American Pointer Club, Inc.

Delegates Report : AKC Delegates Meeting / June 2026

Although I could not attend the June meeting, the following represents the highlights from the meeting,

Gina M. DiNardo, President in the Chair, called the meeting to order at 10:32 a.m. ET

The minutes of the March 10, 2026, Delegate Meeting were published in the online April 2026 issue of the AKC Gazette. The complete transcript was posted on the Delegate Portal on AKC's website. There were no corrections, and the minutes were adopted as published.

The Rat Terrier Club of America was duly elected as a member of The American Kennel Club

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

On May 8, 2026, AKC implemented mandatory two-factor authentication as part of our ongoing efforts to strengthen account security, protect customer information, and reduce fraud risks across AKC Marketplace and other AKC platforms. This initiative is part of a broader modernization effort tied to single sign-on technology and our long-term commitment to maintaining a secure and reliable digital experience. The issues some customers experienced were not caused by two-factor authentication itself, but by a third-party vendor issue that inadvertently caused a limited number of accounts to become unvalidated. Once identified, our teams worked as quickly as possible alongside the vendor to restore the affected accounts. I am pleased to share that remediation is well underway, and the vast majority of issues have now been resolved.

As we work to strengthen and improve the experience that we provide to our customers, we are equally committed to recognizing and supporting the people who are the foundation of our sport. That commitment is reflected in the continued success of the AKC National OwnerHandled Series. What began as a pilot program in 2012 has grown into one of the most successful initiatives in our sport and is now offered at 92 percent of All-Breed shows nationwide. The program was built on a deep understanding of who owner-handlers are, what they contribute, and the dedication they bring to the sport every day. Today, I am pleased to share that recognition is expanding even further. Effective this May, owners of dogs that have earned NOHS Levels of Achievement certificates may add those accomplishments as official suffix titles to their dogs' AKC records. Available at the Bronze, Silver, Gold, and Platinum levels, and grandfathered back to the inception of the program, these titles will appear on future pedigrees and registration certificates, creating a lasting tribute to the passion, perseverance, and sportsmanship of owner-handlers and ensuring

their achievements become a permanent part of their dogs' histories. Owners may apply through the AKC Title Application Portal using their dog's registration.

We recently developed a new short "Welcome to AKC" video that showcases our passion for dogs, highlights the important work we do every day, and demonstrates how the AKC's impact extends far beyond registration and events. The video reflects the heart of our organization – our commitment to dogs, responsible ownership, education, canine health, and our mission to make the world a better place for dogs.

Ms. DiNardo delivered the President's Report as follows:

Today, I'm pleased to share an important step forward for AKC as we begin our Business-Led Transformation initiative. This work represents an investment in AKC's future and our ability to continue serving the sport, our breeders, clubs, exhibitors, dog owners, and the many communities connected to AKC for generations to come. To support this effort, we've engaged BDO, a consulting firm with deep experience in helping organizations align strategy, operations, business processes, and technologies in a way that will support long-term success. We selected BDO not only because of their expertise, but because of their collaborative approach and their understanding that meaningful transformation must be driven by the business and shaped by the people who know it best, our employees and our Delegates. I'm excited about the opportunity ahead because this is not simply a technology project, nor a change for the sake of change. It is a business-led effort focused on strengthening AKC as One AKC. As you know, people interact with AKC in many different ways. Some engage through registration, others through events and competitions. Some come to us for education, commerce, performance sports, or customer support. All of these experiences are important, and they often happen independently. Our goal is to create a more connected experience where our customers and constituents experience AKC as a single organization, regardless of how or where they engage with us. When we talk about "transformation," we mean something much broader than improving one department, replacing one system, or launching a new project. Transformation means stepping back and asking important questions. We say things like:

- How do we serve our customers today?
- Where are our processes helping?
- Where are they creating friction for our constituents?
- How can technology better support the business instead of limiting it?
- How do we position AKC to remain trusted, relevant, and sustainable for the next 40 years?

Those are the questions that will guide our work. As we move forward, there are three objectives that will anchor our efforts. First, customer-centric experiences. We want our customers to experience AKC as one organization across registration, events, commerce, education, and support. Their journey should feel connected and intuitive, not shaped by organizational boundaries. Second, aligned and agile business processes. We want processes that are consistent where alignment matters, flexible where differences create value, and scalable enough to support continued growth and improvement. Third, sustained, flexible, and updated technology platforms. Technology should enable our business and our mission. It should be secure, adaptable, maintainable, and designed to evolve over time. This effort will involve many parts of AKC because no single team, no department, no person can do this work alone.

I look forward to sharing updates as we progress. I'm very excited for what we will accomplish and thank you for your continued support. I plan to reach out to many Delegates for feedback, let them experience what is being proposed, and get expert advice from those who use our processes and procedures most.

Doug Ljungren, EVP Sports & Events

This coming November 2026 will mark a historic milestone. For the first time in our history, AKC dog shows will be held outside of the United States. From Thursday, November 12 through Sunday, November 15, AKC shows will take place daily at the Expo Santa Fe Center in Mexico City.

Mr. Ljungren reported on the development of other countries for additional AKC events and will continue to share the progress of those initiatives.

He also indicated that:

The AKC brand is deeply respected around the world.

• AKC Judges are viewed as among the most knowledgeable anywhere.

• Kennel clubs genuinely want to engage with us to share their challenges.

• Perhaps the most concerning, in the broadest picture, is that there's a decline in purebred dog registrations globally.

• Participation in dog shows is declining worldwide.

