



A M E R I C A N HORSE COUNCIL

2016 Annual Report



A M E R I C A N HORSE COUNCIL

President's Letter





In 2016, the AHC celebrated the 47th anniversary of its founding and the transition to its third President. This occasion was a moment to reflect upon our enduring goals: promoting and protecting the equine industry, unifying the industry, and advocating for the social and economic significance of the industry to members of Congress, the media, and the general public. Likewise, the occasion was a moment to reflect upon our history and to consider how we renew and accomplish these goals today and in the future. Overall It's been an exciting, fulfilling and successful year.

The activities of the organization span an enormous range. This report outlines some achievements and progress in selected key areas over the past year and some of the extraordinary resources that made them possible. In addition, the report provides an update on the status of our reserves and financial results for the 2016 fiscal year for AHC, AHC Foundation, and COLT.

Looking ahead, I hope you'll also take a few minutes to read and reflect on our new Strategic Plan (pages 13-14). It is our hope that this will expertly guide the AHC in the coming years.

As we continue into 2017, I would like to thank the board, committee members, staff, sponsors and friends for their ongoing commitment and their dedication to and support of the goals and values that have made the AHC what it is today.



Sincerely,

Julie M Groodway

Julie M. Broadway, CAE President

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Board of Trustees



Dr. Jerry Black Chairman American Association of

Equine

Practitioners



James Gagliano Vice-Chairman

The Jockey Club



Blodgett American Quarter

Dr. Glenn

Horse Association



Marilyn Brever-Bertera

United States Trotting Association



Craig Huffhines Secretary

American Quarter Horse Association



Dr. Tom Lenz

American Association of Equine Practitioners



Don Marean

United States Trotting Association



Dr. Richard Mitchell

United States Equestrian Federation



Michael Tanner

United States Trotting Association



Chrystine Tauber

United States Equestrian Federation



Bill Thomason

Keeneland Association



Johnny Trotter

American Quarter Horse Association



Alex Waldrop Treasurer

National Thoroughbred Racing Association



Joe Wilson

Thoroughbred Racing Associations of North America



AHC Staff and **Advisory Committees**

AHC Staff



Julie Broadway President



Ben Pendergrass Senior Vice President Policy & Legislative Affairs



Cliff Williamson Director, Health & Regulatory Affairs



Ashley Furst Director of Communications



Jennifer Purcell Director, Unwanted Horse Coalition

Advisory Committees

Animal Welfare

Dr. Tom Lenz, American Association of Equine Practitioners, Chairman

Kathy Alm, Professional Association of Therapeutic Horsemanship Dr. Jerry B. Black, AAEP; Chairman, AHC Board of Trustees Rob Burk, United States Eventing Association Gary Carpenter, National Reining Horse Association Alece Ellis, Friends of Sound Horses David Foley, American Association of Equine Practitioners Duncan Huyler, United States Polo Association Nick Kohut, American Endurance Ride Conference Ward Stutz, American Quarter Horse Association Dave Thurston, Carriage Operators of North America Alison Umberger, American Paint Horse Association Dr. Steve Schumacher, United States Equestrian Federation David Pruett, Walking Horse Owners' Association of America Jed Pugsley, Professional Rodeo Cowboys Association Lee Sackett, Coalition of State Horse Council/Wisconsin Horse Council Chuck Smith, National Cutting Horse Association

Horse Show

Gary Carpenter, National Reining Horse Association, Chairman

Darrell Bilke, Pinto Horse Association of America Tommy Hall, Walking Horse Owners' Association of America Stephan Hienzsch, United States Dressage Federation Pete Kyle, American Quarter Horse Association Bill Moroney, United States Equestrian Federation Glenn Petty, Arabian Horse Association Billy Smith, American Paint Horse Association Steve Taylor, Appaloosa Horse Club Bill Whitley, American Saddlebred Registry Bud Wills, Coalition of State Horse Councils/Pennsylvania EquineCouncil

Recreation

Jim McGarvey, Back Country Horsemen of America, Chairman

Monica Chapman, American Endurance Ride Conference Holly Groshek, Equine Land Conservation Resource Craig Huffhines, American Quarter Horse Association Hellen Koehler, American Endurance Ride Conference Mary Parrott, American Paint Horse Association Randy Rasmussen, Back Country Horsemen of America Dee Dee Miller Sale, Walking Horse Owners' Association of America Gwen Wills, Coalition of State Horse Councils, Pennsylvania Equine Council

