

# **High Volume Breeders Committee**

**Report to**

**The American Kennel Club**

**Board of Directors**



**November 12, 2002**

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## **EXECUTIVE SUMMARY**

The AKC board of directors appointed the High Volume Breeders Committee to assess AKC relations with high volume breeders within the context of AKC customer service and regulations. The committee's task was to evaluate high volume breeders' compliance with AKC's record keeping and care and conditions requirements, and to make recommendations regarding AKC's responsibilities, challenges and opportunities associated with high volume breeders.

The committee met 8 times, held 5 open meetings, conducted 3 fact-finding trips and directed the production of a CD-ROM.<sup>1</sup> Recommendations fall into these areas:

- 1) expanding the efforts of AKC's Compliance Division;
- 2) supporting breeder education and public education about breeders;
- 3) supporting responsible rescue;
- 4) legislative initiatives;
- 5) registration changes; and
- 6) marketing initiatives.

This report recommends:

- Increasing I&I staff and budget to allow inspection of all high volume breeders annually; expanding pet store inspections; creating a rapid response to emergency and high profile situations; establishing closer cooperation and working relationships with regulatory agencies; creating a speakers bureau for appropriate venues; and developing an emergency plan for high volume kennels (pp. 15, 17);
- Requiring all dogs sold at auctions to be a minimum of 8 weeks of age and microchipped (p. 15);
- Requiring all dogs registered with AKC to be microchipped (p. 19);
- Exploring an endorsement registration system and a rollback of supplemental transfer fees to replace existing supplemental transfers; creating registration incentives; offering voluntary microchipping documentation on registrations (pp. 18, 22);
- Setting a 5-year goal of having DNA on file for every sire and dam in the AKC registry (p. 18);
- Establishing a breeders department for education, 800 phone access, veterinary outreach; and developing criteria for recognizing quality breeders (p. 19);
- Developing a formal program with financial, consulting and leadership support for purebred rescue (p. 20);
- Establishing a dialog with high volume breeders (p. 21);
- Commissioning a nationwide survey on dog ownership (p. 22).

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<sup>1</sup> For a copy of **Ensuring the Integrity of the Registry 2002**, a CD-ROM overview of AKC's kennel inspection programs, contact: [Communications@akc.org](mailto:Communications@akc.org)

## **FOREGROUND**

### **Origin of the Committee**

The High Volume Breeders Committee was appointed as a board/delegate committee by the AKC board of directors at the August 14, 2001 board meeting. The committee term was set at one year commencing with the committee's first meeting September 9, 2001.

### **Members of the Committee**

Patti Strand, chairman, Dog Fanciers' Association of Oregon; Gretchen Bernardi, secretary, Mississippi Valley Kennel Club; Steven Gladstone, Reno Kennel Club; Susan LaCroix Hamil, Shoreline Dog Fanciers of Orange County; Sophia Kaluzniacki DVM, Akita Club of America; Robert Kelly, Land O' Lakes Kennel Club; Asa Mays, DVM, Hutchinson Kennel Club; Lynne Myall, Seattle Kennel Club; and Carol Williamson, Houston Kennel Club. Robert Slay, vice president, AKC Compliance Division served as staff liaison.

### **Authority**

As stated in the AKC Charter, Article III: OBJECTS OF THE CLUB: "The objects of the Club shall be to maintain and publish an official stud book, to adopt and enforce uniform rules regulating and governing purebred dog events, to regulate the conduct of persons interested in breeding, registering, selling, purchasing, exhibiting and running purebred dogs, to prevent, detect, and punish frauds in connection therewith, to protect the interests of its members, to publish an official kennel gazette, and generally to do everything to advance the study, breeding, exhibiting, running and maintenance of purebred dogs."

Over the last several years, AKC has initiated significant programs aimed at improving the integrity of the registry and the welfare of the purebred dogs that it registers.

### **Purpose of the Committee**

The purpose of the AKC High Volume Breeders Committee was to assess the effectiveness of these programs, to review the current status of high volume breeding kennels, and to report findings and recommendations to the full Board. The committee operated from the premise that AKC has a leadership role to play in the advancement of all purebred dogs.

Committee members established a framework for their study by agreeing on relevant portions of AKC's Charter and AKC's mission: adopting a mission statement for the committee; and reaching consensus on the scope of responsibility and certain definitions critical to the work.

### **AKC's Mission**

- Maintain a registry for purebred dogs and preserve its integrity.
- Sanction dog events that promote interest in, and sustain the process of, breeding for type and function of purebred dogs.
- Take whatever actions necessary to protect and assure the continuation of the sport of purebred dogs.

### **Committee Mission Statement**

The mission of the High Volume Breeders Committee is to assess the current status of high volume breeding kennels and their role in, and impact on, the AKC registry; to define the appropriate relationship between high volume breeding kennels and the AKC, and to recommend to the AKC Board of Directors actions to implement the committee's findings.

