all prior to the meeting. These motions dealt with educating judges, creating a specialty card for halter, and defining movement. Since Chris Rickart is on this committee, it makes sense to contact her for additional information.

Ad Hoc Regional Boundaries Committee: Terry Andreasen reported that they are still in the analysis phase. The objective of this study is to “develop meaningful and actionable recommendations to the Executive Committee and Board of Directors to enhance the relationship between AHA and its member organizations.” At this time, it is too early to say whether a better structure would include fewer regions.

They are gathering stats and reports to help answer questions such as:

- Is the regional concept the best approach to serve our members?
- Do regional shows provide a service to their local members? If so, what?
- Are regional shows helping or hurting local shows?
- Do our current bylaws allow regions to combine if they wanted to?
- What is the best approach to allow (or not) clubs to change regions?

The specific tasks are:

- Definition of a Region
- Understand Region Origins
- Gather Relevant Data (the study should stress members rather than horse population)

Some interesting information has already come out of the analysis:

- Trainer Data—attendance at national events
 - 113 attended 2 or more
 - 18 attended 3 or more
 - 70 attended USN only
 - 31 attended SHN only
 - 20 attended YN only
- Single Exhibitors (no trainer, 1 or 2 horses)
 - SHN—233
 - USN – 109
 - CN – 79
 - YN - 26
- The 18 regions have 226 clubs with
 - 16% having 100 or more members
 - 24% having 50-100 members
 - 27% having 20-49 members
 - 33% having 10-19 members

Breeding / In-Hand Committee: Christine Rickart reported that she was appointed to the ad hoc committee to evaluate the Arabian Scoring system. A report from the ad hoc committee was prepared and discussed at the board meeting under a separate agenda item.

Business Technology Advisory Committee: Bruce Johnson reported that they have been having regular conference call meetings to discuss multiple technology projects including: Website Rewrite, Oracle 10g to 11g upgrade, HRS Module 1.10 (Racing), HRS releases, Financial Program Replacement, Resolution 21-13 programming and the Motions to come before the Board. The report also outlined some of the upcoming BT projects. Their detailed report can be found at the link given above and outlined in the AHA Staff updates.

Bylaws Committee: Joe Polo reported that the committee has been working on the proposed changes as directed at the 2013 Convention.

Competitions Advisory: Margo Shallcross reported that they held discussions about:

- Trail In-Hand—will send forth a resolution to add this
- Guidelines and check lists to help Regions run more efficient shows
- Leveling the Playing Field, want to encourage shows to do this. Concerns about too many classes per horse and perhaps limiting cross entries. Sent a letter to US Nationals Show Commission about adding leveling. Note: I asked the USNSC about this and was told that they had not discussed it at all.

- Limiting number of people in group win shows at national shows
- Requiring that a regional show have a minimum number of horses

Equitation/Showmanship Committee: Deborah Johnson reported that the committee has been working on the following items:

- Version 10 of the Equitation Manual was sent to the Chair in early May. Only a couple of corrections were sent to Mr. Dan Schwab at AHA the first week of June.
- Ad hoc committee to address the passage of the 3 resolutions in 2013 regarding Showmanship is put together and work has begun to rewrite the text and patterns. Goal is completion prior to Convention.
- Ad hoc committee to address the passage of the 3 resolutions in 2013 regarding Western Horsemanship is put together and work has begun to update the text and create additional patterns. Goal is completion prior to Convention. Momentum is continuing for adult equitation and showmanship classes. Patterns will be addressed by the various discipline experts within the Equitation/Showmanship committee and will be completed prior to Convention.
- Meeting is being scheduled with the Chair, Stan Morey and Cynthia regarding concerns brought forward to the Chair throughout the past several years regarding adjudicating process, policy and procedure.