Membership Task Force

Gary Carpenter, National Cutting Horse Association Duncan Huyler, United States Polo Association Christy Landwehr, Certified Horsemanship Association Kevin Price, United States Hunter Jumper Association Michael Tanner, United States Trotting Association Theresa Woods, United States Pony Club

Health & Regulatory

Dr. Richard D. Mitchell, Fairfield Equine Association (USEF), Chairman

Dr. Craig Barnett, Merck Animal Health

Dr. Duane Barnett, American Endurance Ride Conference

Dr. Jerry Black, AHC Board of Trustees

Keith Kleine, American Association of Equine Practitioners

Jed Pugsley, Professional Rodeo Cowboys Association

Ward Stutz, American Quarter Horse Association

Ann Swinker, Coalition of State Horse Councils, Pennsylvania Equine Council

Dr. Peter Timoney, University of Kentucky (representing The Jockey Club)

Jill Wagner, GlobalVetLINK

Dr. Nat White, American Association of Equine Practitioners/EDCC

Edward "Rusty" Ford, Equine Programs Manager, Kentucky Department of Agriculture

Joseph Santarelli, Jr., Mersant International

Dr. D. Paul Lunn, North Carolina State University

Dr. Linda Mittel, Cornell University Veterinary School

Dr. Kent Allen, Virginia Equine Imaging

Racing

Alex Waldrop, National Thoroughbred Racing Association, Chairman

Kathleen Anderson, Equine Veterinary Care, AAEP Tom Charters, Hambletonian Society/Breeders Crown David Foley, American Association of Equine Practitioners Alan Foreman, Thoroughbred Horsemen's Associations Eric Hamelback, National HBPA Matt Iuliano, The Jockey Club

Tom Luchento, Harness Horsemen International

Edward J. Martin, Association. of Racing Commissioners International

Dan Metzger, Thoroughbred Owners & Breeders Association

Terry Meyocks, The Jockeys' Guild

Chauncey Morris, KTA/KTOB

Lonny Powell, Florida Thoroughbred Breeders Hank Zeitlin, Thoroughbred Racing Associations

Mike Tanner, United States Trotting Association

Bill Thomason, Keeneland Association

Joe Wilson, Thoroughbred Racing Associations

Janet Vanbebber, American Quarter Horse Association

Horse Protection Act Working Group

Dr. Jerry Black, American Association of Equine Practitioners Gary Carpenter, National Cutting Horse Association Sherry Cole, American Morgan Horse Association Dr. Tom Lenz, American Association of Equine Practitioners David Pruett, Walking Horse Owners Association of America Glenn Petty, Arabian Horse Association Bill Whitley, American Saddlebred Horse Association



Policy & Legislative Issues

National Forest Service Trail Stewardship Act (H.R. 845/S.1110)

Achieved passage of the "trails bill" in 2016. This law directs the Forest Service to take several actions to address the current trail maintenance backlog that is adversely impacting all trail users on many national forests, including equestrians.

Specifically, the new law will create a new national strategy to significantly increase the role of volunteers and partners in trail maintenance and a new priority trail maintenance program. The law will also create a program to allow outfitters and guides to treat their national forest trail maintenance activities as an in-kind donation to offset fees owed to the federal government.



Horse Protection Act



Submitted comments to USDA-APHIS requesting important improvements and clarifications to proposed regulations governing enforcement of the HPA.

The AHC's comments strongly urged USDA to explicitly limit all new provisions to Tennessee Walking Horses, Racking Horses, and Spotted Saddle Horses- mirroring the widely supported Prevent All Soring Tactics Act or PAST Act.

Other Issues of Note

Tax Reform-

3-year Depreciation not extended into 2017



H2-B Visa program

extension



IRS Withholding Requirements Clarifications



* Health & Regulatory ssues 2016

AMERICAN Year in Review

Health & Regulatory Issues



APHIS Equine Commodity Stakeholder Meeting

The meeting was attended by APHIS Administrator Kevin Shea and Dr. Jack Shere, USDA's Chief Veterinary Officer. The industry shared with them over 25 key issues that are important. Both Administrator Shea and Dr. Shere were well informed on the issues and willing to collaborate with the equine industry to address them.



AHC Welfare Code of Practice

Adopted by many new organizations in 2016, the Code continues to outline in broad strokes what principles organizations are committed to in breeding, training, competing, transporting, enjoying, and caring for their horses.