### **Committee Consensus**

The committee members understand that the commercial pet industry will continue with or without the AKC, and unanimously agree that the protection and preservation of purebred dogs and the sport itself are best served by working with all purebred breeders who are willing to comply with AKC rules, regulations, and policies.

Committee members recognized that it is the AKC's responsibility to represent all purebred dogs and that one of AKC's critical jobs is to discover, publicize and promote breeder standards of excellence, as well as to effectively "raise the bar" for breeders in continuous fashion for the benefit of purebred dogs.

The committee developed the following consensus statement: "The High Volume Breeders' Committee believes that the leadership of the American Kennel Club serves the best interests of purebred dogs. Accordingly, in defining relationships with its registrants, the goal of the American Kennel Club is to adopt rules and standards in the best interest of purebred dogs, to ensure their well being and lineage, and to apply those rules and standards uniformly to all using the registry. This is in keeping with AKC's charter to do everything possible to advance the study, breeding, exhibiting, running and maintenance of purebred dogs."

### **Field work**

The committee toured large breeding facilities, a pet brokerage facility, and the national headquarters of a pet store chain and a pet store. Several of the committee members also visited pet stores in their areas. The committee held a town hall-style meeting in Kansas City, Missouri. Commercial breeders, local kennel club members, humane society personnel, rescue workers, veterinarians for regional brokerages, and an AKC field inspector attended. The committee hosted presentations from Steve Robinson, AKC director of Inspections and Investigations; Jim Holt, AKC legislative liaison; Robert Krivickas, a representative from Whatman Bioscience, (a manufacturer of FTA paper used for long-term DNA storage); Eugene Brennan, AKC field inspector; and Robert Gibbens, DVM, Western Regional Director, USDA, APHIS, Animal Care.

### **General Information**

The committee feels that the preliminary efforts and fieldwork were very worthwhile and presented eye-opening experiences. In some areas great improvements were identified. The committee feels that further dialog with all AKC customers is one of the keys to even greater improvements.

Anyone who breeds 7 or more litters a year or any broker or pet store that has 25 or more transactions annually is subject to AKC inspections for record keeping and for care and conditions. For the purposes of the committee's work, any such breeder is defined as a high volume breeder. The term is not meant to be pejorative. The committee recognizes that throughout AKC's history there have always been high volume breeders, many of them highly respected for contributions they have made to a given breed. High

volume breeders cross all registry categories; they are performance and hunting dog breeders, breed enthusiasts and commercial breeders.

These issues aside, breed enthusiasts who raise puppies in their homes and place them directly with their new owners and commercial breeders who sell to pet stores have sharply different values regarding puppy placement practices. These differences are inherent in their motivations for breeding and are not likely to go away. However, the other major concern of fanciers, the conditions under which some large-scale breeders raise their dogs, is now being tackled. Problems don't disappear overnight, but in 1996 AKC adopted Care and Conditions standards to begin addressing this area.

To evaluate and ensure compliance with AKC record-keeping requirements and care and conditions standards, 14 Executive Field Staff members conduct approximately 4,000 inspections annually and attempt to inspect each facility on the high-volume breeders list at least once every 2 years.

The High Volume Breeders Committee assessed improvements made since the inception of the 1996 policy.

## **BACKGROUND**

In 1884 when AKC was founded, the US was predominantly a rural, agricultural country just starting to urbanize. Few people had purebred dogs and still fewer kept them as house pets. Most purebreds worked for a living, in the field or on the farm.

AKC's founders were not pet owners. They were sportsmen, seeking a governing body for field trials and conformation shows. When chartered, AKC was geared almost exclusively to the sport of purebred dogs, with a studbook being added two years after it was established. In setting its course, AKC's founders could not have envisioned today's highly urbanized society, nor could they have foreseen that purebred dogs would develop such widespread popularity as pets.

Beginning in the 1940's and accelerating into the 1950's, the demand for purebred dogs exploded among the American public. The advent of mass communications, the growth of home ownership and urbanization increased the demand for pets as people moved from farms to cities and lost natural contact with animals for the first time in history.

Soon, the demand for purebred dogs outstripped supply from all sources. The demand was so great that popular magazines urged housewives to get into breeding dogs for the pet market to earn extra money.<sup>2</sup> Many followed the advice. Although there were fears within the fancy that the emerging pet industry would monopolize dog breeding,<sup>3</sup> some viewed the rising popularity of purebred dogs as a good thing, and a few produced puppies for the commercial pet trade themselves.<sup>4</sup>

In the mid-1950's – unlike today – AKC was virtually alone in the marketplace. Almost everyone who bred purebred dogs registered them with AKC. Spiegel and Sears & Roebuck sold AKC puppies through their catalogs. Dog magazines carried puppy ads from AKC breed enthusiasts and AKC commercial breeders side by side. The popularity of purebred dogs spurred interest in dog shows and unmatched growth in the registry. But it also transformed AKC's registry from one that was dominated by members of the sport to one overwhelmingly utilized by people outside the sport.