Judges and Stewards Education and Evaluation Commission: Bill Melendez reported that the commission has been working on the following items:

- Presentation for Youth Exhibitors – This was completed and successful at Youth Nationals.
- Credit earning, Minor/major faults, Elimination charts for ALL disciplines similar to Western Chart.
- Development of “Specialty Certification” criteria for Working Western, Equitation and Breeding/In-Hand

More details are included in the AHA Staff updates.

Nominating Committee: Peggy Weems reported that the committee is working with the By-Laws committee to prepare resolutions to:

1. Modify or eliminate the requirement for five candidates to fill the three annual vacancies in the Nominating Committee.
2. Change the term length to two years for the offices of AHA Vice President, Secretary and Treasurer.

USEF Arabian Rules Committee: Jan Decker reported that the committee has been working on the following items:

- Reviewed HOTA Awards: Consideration was discussed as to the need for possible changes for the Arabian Section. Under consideration are the Western Dressage (Specialty Category) and Dressage classes for junior exhibitors. Action is being taken to add Western Dressage to the Specialty Category. It is felt at this time Junior Exhibitor Dressage classes do not warrant a separate category.
- Western Dressage is being reviewed by committee member, Janet Henderson for possible Arabian issues that need to be addressed.
- Three clarifications were submitted regarding the missing words “To stand quietly and back readily” in Pleasure Driving, Hunter Pleasure and Country English Pleasure – Junior horses that were omitted in error for the USEF rulebook.
- The Working Western Committee has presented a variety of clarifications to the Trail and Short Stirrup rules that will be reviewed for consideration as resolutions or clarifications going forward.

Working Western Committee: Mike Damianos reported that the committee has been working, among others, on the following items:

1. Issues with Trail risers. Some stewards are disallowing them because they do not fit the description closely enough of a jump cup or similar holder. USEF has recommended to amend the appropriate rule to the following “All elevated poles must be set in a pole holders, e.g. trail blocks, tail risers, standard jump cups or similar type supports..... The judge has the right to alter the course”. This is being considered as an extraordinary resolution.
2. Issue with general western equipment. Current verbiage does not allow for bits that have the barreled rollers around the bars of the bit, it only allows for a roller in the center of the mouthpiece. The verbiage that is being proposed is “The bars may be encased in smooth 5/16” to 3/4” in diameter tubular barrels that rotate around the bars.” This is also being considered as a resolution. It should be noted that these bits are often used and legal within NRHA, AQHA, etc.
3. Trail exhibitors on the west coast and Texas have raised concerns that 8’ is too long of a maximum dimension for the canter/overs in English Trail. They also would like some wording for trot overs that states 3’6” is preferable for most horses.

Youth Committee: Debbie Himmel reported that she and Nedra Johnson are working on an outreach program that will encourage each region to have a youth coordinator and youth director.

AHYA Activities

- Convention had 79 youth in attendance (out of 2,653 eligible as of June 1)
- Stan Morey presented a mini-judging school that was very well received
- 40 participants in the Hippology contest (sponsored by Region 10)
- Parade of Regions had 13 regions participate (Region 10 won the Theme award)
- Several successful fundraisers were held
- AHYA was in charge of the T.A.I.L. tours given on 4 days during the show

Note: You received the report on the AHYA Convention from Molly Schwister, our Region 10 Youth Director. Thank you Molly for an excellent report and congratulations on being elected AHYA Secretary!

Other Youth information from the Marketing Department:

- At their March AHYA meeting, the AHYA Board enjoyed a visit to the Make-A-Wish Foundation of Colorado, where they presented a donation for \$5,000. Additionally, the AHYA Board was welcomed by Ann Judge at her facility to visit and sit on Thunder, the Denver Broncos mascot.
- Due to the TAIL tours large success last year at U.S. Nationals, TAIL tours have been scheduled for all of the 2014 National events.
- The Youth Nationals T-shirt Sponsorships was a huge success this year, selling \$1,500 over the proposed amount.
- Also added this year was an additional day for Hippology. This enabled youth that are attending Youth Nationals for the Hippology to also attend the Judging School.
- There are 70 local youth scheduled to take T.A.I.L. Tours during youth and more groups and families are expected to sign up. Stacey Dunn, Cynthia Richardson, and Nedra Johnson are expected to be the hosts. The handouts have been updated to include discipline photographs and each T.A.I.L. youth will receive a take-home bag with AHA/AHYA materials.
- The 2013 Arabian Horse Judging DVD is in the final stages of production (at the time of writing) and should be available in the beginning of the second quarter of 2014. There has been significant interest in this educational tool from within and outside the Arabian breed. FFA and 4-H leaders are showing the greatest interest, providing excellent opportunities for growth in the youth judging and youth membership areas.
- AHYA advertisements will appear in both *Blaze* and *Young & Rider* throughout 2014. We have a breed partnership agreement with *Blaze*, which includes breed posters and postcards to be distributed via TAIL and at youth events. Our placement in *Young Rider* also includes a sponsorship of their very popular "Dude of the Issue" column, which will provide excellent exposure for the Youth association. We plan to advertise in i5 Publishing's (*Young Rider, Horse Illustrated*) *Your New Horse* again in 2014, a placement with a shelf-life of 12 months that directly targets new horse owners and enthusiasts.
- Creative Contest was a success and winners will be recognized after Youth Nationals.

Commissions

Judges and Stewards: *Stan Morey reported that* Judges and Stewards Statistics as of August 1, 2014

| | |
|------------------------------------|------------------------|
| Total number of AHA Judges | 275 (up 8 since March) |
| Total National/Regional AHA Judges | 156 (up 3) |
| Total R/r judges (less N/R) | 119 (up 5) |
| Total Number of AHA Stewards | 118 (up 6) |
| Total CTR Stewards | 10 (no change) |
| Total ER Stewards | 20 (up 1) |

Actions taken:

- Several situations regarding judging and judges have been discussed and resolved
- Additional names are being provided for 2015 Nationals shows
- Will be sending a resolution forward in 2014 to change N/R judges to a 3-yr rotation for Seminar and interview from the current 6-yr rotation.
- Hall of Fame Judges and Stewards were selected and voted on.

Racing: *Kathryn Smoke reported that:*

- A successful Grade 1 race was held at Churchill Downs on June 14. Kathryn was interviewed by HRTV and it is now acknowledged that Arabian races are needed at venues such as Churchill Downs. This race is expected to be held again in 2015

- Negotiations are ongoing with the Breeders Cup to run at Keeneland in 2015
- Due to coverage of the President of UAE Cup has received since running at Keeneland, their sponsor, Etihad Airline, has requested a 20-30 minute promotional segment about Arabian Racing and the UAE Cup to be run on all of their flights for 2 months. This is in production and will include a segment on the Arabian Horse Galleries
- Successful races have been held in Texas, California and Colorado
- New AJC website is up
- AJC Facebook page hit 2000 likes in less than 90 days. 52,000 people viewed a recent post
- Money coming in from overseas is buying our racing stock which could lead to a shortage of horses. These horses sell! Arabian racing needs more owners and more horses to fill the needs of domestic races and foreign buyers.
- Racing is a great foundation for performance or endurance after the race career is over.

Registration: *Bruce Johnson reported that:*

- The Registration Commission will be meeting at C.A. & Frances Butler's farm which is the home of Ted Carson Training in September 2014. At each meeting, the RC hosts a Breeders Forum.
- Dean Meier was elected to fill out the remainder of a term for a person that resigned

Sweepstakes: *Russ Taylor reported that the Sweepstakes Commission has undertaken its obligation to review the current Sweepstakes Program as it is nearing the end of the five years commitment to it. The Commission has reviewed previous years financial and statistics data, listened to the AHA Board of Directors/ Sweepstakes Trustees, surveyed Sweepstakes participants, reviewed other breed and discipline association prize money programs, and has tried to listen to just about anyone else with an opinion.*

The bottom line is, the current program, in total is financially falling short of what the Commission believes its objectives to be. (Running an approximate \$100,000 annual deficit) From a participation standpoint, it has maintained a fairly similar percentage of participation that Sweepstakes has experienced for many years. However, given a continuing decline in breeding's and registrations (which is currently prevalent throughout the horse industry), the Commission believes it is prudent to explore alternatives to the current program.