Equine Infectious Anemia (EIA) Rule

APHIS released the "Concept for Federal Regulations" for EIA in response to the EIA Discussion Group calls in October 2016. This regulation would codify existing EIA control practices, provide Federal authority to aid in enforcement, and provide national standards for the control and prevention of EIA. As presented, this proposed rule would negate certain interstate agreement allowing exemptions to testing and would supersede some State regulations with a more frequent testing interval. The AHC has taken the position that we would support a rule being developed that would allow the industry to comment and establish a national standard.



USDA Equine Health **Operational Plan**

Several additions were made to the 5 year plan, specifically pertaining to the AHC's efforts regarding EIA rule development and release of disease outbreak information.

Equine Disease Communications Center



2016 Numbers:

273 alerts posted
251 outbreaks reported

2016 Diseases Reported:



Eastern Equine Encephalitis: 75 cases **Equine Herpesvirus: 21 quarantines Equine Infectious Anemia: 10 quarantines** Equine Influenza: 2 quarantines

Piroplasmosis: 4 cases Potomac Horse Fever: 3 cases Rabies: 4 cases reported

Strangles: 23 quarantines West Nile Virus: 109 cases For states where diseases were reported, please contact the EDCC



Communications & **Membership 2016** AMERICAN Year in Review

Communications Data

Social Media







Emails





Website

77K sessions 21%

135,458 page views **=**



Industry Presentations/ Speaking Engagements

Membership Data





Organizational Members

Member **Demographics** by Segment of Industry



Breed Registry Carriage Operators Equine CPA/Lawyer **Equine Transport** Equine Welfare **Industry Suppliers** Racing Recreation Rodeo

When organizational members share AHC information, it reaches over 900,000 people!



Showing/Competitions State Horse Councils Therapeutic Riding Veterinarians





American Horse Council

Financial Snapshot





Fiscal Year 2016 Financials

Summary for the American Horse Council (AHC), American Horse Council Foundation (AHCF), and Committee On Legislation and Taxation (COLT)

Total Revenues:

\$1,149,578

Total Expenses:

\$1,187,975

Net Profit/Loss:

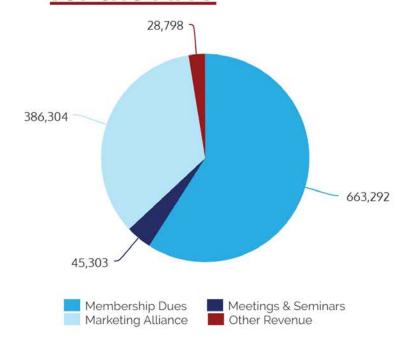
(\$38,397)

Net Assets at YE*:

\$879,225

*includes reserve account (the AHC strives to have one year of operating expenses in the reverse account)

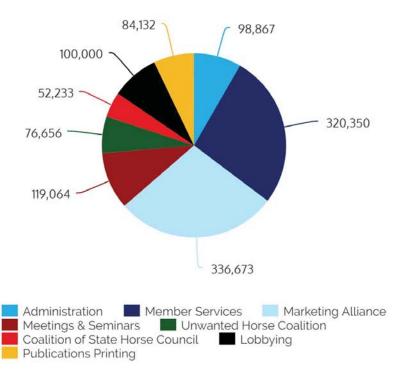
<u>5 2016 Revenue Breakout</u> <u>for the AHC</u>





2016 Expense Breakout for the AHC





o



New Programs and Initiatives for 2017

Quarterly Webinars







New Programs and Initiatives for 2017

Student Membership



American Horse Council **STUDENT MEMBERSHIP**



Which is less than:



OR



OR



\$25 a year T_2

Tank of Gas

Movie Date

New Clothes

Join Today!

Check out these great benefits:





Guide to Grassroots Lobbying



Washington Updates



Discounted Meeting Registration



Meet with AHC Staff



Discounts on John Deere, Insurance, Hotels, and more!



Internship Program Eligibility



New Programs and Initiatives for 2017

Student Internship



American Horse Council Student Internships

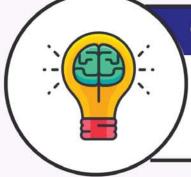
2017 Internships Available to High-School and College Students



Offered up to 4 times per year

- 1 or 2 week shadowing program- student would come to DC and spend 2 days with each AHC staff member to get acquainted with our roles & responsibilities
- Gain a broader understanding of the AHC with a focus on expanding students knowledge and expertise
 Transportation and housing not included; stipend of \$125/week available to offset expenses
- Open to high school and college students

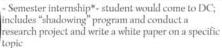
Visit
www.horsecouncil.
org/ahc-studentinternships for
more information
and to apply!