The explosion in purebred dog ownership that led to AKC's growth and preeminence had disadvantages. By the 1960's, irresponsible dog ownership and breeding were becoming social problems. Even though AKC had tried to chart a very limited traditional role for itself as the governing body and registry for the sport of dogs, the public looked to AKC for help in dealing with a host of dog-related problems beyond this narrow scope.

These problems escalated throughout the 1970's and 1980's, focusing attention on dangerous and nuisance dogs, pet overpopulation, "puppy mills" and fraudulent AKC registration papers. Horrific news footage of "puppy mills" evoked public outrage and anti-breeder bills, many targeting responsible breeders along with the bad.

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<sup>2</sup> Good Housekeeping; October, 1957: How to Buy a Dog and Make it Pay

<sup>3</sup> Collie Club of America Bulletin, September, 1969: Editorial by John Lindeman, president, warns fanciers of pet industry legislation in state legislatures "aimed at preventing anyone from selling puppies except people for whom the sale of dogs is the sole means of support."

<sup>4</sup> Some AKC fanciers with large breeding operations sold puppies through wholesale channels during the transition years. A decade later, codes of ethics barring wholesalers from club membership emerged, requiring breeders to make a choice between the sport and wholesale breeding.

For much of its history, AKC had no program of kennel inspections. When it instituted such programs they were limited to verifying registration records and dog identification. Prior to 1996 AKC had no sanctions related to the conditions under which AKC registered dogs were raised or the care they received. In those times, it was AKC's position that the conditions of a kennel were solely the province of USDA and local humane societies and law enforcement bodies.

When AKC inspectors were dispatched to kennels, they were expected and even instructed to ignore the conditions they found there, and to audit only the records and identification of the dogs, not their health or the conditions in which they were kept. Understandably, it wasn't long before many AKC inspectors became disenchanted. Finally in the early 1990's AKC adopted the policy of reporting miserable conditions to local authorities, but AKC did not take any action against breeders who kept dogs in horrible conditions. That was still considered the job of outside agencies with legal jurisdiction for handling animal cruelty. A breeder's AKC privileges could not be suspended for substandard care and conditions unless a conviction for cruelty had been issued.

At the same time, the records and identification practices of many commercial breeders were suspect. Throughout its history, AKC had relied entirely upon the good will and assumed honesty of its registrants, but cases of fraud were pervasive. Many, including AKC inspectors and other employees, fanciers, activists, and ultimately national news media, decried the credibility of AKC registrations.

In 1996, the AKC Board took the unprecedented step of adopting, for the very first time, requirements that AKC registerable dogs be kept under minimum care and conditions standards. With that policy, AKC entered a new age. Its Care and Conditions Policy would now require AKC inspectors to review, report and ultimately suspend breeders based on finding AKC registerable dogs living in inhumane conditions.

For the first time, AKC inspectors could respond to filthy conditions and inhumanely treated dogs at the kennels they visited. From that point forward, breeders who would not raise their standards to meet AKC's minimum requirements could no longer use the American Kennel Club as their registry.

Starting during the same period, the AKC Board passed policies to improve the integrity of the registry, first adopting the use of DNA in its kennel inspection program to verify parentage; and then adopting the Frequently Used Sire program requiring dogs used at stud 7 times in a lifetime, or 3 times in a single year to provide a DNA profile. With the advent of mandatory DNA parentage verification programs and a more recently adopted complaint-driven policy, AKC and its registrants could finally prove the accuracy of AKC registration papers.

AKC's ability to fulfill its mission is greatly enhanced by policies that enable it to authenticate parentage and set and raise minimum standards of care. Before these policies were instituted, the reputations of AKC and all of its registrants were vulnerable to the conduct of the least responsible breeders using the registry. Today, AKC has credible programs in place to improve the lot of all purebred dogs and because of them responsible breeders can begin to distinguish themselves from negligent ones. Now,

based on its actual programs and services for dogs, AKC can be recognized as the unambiguous leader and the number one resource for purebred dogs in America.

The challenge today is this: The popularity of purebred dogs alone assures that if AKC abdicates the position of leadership it has already earned, others with different values will quickly pick up the baton. In order for AKC to lead, AKC must understand that its charter to advance purebred dogs cannot be fulfilled in a vacuum, or by separating itself from purebred interests outside the sport. Rather, it must pursue its mission inclusively, by working for the advancement of all purebred dogs. To do that, AKC must have a responsible working relationship with all of its customers.