The Commission reviewed various alternative programs, and primarily concluded that there just is not enough available prize money, given the current nomination income, to be everything to everyone. While Sweepstakes has been the primary prize money program available to Arabian and Half-Arabian/Anglo-Arabian breeders, owners and exhibitors, Sweepstakes must be managed for the benefit of Sweepstakes and not any one show(s) or special interest group(s). Sweepstakes is in the business of selling nominations and providing a desirable prize money program for its participants, and must be run accordingly to maximize the number of annual nominations, while maintaining the current principal as best as possible.

There have been six primary areas that the data and recent discussions have pointed to:

1. Category A, the anchor of the current program, is viewed as generally positive by Breeders, owners and trainers.
2. Categories C and D are putting too much money at too few of horses.
3. Making more money available at the Regional level is deemed to be desirable, and thus not creating too "elite" of a program.
4. Making more of the Sweepstakes prize money available to the "end user," the Amateur owner will create a greater demand for Sweepstakes Nominated horses.
5. There is a desire to have Sweepstakes prize money available from the National level to the local level.
6. The Breeder/Nominator should be rewarded for making the investment to enroll the horse.

The Sweepstakes motions approved by the Trustee's and then ratified by the Board take these six aspects into account, and try to appropriately assign prize money payouts at acceptable levels derived from projected income coupled with desirable payout amounts. They additionally include peripheral aspects deemed to enhance desirability of the overall program.

Each of the Sweepstakes motions has the required financial impact. It should be understood that these financial impacts are estimates or best guess estimates based on program history, BOD and participant feedback, and general Sweepstakes Commission conjecture.

It is also the opinion of the Sweepstakes Commission that the "package" of motions passed in totality likely will yield a greater positive impact than if only parts are passed. In other words, the financial and industry benefit of the whole will be greater than the sum of the parts.

Note: After the meeting, some items are continuing to be discussed. I will provide specifics as soon as I have them. It would take action by the Trustees and the Board to make changes so unless we do a conference call or email vote, nothing can be changed until the November board meeting. I will keep you informed.

Department and Show Commission Updates

Only significant updates are included.

Personnel & Office Services: *Lora Holman reported on the following:*

Activities since the last meeting:

- Analysis of Health Care and Benefits: Meeting held with United Health Care account consultant. Human Resources Director, Lora Holman, was able to get us additional services and solutions that are at **no cost for AHA** i.e. Gym membership reimbursement programs, Care24 services that provides a variety of services (Find a Doctor, health Coach, Emotional Support, information on medications, nurse line) just to name a few.
- Completed Open Enrollment Health Care and Benefits: July 1, 2014
- Compliance Audit conducted Employee Filing: Audit completion successful and up to date with compliance Labor Regulations and Regulatory agencies
- Automatic Data processing: Cost analysis comparing Total Source Solutions package: In progress

AHA currently has:

- 44 Full Time Employees
- 3 Part Time
- 1 Part Time Intern IT Paid Inactive August 19, 2014
- Open Positions – 3 potential interns (unpaid)

New Hires:

- Lora Holman – Director Human Resources
- Nedra Johnson – Youth & Family Programs Director
- Quin Rollins – Accounting Supervisor
- Jordan Kirkey – Accounts Payable
- Hannah Morton – Registry Service Representative
- Garrett Lewis – IT Intern

Lora has established the start of an enhanced Internship Program: Creating a partnership with Colorado State University, Denver University and Denver Metro State College. Each educational institution will have a dedicated career coach that will act as a liaison between AHA Human Resources and current undergraduates to fill intern positions within AHA throughout the year. We will rotate the Marketing Intern position every six months to provide support to a diverse group of students and encourage innovation within our Marketing Department.