Offered up to 2 times per year

- 1 or 2 month internship- student would come to DC and after getting acquainted with AHC, conduct a research project and write a white paper on a specific topic of interest (This would be done for academic credit and research project would be pre-approved by student advisor)
- Transportation and housing not included; stipend of \$500/month available to offset expenses
- -Open to college students

Available by request, based on circumstances



- Ideally assist with Annual AHC meeting (June)
- Done for academic credit and experience
- Transportation and housing not included; Stipend of \$500/month* available to offset expenses

*Maximum of 12 weeks or 3 months; Maximum stipend of \$1,500





* Strategic Plan

Galloping towards 2020



Mission Statement

Old Mission Statement:

- ~ to promote and protect the equine industry by representing its interests to Congress and in front of federal agencies on national issues of importance;
- ~ to unify the equine industry by informing the industry members of regulations and pending legislation and by serving as a forum for all member organizations and individuals:
- ~ and to advise and inform government and the industry itself of the equine industry's important role in the United States Economy.

New Mission Statement:

To advocate for the social, economic and legislative interests of the United States Equine Industry.

Pillars of the Plan

1. Marketing & Communications





2. Governance



3. Health & Welfare



4. Advocacy





HORSE COUNCIL

Marketing & Communications

Objective: Communicate the economic and social benefits of the equine industry to the government, convey the value and benefits of the AHC to the industry, and promote the benefits of horse-related activities to the public.



Develop comprehensive communication plan to highlight the positive impact of the industry on the U.S. economy, using the 2017 Economic Impact Study and other relevant data.



Develop a communications plan to encourage Individual and Organizational support for the AHC and strengthen member awareness of the benefit of the AHC.



Explore the role and direction of the Marketing Alliance (Time to Ride): determine metrics for goal achievement and assess sustainability of funding.



Governance

Objective: Review the AHC's governance structure to ensure effectiveness in recruitment, collaboration, and engagement of all industry stakeholders.

Appoint a subcommittee to address bylaws for currency and relevance; examine both Board of Trustee and Committee structure policies.



Examine the relationship/role the AHC has with State Horse Councils to leverage relations on legislative and regulatory matters.



Develop processes that will strive to achieve consensus on key legislative and regulatory objectives among board and committees.



Review membership models and categories to ensure effectiveness and equitable support by all members.



Identify and develop plans to address key logistical elements of timing of meetings, format, location and involvement of sponsors (board, members and industry)

Health & Welfare

Objective: Advocate for the health and well-being of horses by serving as a forum for discussion on

welfare issues and sharing best practices.

Review and revise, as needed, the AHC Welfare Code of Practice to ensure relevancy and current philosophies.

Explore AHC's role in addressing the wild horse and burro issue.

Explore avenues to improve or refine the import/export of horses across International borders.

Research the industry's various positions on the horse processing issue to determine the appropriate role for the AHC.

Review the role of the UHC in promoting reliable retirement, retraining and rehoming as well as humane euthanasia where appropriate.

Facilitate opportunities to organize coalitions around legislative issues

to increase influence.

Explore AHC's role in supporting an equine ID



Identify ways to improve the public perception of horse care, utilization and welfare.

Advocacy

Objective: Be a trusted voice for the horse industry to the public and government authorities.

members.



Synthesize and promote consensus-based AHC legislative and regulatory objectives.

Identify and develop new methods to leverage membership for congressional advocacy.

Develop a plan to promote contributions to the PAC by AHC



Develop new approaches to educate membership and others about issues facing the horse industry. Better leverage the Annual Meeting as a venue to educate members on emerging legislative and/or regulatory issues facing the horse industry.

Examine new methods and tools to publish and promote AHC objectives as appropriate.



COMMITTEE ON LEGISLATION AND TAXATION



What is COLT?



COLT is the registered Political Action Committee (PAC) of the American Horse Council. It was organized and registered with the Federal Election Commission (FEC) in 1978. COLT stands for Committee on Legislation and Taxation, and is a bi-partisan PAC.



What does COLT do?



COLT works to raise funds to support Congressional candidates friendly to the equine industry that are running for, or up for, election.