AKC's traditions, values and expertise will endure only if they are used for the betterment of all purebred dogs – not if they are used as a means of separating the dog showing minority from other dog lovers and breeders or future dog owners who could benefit from AKC's guidance. It is only through leadership, not separatism that the American Kennel Club can effectively communicate its values. Knowledge that is perceived to benefit only one's own group or community is seen as elitism. Knowledge that is shared with others is recognized as leadership.

## **FIELD OBSERVATIONS AND FINDINGS**

### **High Volume Breeders**

According to AKC policy, anyone who breeds 7 or more litters a year is subject to an inspection of their records and dog identification, and the care and condition of their dogs and facilities. A wide variety of breeders produce 7 or more litters a year. They range from hobbyists, performance and hunting dog breeders to commercial breeders, with a decided majority being commercial.

In terms of volume, these breeders range in size from toy breeders producing a small number of puppies a year, to breeders producing several hundred puppies a year. Most high-volume breeders maintain multiple breeds. The committee toured kennels ranging in size from approximately 80 dogs to over 100. Some committee members toured additional kennels that housed more than 300 dogs.

Sometimes, the lines between commercial, performance and AKC show breeders overlap. Most commercial kennels breed strictly for the pet trade, but during the term of the committee, it was interesting to note that a couple large commercial kennels regularly produce AKC champions. One large-scale stock dog kennel produced title-holders in conformation, agility and herding.

### **Improvements noted**

Robert Gibbens, DVM, Western Regional Director, USDA APHIS, Animal Care; and Eugene Brennan, AKC field inspector, spoke to an open meeting of the committee and noted that great improvements in kennel conditions and in AKC record keeping have occurred during the last 10 years. Dr. Gibbens stated that a combination of factors had improved animal care, some driven by activist groups, some by the industry itself and others by regulatory efforts. In speaking about the improvements, he specifically credited AKC's inspection program as well as individual and cooperative efforts by USDA and state agencies.

Mr. Brennan stated that record keeping improvements are the result of more than a decade of working with breeders to get them into compliance. With the addition of the Care and Conditions and DNA policies and laptop computers – which allow inspectors to access a breeder's AKC records during the inspection process – Brennan said that “the field inspectors now have the tools they need to produce a studbook of integrity and improve animal treatment. The change is like night and day.”

Bob Slay, AKC vice president, Compliance Division also reported significant improvements, but he cautioned the committee that there are still plenty of unacceptable kennels in operation. “The challenge,” he said, “is to acknowledge the strides that have been made without losing sight of how much more there is to do.”

When the committee toured large-scale commercial kennels, each member came away with a slightly different perspective. Those who had gone on inspection tours 10 or more years earlier noted improvements similar to those reported by the inspectors. Other committee members expressed opinions ranging from surprise and relief that the dogs appeared healthy and well cared for, to frustration that the committee as a whole did not have access to a full range of kennels and was viewing mostly upper end kennels.

Despite limited access, all committee members recognized that substandard kennel operations still exist.

### **Kennel Facilities**

The committee viewed facilities that ranged from modern kennels using state-of the-art materials and technology, to older facilities with less satisfactory materials and designs. Technological improvements include air exchange systems that reduce the spread of disease and odor and newer and non-porous building materials that make cleaning easier and more effective. Smaller breeders typically operate from their homes using a converted garage or another outbuilding as a kennel. Some of the larger kennel operations maintain full-time animal care workers. Most are family-run operations with two or more family members working full time in the kennel.

AKC's Care and Conditions standards focus on whether the dogs look healthy and cared for and whether their environment is adequate, safe and clean. AKC doesn't make evaluations based on the design of the buildings unless they appear harmful to the dogs. Committee members observed that even though the dogs looked healthy and socialized in some of the older kennels, the appearance of hutch-type buildings is offensive and reinforces negative stereotypes about commercial breeding operations. Committee members also noted that a basement or garage full of dogs in crates presents a negative picture as well.

### **Middlemen and Pet Stores**

The committee toured the largest puppy distributor in the US. It is a state of the art facility, widely regarded as the best in its category in the US. Signs posted at the facility announce that they only purchase puppies from licensed USDA<sup>5</sup> breeders and only ones that are at least 8 weeks of age as required by the Animal Welfare Act (AWA).<sup>6</sup> Before purchasing a puppy for resale, staff veterinarians conduct a complete health evaluation. After it is purchased, it is microchipped and transferred to a kennel facility where it is vaccinated, treated for parasites and monitored until it is sent to its pet store destination.