Accounting and Finance: *Brad Short reported that:*

- Our auditors (JDS Professional Group) were on site for the first half of June, performing financial reviews and testing procedures. Final evaluation and annual financial statement preparation is being done via email.
- No bonds have been called, sold, or purchased since the March Board meeting. Due to mixed messages about the economy and the Federal Reserve's expected actions, bonds investments are in somewhat of a "wait and see" mode.
- No short-term borrowing from the Cash Reserve Fund was required during the late winter and spring months of 2014.

Competitions: *Leslie Lockard reported the following:*

AHA Recognized Competitions

As of July 9th

- Entries are up 3.18% in a direct comparison from 2013 to 2014 (2.19% as of Aug 1)
- Horses are up 2.65% in a direct comparison from 2013 to 2014
- Regional entries are up 2.23% in a direct comparison from 2013 to 2014
- Regional horses are up 1.65% in a direct comparison from 2013 to 2014
- AHA One Day Shows are averaging 68 entries per show compared to 70 in 2013.
- AHA One Day Shows are averaging 28 horses per show which is the same number as 2013.

Youth Nationals: July 19-26, 2014 Albuquerque

- 842 Horses – 42 horses better than budget; of those 422 are Arabians and 420 are HA/AA

- 2,612 Entries – 207 entries better than budget
- 3.10 classes per horse - .10 better than budget
- Largest class as of July 9th, HA/AA Country English Pleasure JT 14-18 Champ with 59 entries (this was the largest class last year with 61 entries). The next largest class is the Arabian counterpart with 55 entries.
- Sport Horse In-Hand classes are new this year and are averaging 13 entries per class.
- The state with the most owners attending Youth Nationals changed this year to California with 90. Texas was the largest last year and is now second this year with 88 owners.
- Currently there are 38 patrons; 40 were budgeted.

Canadian Nationals: August 11-16, 2014 Brandon, Manitoba

- Budgeted 730 horses (not to budget as of 8/1)
 - 655 Horses – 75 currently under budget – more will be gained onsite
 - 1,958 Entries – 50 entries currently under budget
 - 2.99 classes per horse - .24 better than budget
- Received an unbudgeted \$35,000 grant from the city of Brandon.
- Currently above budget on patrons. Received 56 and budgeted for 45. The increase is due to Allan Ehrlick's efforts.
- Will stay in Brandon for 2015 and 2016

Sport Horse Nationals: September 24-27, 2014 Nampa, ID

- Entry close is August 4th
- Budgeted for 340 horses
- Will move to Raleigh NC in 2015

U.S. Nationals: October 17-25, 2014

- Entry close is August 27th
- Budgeted for 1,750 horses
- Collaborating with the AHDF as well as other groups to streamline all events

AHA Distance Nationals: September 25 - 28, 2014 at the Teeter Ranch, Oreana ID

- AHA CTR Championship, September 25 & 26, 2014
- AHA/AERC National Championship 50 Mile Ride, September 27, 2014
- AHA/AERC National Championship 100 Mile Ride, September 28, 2014
- Budgeted for 43 horses for the AHA Portion, 60 in the Open

Sweepstakes

Allocated Prize Money paid for Regionals as of July 9th

- Region 1 – \$7,350 (a decrease of \$250 from 2013)
- Region 7 – \$11,200 (an increase of \$1,350 from 2013)
- Region 8 – \$6,900 (a decrease of \$1,400 from 2013)
- Region 9 – \$12,250 (a decrease of \$150 from 2013)
- Region 10 – \$9,550 (a decrease of \$2,050 from 2013)
- Region 12 – \$11,050 (a decrease of \$3,050 from 2013)

Note: That Region 10 paid out less money than in 2013. We were down a few horses but perhaps the sweepstakes classes were down more than the other classes.