• New dog owners want activities that are fun, quick to learn, and not overly time consuming.

• Many kennel clubs are seeking to diversify their activities that they can provide.

Of all the dogs in AKC litters, 45 percent are registered. If we just get to 50 percent, that would be a huge step forward. We need to advocate better for purebred dogs.

Ted Phillips, CFO, delivered the Financial Report

Total operating revenue was $21.9 million, or 6 percent lower than the same quarter in 2025. Total operating expense was $22.7 million, or 7 percent lower than the same quarter in 2025. Before we use our investment spend rate that is predetermined at the beginning of the year, Q1 2026 results reflect an operating loss of $796,000 versus an operating loss in the same period of 2025, that totaled $1 million. After we apply the investment spend rate in 2026, the net result was a loss of $86,000. The key takeaway, before we get into more details, is that revenue remains under pressure, but the expense discipline and targeted investment support improve the net result year over year.

Registration and event fees totaled $14.7 million in the first quarter of 2026, which is 4 percent, or $595,000 lower than the previous first quarter period. However, it is still our largest source of revenue. Advertising, sponsorship, and royalties totaled $3.8 million. They were down about 16 percent, or $713,000. Products and service sales totaled $3.5 million, down about 6 percent, or 8 $203,000. All three revenue groups are clearly softer year over year, with registrations remaining the largest driver of underperformance.

Dog registration totaled $5.3 million, which is a decline of 7 percent, or $378,000, and litter registration totaled $2.6 million, which is a decline of 12 percent, or $360,000. Looking at the unit activity, we see that litter registrations and dog registrations equally declined by 11 percent in their respective categories, with litters landing at 49,697 and dog registrations at 111,864. At the same time, let's remember that our online activity ranges as high as 87 percent of all registrations, which is an important metric for AKC. Related to registration, we have our pedigree sales coming in for the first quarter at $1.1 million, which is a 22 percent decline, or $300,000, versus the prior year's quarter. Other registration-related fees totaled $1.2 million, compared with $1.3 million in the prior year. These lines follow the underlying registration volume, so lower dog and litter activity continues to have a ripple effect across several categories.

Conformation revenue increased by 19 percent to $1.5 million; Companion events increased by 8 percent to $1.9 million, and Performance events increased by 19 percent to $813,000. The only underperformer in this area was the Family Dog program, which was lowered by 11 percent at $846,000, as compared to $946,000 in the prior year's period.

The activity of entries and events where they're down 3 percent to 783,000. The number of events, however, has increased to a little over 6,000, so that increases three percent more

than the prior year period. Patterns suggest that event demand remains stable, but participation per event is somewhat softer.

Operating expenses were $22.7 million in the first quarter. Of that, $12 million includes staff salaries, travel. This is a 5 percent decrease from $12.7 million last year. Professional fees were also down. They totaled $3.9 million, which was $798,000, or 17 percent lower than 2025, and fulfillment costs were comparable. The continued focus on cost control is an important effort in how we're managing through the current environment without compromising our core operations.

Expenses related to insurance, rent, depreciation. They're essentially $2.6 million, so they're comparable with last year, a little bit lower because of some efforts around reevaluating how we look at some of our insurance costs while never compromising and also realizing some of the depreciation efforts of some of our long-term software initiatives that have become fully depreciated.

Balance sheet:

Total assets were approximately $260 million, with investments of $189 million representing the largest asset class. Since March 31, we've seen a very nice recovery on our investments. The liability section continues to be comprised of retirement plan and lease obligations, and obviously these long-term obligations represent an important factor in our future planning.

Vote on the amendment

Chapter 3, Section 12 of the Rules Applying to Dog Shows – Dog Show Classifications, which codifies the clarification to the rule adopted by the Board at its May 2025 meeting that a competitive non-regular class may not be offered by an event committee for which castration or spaying is a condition of the class. This amendment was proposed by Delegate Dog Show Rules Committee and brought forward with the approval of the Board of Directors. 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 Article XIV, Section 1, of the Charter and Bylaws of The American Kennel Club. Ms. The amendment is the Article XIV, Section 1, of the Charter and Bylaws of The American Kennel Club, which adds verbiage to address that a fee is required to be submitted to the event-giving club when a complaint is filed at an AKC event. The amendment was proposed by the Delegate Bylaws Committee and disapproved by the AKC Board at the February 2026 meeting. Pursuant to Article XX, Section 3 of the AKC Bylaws, the Delegate Bylaws Committee

demanded that it be brought forward to the Delegates. It will be published in two issues of the AKC Gazette, and you will be asked to vote on it at the September 2026 meeting.

The proposed rule change to Chapter 11, Section 8, and Chapter 11, Section 8-D of the Rules Applying to Dog Shows will be read and voted as one amendment. The Chair called on the Executive Secretary to read the proposed amendment to Chapter 11, Section 8 of the Rules Applying to Dog Shows – Dog Show Entries, Conditions of Dogs Affecting Eligibility. This amendment is to Chapter 11, Section 8 of the Rules Applying to Dog Shows – Dog Show Entries, Conditions of Dogs Affecting Eligibility, which inserts clarification and identifying language, revises format and relocates text involving change of appearance to Chapter 11, Section 8-D. The amendment was proposed by the Delegate Dog Show Rules Committee and brought forward with the approval of 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 2026 meeting.

Meeting adjourned at 12:00 pm.

Next meeting is September 15, 2026, Newark, NJ.

Respectfully submitted,

Danny D. Seymour

AKC Delegate

American Pointer Club, Inc.