To prevent the spread of infectious diseases and eliminate odor, the kennel utilizes an air exchange system that maintains a constant temperature and totally exchanges room air every 1-2 minutes. Kennel surfaces are non-porous, and water and drainage systems are available to each kennel for easy cleaning. The company employs one animal caregiver for every 25 puppies on site. They keep the puppies' environment clean, feed and water them, observe and record information about their health and touch and interact with them.

When the puppies are ready to leave they are loaded on trucks designed exclusively for transporting puppies. Each truck has self-contained food and watering systems and back-up power systems. Two people are required to be on board when puppies are being transported.

The committee also toured the national headquarters of a large pet store chain and its flagship store. The committee heard presentations from company executives about company practices, warranties and programs. Afterward, the committee toured the store to observe their practices in operation. The store was outfitted with modern kennel

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<sup>5</sup> APHIS USDA Animal Plant Health Inspection Service: [www.aphis.usda.gov/ac](http://www.aphis.usda.gov/ac)

<sup>6</sup> The Animal Welfare Act can be found at: [www.aphis.usda.gov/ac/9CFR99.html](http://www.aphis.usda.gov/ac/9CFR99.html)

equipment similar to that found in veterinary clinics. Store personnel were trained as animal caregivers and pet counselors. The store provides up-to-date vaccinations, a warranty, a health certificate, a lifetime agreement to take back or help purchasers re-home dogs they can no longer keep, and a purchasers' information pack that includes a training video and a phone number for lifetime consultation with a certified canine behaviorist. This pet store chain says it delivers 10-15% of its puppies neutered.

These were very impressive operations from many standpoints. Committee members never lost sight of the fact, however, that they were seeing the very top of the industry. Some committee members also visited pet stores in their areas. It should be noted that many of these local pet stores did not come up to the same standards as the store visited by the committee as a whole. That being said, there is no denying the enormous advances demonstrated by these pet industry leaders.

### **Improvements still needed**

Despite widespread consensus that major improvements have occurred in large scale breeding operations during the last few years, the committee does not suggest that bad kennels are a thing of the past. Indeed, all of the inspectors who spoke to the committee and the committee members themselves conclude that there is still a lot of work to do.

Using Lexus-Nexus, the AKC Compliance Division tracks cruelty cases nationwide to rule out AKC involvement or take action when necessary. This service along with direct complaints turn up more than 20 cases a week involving the confiscation of dogs by local agencies. Because AKC is the largest and oldest registry in the nation, a fair number of these dogs turn out to be AKC registered. Offenders cover the full gamut of AKC registrants ranging from large-scale commercial breeders and backyard breeders to aging fanciers.

Inspectors from USDA and AKC concur that the kennels with the greatest problems today are not the largest ones, but kennels in the range of approximately 20-40 breeding females. These are usually "mom and pop" operations or kennels that are run by individuals living alone. In these situations, if an owner gets sick or injured or dies, the kennel environment can degrade rapidly. Larger kennels are more likely to be financially secure and capable of overcoming problems.

A common problem today that crosses all categories of breeders, from commercial to hobbyist, are the older breeders who can no longer keep up because of senility, a physical disability or the loss of a spouse or partner. AKC inspector Brennan told the committee that dealing with declining seniors is one of his most challenging jobs. When raising and caring for dogs has been an integral part of someone's daily life for decades, the prospect of living without them can be devastating. Seniors who are losing ground are frequently among the last to recognize it. Friends and relatives who see the warning signs may feel helpless to do anything about it. If dementia or other mental illness is a factor, some senior become hoarders, seemingly unable to place any of their animals or to stop them from reproducing. It is tragic when this happens to someone who was formerly a responsible and respected breeder. Unfortunately it does happen. Sadly, more than one long-time fancier has been convicted of neglect in her old age. Fellow breeders and parent clubs can help by staying in touch with seniors and offering

assistance if needed. The AKC Compliance Division can help in these situations, too, if they are notified before problems escalate.

Illegal kennels are the biggest problem in the commercial sector. Commercial breeders who sell to pet stores are required by law to be licensed by USDA. Although it's impossible to know for sure, it appears that most of them are. However, a significant number of the ones that wind up in high profile cruelty cases are not. They are often repeat offenders whose licenses were already revoked or they never were licensed due to unacceptable facilities or other shortcomings. In any case, these illegal operations represent a high percentage of the kennels that get in trouble today.

These illegal kennels are still in business because the laws that would stop them are poorly drafted, full of loopholes and difficult to enforce. For example, although pet store puppies are supposed to come from licensed dealers, pet stores are not required to reveal the source of their dogs to USDA. This makes illegal operations hard to locate and allows illegally operating breeders to market their dogs despite laws requiring them to be licensed and inspected. These breeders are a source of trouble for lawfully operating commercial breeders, who would like this loophole to be closed.