Membership and Registry Services: *Debbie Fuentes reported:*

Registrations

- As of June 30, 2014, we had completed the registration of 1,645 Arabians and 482 Half-Arabians and Anglo-Arabians compared to 1,553 and 400 respectively through June 30, 2013.
- Arabian registrations completed in 2014 **were up 6%** and Half-Arabian/Anglo-Arabian registrations were **up about 20%** from 2013. The increase in completed registrations is the result of the Amnesty registration special for horses aged two and older.
- Activity in Exports, Transported Semen and Embryo Transfer activity continues to be strong.
- Registration is between 6% and 7% of the work that is processed in the registration area. Transfers, Transported Semen, Embryo Transfer, Duplicate Certificates, etc. are some of the other work transactions that are done in the registration segment.

Note: Debbie presented some disturbing but not surprising statistics concerning registrations for a number of breeds which have all seen steep declines in registration. In 2013 the AQHA registered 53% of the horses from the 13 breeds that Debbie tracks, but they also saw a 59% decline in registrations in the period 2000-2013. Arabians and Half/Anglo registered 3% of the horses in 2013 and our 2000-2013 decline was 67%. For other major breeds for the same time periods, Thoroughbreds registered 17% with a 39% decline and Paints 10% with the largest percentage decline of 79%.

Amnesty

- The Registration Commission approved a Registration Amnesty which ran from July 1 through December 31, 2013.
- During that time the fee for registering a horse two years old or older was reduced. The fee for an Arabian was \$250 rather than \$350 and for a Half/Anglo Arabian was \$75 rather than \$115.
- AHA has offered an amnesty on two occasions in the past and both were very successful. They resulted in increased registrations and revenue. We reaped additional benefit from residual revenue in other areas also such as DNA testing, transfers, membership, etc.

Memberships

- On June 30, 2014 we had 23,390 members. We experienced a **5.5% decline** over 2013.
- On June 30, 2013 we had 24,759 members.
- On June 30, 2014, there were 12,758 members that have a competition card compared to 13,405 in June of 2013 which is a **decline of 5%**.
- The membership/club drive went from April 1 through June 30. We are in the process of tallying the results now. This tallying requires a manual check of all members that have been added to each club during that time frame to ensure that all criteria were met.

Outreach and Alliance Activity

- Cynthia Richardson, Glenn Petty and Debbie Fuentes attended the National Issues Forum and the American Horse Council meetings in June. Ms. Fuentes gave a presentation on Registration Facts and Figures for all of the breeds. Ms. Richardson participated in the Show Panel. Glenn serves on the AHC's Health & Regulations and Shows & Animal Welfare committees.
- Ms. Fuentes was elected as Vice President of the National pedigreed Livestock Council (NPLC) at the Annual Meeting in May.
- The Registry and Member Service team represented AHA at the World Pinto Show in June. We had a booth in their trade show. Our focus was on membership and the registration of Half-Arabians. The representatives spoke to hundreds of exhibitors, gathered the contact information of every vendor there, assisted owners and educated exhibitors about the Half-Arabian registration options. Darrell Bilke and staff of the American Pinto Association extended a warm welcome and were very supportive of our outreach. The Pinto Association has had a booth at U.S. Nationals for the past three years.
- Ms. Fuentes was recently invited to serve on the USEF Horse Recording and ID Task Force.
- We continue to work with the following organizations in this quarter:
 - Arabian Horse Association of Arizona
 - National Pedigreed Livestock Council
 - International Federation of Arabian Racing
 - American Horse Council
 - Pinto Horse Association of America
 - American Quarter Horse Association
 - United States Livestock Genetics Export
 - United States Equestrian Federation