Where does the funding for COLT come from? (§)



Funds for COLT can only be accepted from AHC members. As such, the AHC will solicit members once or twice a year for donations to COLT. Funds contributed to COLT are used exclusively to elect a pro-horse industry Congress. Any money contributed to COLT is kept separate from funds used to operate the AHC and may only be used towards contributions to the election efforts of members of Congress who have been supportive of the horse industry.

Contributions to COLT are not tax-deductible.



COLT Financial Picture



2016 Revenue: \$100

Net Assets at 2016 YE: \$2,290

2016 Expenses: \$1,000



American Horse Council Foundation

Background & Financial Snapshot



The American Horse Council Foundation (AHCF) is a 501(c)(3) non-profit that was formed in 1991 out of the need to encourage the support of worthwhile charitable, scientific and educational projects of interest and benefit to the American horse industry.

The mission of the AHCF is:

- ~ to promote a healthful and enjoyable environment, social welfare level, and opportunities for those in the horse industry;
- ~ to educate the public about the horse, horse care and the horse industry;
- ~ to promote education through grants to individuals, programs, institutions, and organizations by the encouragement of research through these grants.

The AHCF has two major initiatives that work under its auspices: the **Unwanted Horse Coalition** and the updating of the **National Economic Impact Study.**





The American Horse Council Foundation is an exempt organization as described in Section 501(c)(3) of the Internal Revenue Code; EIN 52-1760034.

2016 AHCF Financial Overview

2016 Combined Revenue*: \$189,923





2016 Combined Expenses*: \$70,859

Net Profit/Loss: \$119,339





Net Assets at YE*: \$305,847

2016

Year In Review Unwanted Horse Coalition

Visibility



New Blog!

Website

54,813 unique visitors looked at 379,759 pages





Press Coverage

9 releases published in 23 sources

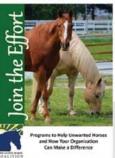




Education

Materials Distributed

IN PRINT	2016	2015	
UHC	8730	445	
Geld/Spay	235	450	
OwnResp Flver	5935	255	



DOWNLOADED	2016
2009 Survey	470
Own Responsibly	536
UHC General Info	305
Geld & Spay	244
Join the Effort	646
Care Guidelines	265



UNWANTED HORSE COALITION **Operation** Gelding

1,500+ gelded

Ages	%	
<3yo	62	
3-5	24	
6-10	9	

%
37
12
10
5
4
3

Funding 🤗

Grants and Foundation Support for Operation Gelding

00,000 DeWitt Fund for the Community Foundation of Monterey County

- ~ \$10K Noah Foundation
- ~ \$10K AAEP Foundation
- ~ \$3K National HBPA

UHC Membership



22 member 26)

organizations (from

2016 Financial Overview

2016 UHC

Revenue*: \$73,817

2016 UHC

Expenses*: \$70,607

Net

Profit/Loss: \$3,210

82% increase in individual donations

*Revenue shown does not reflect grants and monies received for Operation Gelding; Expenses do not show reimbursements for Operation Gelding

116 Year In Review AHC Marketing Alliance















































Time To Ride

2016 Time to Ride Challenge

222 stables, clubs and businesses registered



in hosts compared to 2015

1,004 events hosted



28,175 newcomers were introduced to a horse

97% of newcomers surveyed felt more inclined to try horseback riding again after attending an event



Print Media Exposure

2.4 million print media impressions via ads with Media Members



82% of horses reported the Challenge had a positive effect on their business

Pledge to Take a Friend Riding

~ a 30-day sweepstakes with a grand prize to luxury dude ranch Paws Up

~ the Pledge rewarded horse owners and riders for introducing non-rider friends to horses

3,288 riders took the

Pledge! 14 equestrian celebrities

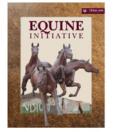


children to Olympic sports in honor of the 2016 Rio Olympics.



Surpassed goal of 25,000 introductory horse experiences!

Collegiate Engagement



Texas A&M Equine Initiative held the first ever Collegiate Challenge

- 5 clubs & teams participated
- 9 events hosted

Over 700 newcomers introduced to horses



CSU Equine Sciences held a *Collegiate* Challenge Oct-Nov '16

- 6 clubs, teams & classes participated
- 6 events hosted

Hundreds of newcomers introduced to horses



AMERICAN HORSE COUNCIL

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