Some large-scale breeders resent AKC inspecting their kennels, saying that they are already inspected. The problem is, many kennels operate illegally and many others are exempt from licensing. If AKC does not inspect them, then no one does. To avoid inspection, some of these kennels have transferred to other registries. AKC works with all breeders that are willing to correct shortcomings, but non-compliance with AKC requirements results in fines and suspensions. Ultimately some breeders seek registration elsewhere.

## **A Changing Environment**

### **New registries**

Many of the new dog registries appear eager to register any dog they can find. Breeders suspended from AKC rapidly transfer to one of the new organizations. Regardless of the seriousness of the violation, other registries reissue papers. This is a relatively new challenge for AKC and it is bad for all purebred dogs.

AKC is a not-for-profit registry, and its studbook is available to anyone doing research on purebred dogs. What many of the new registries do is simply take data from AKC's studbook and reissue papers under their own names. That is, they are selling registration papers using AKC's work product as the basis. It appears that some pet stores offer buyers the option of registering with another registry right at the store. If the puppy arrives with AKC papers, store personnel can call in the parents' AKC names and registration numbers and have new certificates issued under a different registry on the spot. Other registries offer bounties to pet stores and cheaper registration fees and promotions to encourage purchasers to switch registries.

Because AKC did not have a Communications Division until very recently, the public is generally unaware that:

- There is a huge difference in quality between papers from AKC and other registries;

- AKC is the only registry with significant quality control programs for maintaining an accurate registry and raising the care and condition standards under which its largest breeders operate;
- AKC donates over \$1,000,000 a year to canine health research;
- AKC's affiliate, AKC Companion Animal Recovery has enrolled approximately 1.5 million pets and has reunited over 100,000 lost pets with their owners;
- The AKC Museum of the Dog is one of the finest canine art museums in the world;
- AKC kennel clubs and their members serve communities nationwide as subject-matter experts on a host of issues related to dogs and dog ownership;
- AKC clubs donate their profits to causes that benefit dogs and responsible dog ownership;
- AKC licenses thousands of events annually for dogs and dog owners.

Despite the enormous differences between AKC and other registries,<sup>7</sup> many in the public believe that registration papers are all the same and opt for the cheapest.

The committee notes that in this environment, AKC breeders who sell intact pet-quality puppies on limited registration papers should also use a good contract. Otherwise, the puppy could wind up in a breeding program using registration papers from another registry. In addition, the committee urges AKC to continue supporting contracts that allow breeders to protect their kennel names and reputations by withholding registration papers on dogs until proof of spaying or neutering is presented.

### **Imports of commercially bred foreign purebreds**

As Americans have reduced their breeding, foreign suppliers have moved in to fill the demand. Commercial breeders operating in several countries including Russia, Czechoslovakia, Ireland, Belgium and others have begun shipping dogs to the US for resale. Several AKC parent breed clubs are seeking help in limiting the flood of poor specimens of their breeds into the US. These dogs often arrive with infectious and genetic diseases. Many are sold to commercial distributors and breeders as breeding stock and for resale. It appears likely that without new regulations, this trend will grow.

Breed enthusiasts, including AKC delegates, have received solicitations from European and even African puppy suppliers seeking partnership opportunities for distributing their purebred puppies in the US. A flyer from one such international broker boasts exporting 1,500 to the US last year. Ads for foreign imports have become more common in US newspapers during the last few years.

### **Internet sales**

The Internet is changing the way that commercially bred dogs are sold. Most of the breeders that spoke to the committee place at least some of their dogs via Internet sales today. Commercial breeders make more money selling directly to purchasers than by going through pet shops, so this trend is likely to grow. If it does, it could have a profound effect on the commercial pet industry. Today, USDA licensing is only required

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<sup>7</sup> To review the websites of some of the new registries and their affiliates, please visit: <http://www.acacanines.com>; <http://www.usabreeders.com>; <http://www.aprpets.org>; <http://www.goldlabelpets.com>; <http://www.unitedregistry.com>

of pet wholesalers, not retailers, so if the Internet proves successful enough to lure commercial breeders away from using pet stores and into becoming Internet retailers, many large kennels will no longer be subject to USDA oversight.

### **Conclusions**

The AKC Care and Conditions policy is working well and the high volume breeders that register with AKC have generally improved during the last decade. This opinion is borne out by every inspecting agency that the committee interviewed and by the committee's observation. The committee, is concerned, however, that AKC lacks adequate personnel to:

- subject all high-risk kennels to an annual inspection, thereby catching little problems before they become big problems, and eliminating breeders who refuse to raise their care and conditions to AKC's minimum standards;
- respond quickly when emergency or high-profile cases erupt;
- interact proactively with local kennel clubs, animal control agencies, humane societies and with USDA; and
- encourage further improvements in kennels through education and incentives. The committee emphasizes the need for the Compliance Division to develop positive reinforcement tools to solidify gains and make further improvements. AKC should do more to help people improve as well as sanction them when they fail to comply.