Business Technology: *Chuck Aaron reported on the following activities:*

- Business Continuity and Disaster Recovery – Improvements enabled AHA to deal with a power failure and also resulted in a \$150.00 per month savings in power consumption expenses.
- Website Project
- Oracle 10g to 11g database upgrade
- HRS Tickets - Due to major projects taking priority (Website and Oracle 10g to 11g upgrade), HRS tickets have been on hold. With the limited time available staff is analyzing and prioritizing the HRS tickets.
- Financial Program Replacement
- Desktops, Laptops, Servers, and Software - We ordered new desktops and laptops, Microsoft Office and Operating System software, new servers, and firewalls that will all be deployed during July/August all at special pricing for all Microsoft software orders which saved AHA \$23,000 in software licensing costs thus far.
- The Arabian Jockey Club reports
- Resolution 21-13 (Membership Dues Adjustment) – All changes were placed into production on April 1.

Publications: Susan Bavaria reported:

Modern Arabian Horse:

- Pricing for the third party projects, including Region 12 Spotlight projects and the directory will change next year to bill direct costs back to the client and not realize the risk. These are labor-intensive projects which requires numerous staff hours.
- More members do not understand that the magazine comes with a \$10 fee with basic membership. Raising awareness is paramount.
- A 2015 MAH calendar is now being sold and will include both pertinent AHA dates and deadlines as well as historic dates. It will be available to MAH subscribers only.
- An editorial mix that best reflects reader interests was discussed.
- Received two annual awards from American Horse Publications:
 - first place in the Magazine Cover Circulation 10,000-20,000 category, Issue 4, *Drink*, photo by Peter Conway, designed by Liz Bilotta
 - Honorable Mention in the personality profile category for: *Shirley Nowak, Region 14's Hard-working, Go-To Gal*

Marketing and Communications: Julian McPeak reported the following:

Communications—ongoing objectives for 2014:

- Build brand awareness in the general, equine marketplace
- Increase communication with membership, establishing AHA as the news source in the North America for all things Arabian Horse
- Reinvigorate interest in our products and programs
- Work with the membership department to grow membership and continue to increase membership retention
- Create dynamic marketing and promotional plans that help to increase member participation and draw in new members
- Support, promote and continue to grow the Arabian Horse Youth Association
- activities
- Increase positive public perception of AHA by improving communication via multiple avenues, including social media
- Launch a brand new website

Communications—activities

- Established relationships with other breed publications for press release purposes, including *Performance Horse Digest* and USEF's *Equestrian Weekly*
- Currently working on establishing working relationships with local media outlets both in Denver, as well as in all cities where national events/shows are held
- Produced and delivered several more AHA Moments, including a Mother's Day tribute and a thank you to our Corporate Sponsors
- Updating the AHA 2014 communication plan that promotes all AHA programs across all our online media assets (website, email newsletter, social media) for Distance Programs, Learn to Ride, Amnesty, Discovery Farms and TAIL.
- Consumer/user research of AHA programs including DataSource, Discovery Farms, Learn to Ride and Mentor Network is currently in progress, with emphasis being put on DataSource, Learn to Ride and Discovery Farms.
- Developed and implemented a cohesive 2014 National Championship concept and individual theme for each show. This cohesive theme that will infiltrate visual communications for all of the AHA national events.
- Tracking and recording media coverage of "Arabian horses" and "AHA" through Google alerts and hard copy storage
- Building cohesion with the magazine through cross promotion on social media and within the magazine
- Implemented a successful social media strategy across multiple platforms using the Hootsuite social media management tool that has more than doubled the amount of participation with our social media pages.
- Have amped up promotion of Arabian Racing and Endurance through social media platforms by working closely with Arapahoe Park and Mile High Racing and Devin in the competitions department
- Development of the AHA #BlueRoom for National events and as a means of distributing AHA updates and information. Set up as a social media booth at the National shows, and mirroring the Today Show's Orange Room concept, this booth and hashtag will allow for people to interact with AHA both at the shows and at home through updates, news, social media contests and more!