With the advent of the 1996 Care and Conditions policy, successively fewer dogs from substandard kennels register with AKC every year and fewer "puppy mill" busts include AKC registered dogs. Requiring minimum standards forces improvements in marginal kennels and removes breeders who do not make the necessary improvements. The committee recognizes that no kennel inspection program can ever achieve 100% success, but the committee believes that it is a realistic and worthy goal to strive for a day when AKC can say with confidence that it does not register dogs from breeders who raise dogs in inhumane conditions. Today, AKC has a program in place that helps AKC achieve that goal, but for it to be successful, it must be funded at a level sufficient to give adequate inspection coverage. With current levels of funding, too many kennels still fall through the cracks.

## **COMMITTEE RECOMMENDATIONS**

### **AKC's inspection and investigation program**

**Recommendation:** The committee unanimously recommends that AKC increase its investigation field staff by 11 agents and budget the appropriate amount of money to fully support those additional agents.

**Background:** This recommendation will subject every high volume breeder to an annual inspection. Currently kennels are only seen every 2 years. It will also allow AKC to expand pet shop inspections and to respond quickly to high profile cases. It will allow AKC to interact proactively with local animal control agencies, humane societies, and the USDA. It will also enable the Division to engage in educational initiatives and participate in speaking engagements at kennel clubs and other appropriate venues.

**Recommendation:** The committee unanimously recommends that high volume breeders develop emergency plans for their kennel operations in case of sickness, natural disasters or other unforeseen problems. This would be a voluntary program in the beginning, but eventually, it would become a mandatory element of the Care and Conditions policy. If adopted, the Compliance Division will begin discussing this concept with breeders during kennel inspections. The Division will create forms for this purpose based on ones already developed by the AVMA and other groups.

**Background:** Unexpected sickness, injury and personal problems are among the leading reasons for kennels going bad. Having a plan of how the dogs will be provided for in times of emergency would help prevent unacceptable conditions.

### **Dog Auctions**

**Recommendation:** The committee unanimously recommends that all dogs going through auction be at least 8 weeks old and microchipped.

**Background:** The High Volume Breeders Committee addressed the issue of AKC-registered dogs being sold at auction as frequently and with as much fervor as any subject under discussion. There was general agreement on several points:

1. Auctions are not an appropriate venue for selling purebred dogs.
2. Auctions are a blight on all dog breeding and on the commercial industry in particular, and many commercial breeders we spoke to in that community would like to see them eliminated as well.
3. There is really no positive aspect of these auctions.

The objections to dog auctions go beyond just the care and conditions of the kennels at which these sales are sometimes held. Today many auctions are held at places of business designed expressly for that purpose! Often, very young dogs, even those not yet weaned, are sold, and many of the other dogs are sick, old and in bad physical condition. Many committee members felt that dogs ought not to be sold under conditions

that prevail at livestock auctions. Others felt that the auctions themselves give an unfavorable impression that can be used against all dog breeders and the AKC.

The committee very quickly realized that the formulation of rules that would be in the best interest of the dogs and the AKC was a much more difficult task than we imagined. It would be a simple matter to prohibit the sale of any AKC registered dog at an auction with heavy penalties attached. But what would prohibit a breeder from selling a dog at such an auction without its registration papers and then merely sending in the transfers? What would prohibit a breeder from using papers from another registry where it is dual – registered at the time of the auction and then forwarding the AKC papers to the new owner later? Unless an AKC investigator was present at every auction to review the paperwork of every dog sold and to follow up through the final transaction, this could not be done easily. It was also the committee's opinion that even having our inspectors present at the auctions would give an appearance of legitimacy to the activity that we wanted to eliminate.

Additionally, if a breeder wanted to sell dogs at auction, then he could simply remove them from AKC's registry and move them into one of the many other competing ones. The committee agreed that this was in no one's best interest, certainly not the dog's, whose well being would then not be subject to our care and conditions requirements.

The committee then discussed the possibility of allowing our dogs to be sold at "dispersal" auctions but not at "consignment" auctions, and thereby reduce the hardship on the breeders who were already in dire straits and on shelters that might receive their animals. However, the committee learned that many kennels appeared to be "going out of business" frequently for the purpose of merchandising their dogs. USDA noted the same trend and has recently tightened its policies regarding dispersal auctions.

Hanging over all of these discussions was the knowledge of the difficulty of enforcing any rules we might formulate, given the loose organization of the auctions themselves. All committee members agreed that we did not want to introduce rules that could not be comprehensively enforced.

Much of the discussion concerning auctions was based on an assumption that fewer AKC dogs were going through auction than turned out to be the case. While the larger number made the auction activity more disturbing, it also made the possibility of eliminating them much more complicated. This constitutes a large number of dogs that would be leaving our registry and therefore beyond our oversight.