Corporate Partners/Sponsors:

- Dave Jordan, an Independent Contractor charged with managing Corporate Sponsorship needs is not on board and is working on sponsorship/partnership proposals for the following companies: Wrangler, B&W Hitches, Ariat, Ford,

Justin Boots, Equibrand, Ford, Good Ride, Eye D, Bass Pro, Cooper Tires, Coors, Louis Chevrolet Watches, Oakley, Paddock Pro, MD Barnes, Priefert, Smart Pak, Mallard Creek, Ferrini Boots, Finish Line Horse care Products, Noble Outfitters, Cimarron Trailers, Purina, Burns Saddlery, Rocky Boots, Professionals Choice, Fiebings Leather Products, Nixall, Midwest Veterinary Supply, Inkstables, Walls Clothing, Stall Watch, Waller Farms, Custom Tack, Burns Saddlery, MGM Las Vegas, Boyd Gaming, South Point, Rocky Mountain Tobacco free Chew, Crusader Fly Protection, Maki Equestrian Products, Best Ever Pads, Farnam, Emerge Suppliments, O'Reilly Auto parts, Pepsi, Coke, Hughes.Net, AFLAC, Power Service, Lumber Liquidators, Express Ranches, Bad Boy Mowers, Stanley Tools, Super 8 Motels, Holiday Inn, Equine Deal Tracker, Remington, Rock Star, Gut Flush, Golden Tiger Lineament, E-Z Up Tack Storage, Gastro Max, Shoo Fly Spray, Weaver Leather, UPRIGHT Anti Cast Strips, Lubrisyn, Fair Mare Products LLC, Bickmore Horse Care, Equi Racks.

- Montana Silversmiths has returned as a Corporate Sponsor.
- John Deere will be supplying tractors for both the Youth and U.S. National shows as a Corporate Sponsor and discussions are in progress for an expanded agreement in 2015.

Convention:

- The 2014 Convention is booked for Denver, Colorado at the Marriott Tech Center for November 19 – 22. This convention is a non-hosted convention. The Design Team has created a beautiful logo and we are looking forward to creating a cohesive branding using the logo and other convention decor that will tie into the unveiling of the new website.
- 24 resolutions as of Aug. 1
- Key Note Speaker- Scott Trees Speaker- Nancy Loving, DVM (Topic- Colic: Recognition, Dispelling Myths, and Up-to-Date Information for Prevention
- Items in the works are:
 - Convention bags and stuffers
 - Notepads and/or notebooks
 - Coffee Break sponsors, door prizes
 - Dinner entertainment
 - Bingo Night (in place of an off-site event)

National Events: The marketing team is working closely with AHA Competitions staff as well as show commissions to develop an advanced plan for marketing the shows as well as special events. Activities include:

- Developing a cross-sectional promotional plan that allows for both interior and exterior promotion across multiple channels, including billboards, bus panels, radio, print advertising through popular event magazines, free promotion, including PSA's, press release distribution, social media advertising, e-blasts and more.
- Developing interior, special events specific to each show that will engage members, exhibitors and horse people alike.
- The #AHABlueRoom – designed to utilize social media to engage exhibitors with one another, with AHA and with the National Shows. This social media booth will run fun contests and prizes throughout each show, as well as push out updates and show news via Facebook and Twitter
- "Name a Future Legend" contest – In partnership with ChriShan Park Arabian, this name-the-foal contest allows members to have the chance to name a 2015, CSP Grand Caymon foal. The naming contest runs throughout the National Show season
- Hollywood Themed exhibitor appreciation parties
- Photo booth fun at Sport Horse and U.S. Nationals sponsored by AHA marketing
- Researching potential "special" event acts for each show.
- Conversations with local chamber of commerce and tourism groups.
- Developing relationships with CVB's, tourism and local media outlets to increase positive relationships and public trust.

Website Rebuild: Project is currently on time and on budget. Tentative launch of new website is expected to be year-end but the plan is to have something to show at the Convention. A marketing campaign will be put into place for rollout of the new site.