The committee voted unanimously to require that all AKC dogs sold at auction must be at least eight weeks old and microchipped, but it was not viewed as a solution to the problem, just the best option currently available. The committee members suggest continued scrutiny of this problem so that better solutions can be found.

## Legislative and Regulatory Initiatives and Cooperation with Regulatory Agencies

**Recommendation:** The committee recommends that the AKC actively and publicly press USDA APHIS, the department that inspects animal businesses, to complete its review of the Animal Care licensing requirements and to undertake rulemaking to effect those changes that are deemed necessary to strengthen enforcement of the Animal Welfare Act. This review is intended to identify needed amendments to the Animal Care licensing regulations which will strengthen enforcement, close loopholes, streamline procedures and generally improve the ability of Animal Care inspectors to assure compliance with the letter and spirit of the Act.

The committee urges that APHIS include in rulemaking:

1. An amendment to the “small breeder” exemption to make the exemption applicable to those *premises* on which three or fewer breeding female animals of regulated species are kept, rather than the current language which exempts all *persons* who maintain three or fewer breeding females, even when more than one such person occupies the same premises. Under current interpretation, 7 or 8 breeders residing at the same address could avoid USDA regulation by each claiming to own three or fewer bitches.
2. A provision extending its regulations governing the transport of animals to foreign carriers who land animals in the United States, and to U.S. carriers who forward animals landed by foreign carriers. Currently they do not need to meet US standards for transporting animals. Among other things, this provision would require foreign airlines to use shipping containers that are approved for use in the US.

**Recommendation:** The committee suggests that the AKC effectuate its support for these recommendations by sending a letter to the Administrator of APHIS urging the above actions and issuing a press release indicating the AKC’s support for this action. Further, the committee suggests that the AKC legislative liaison monitor progress on this matter.

**Recommendation:** The committee also recommends support for all AKC legislative initiatives that could lead to better enforcement of the Act.

**Recommendation:** The committee recommends that AKC work more closely with USDA and other relevant regulatory agencies. The Compliance Division and the Canine Legislative Department would benefit from such participation and cooperative efforts would aid enforcement of the AWA, something the committee strongly supports.

Ideas that should be explored include:

- AKC should participate in the educational seminars given by USDA for high-volume breeders. These could be expanded to include information on AKC record-keeping requirements and Care and Conditions policy expectations.
- The USDA and some state inspection agencies share inspection schedule information. This allows them to coordinate efforts so that more kennels receive

inspections. Without such sharing, several agencies often visit the same kennel within a short space of time, over-inspecting one breeder while leaving others with no coverage. AKC should participate in such efforts when appropriate.

**Background:** An important key to improving large scale breeding operations and closing unacceptable ones is through strong enforcement of the Animal Welfare Act. The Act itself has many loopholes and procedural glitches that prevent it from doing its job. In addition, USDA seldom receives the necessary funding to do its job effectively. Substandard breeding operations harm everyone. Commercial breeders, a majority who comply with the USDA regulations, along with breed enthusiasts and the American public want them put out of business.

### **Registration Issues**

**Recommendation:** The committee unanimously recommends that the staff explore the concept of an endorsement registration system rather than the current one that uses supplemental transfers. This means that there would be lines added to the application form so that the names of every person through whose hands a puppy was transferred would be recorded, but only the final registrant would pay a registration fee.

**Recommendation:** The committee unanimously recommends the immediate implementation of an interim rollback of supplemental transfer fees until the endorsement system can be analyzed and implemented.

**Background:** The current supplemental transfer system is outdated now that we have technologies such as microchips to track an individual puppy and DNA to prove its parentage. The current fees for individual supplemental transfers act as impediments to registration. They complicate the process and significantly increase the cost of registering an individual dog. An endorsement registration system has the potential to simplify paperwork and reduce costs for customers, thereby increasing the likelihood that a given puppy is registered.

**Recommendation:** The committee unanimously recommends that a space be provided for voluntary microchip identification on the AKC application for registration and the permanent registration form.

**Background:** Microchipping is steadily becoming more popular. Today many breeders microchip their puppies before placing them. In addition to the standard benefits of microchipping, placing a space for microchip identification on AKC registration papers ties the puppy to his AKC registration from the beginning.

**Recommendation:** The committee recommends that in order to insure accuracy in our registry and pedigree information, the goal of the AKC shall be to have DNA on file for every sire and dam in the registry within five years.

**Background:** Everyone agrees that having DNA on every sire and dam in the AKC registry is a worthy goal. The introduction and refinement in the use of DNA gives the

AKC a valuable tool in certifying the purity of its studbook and its pedigrees. The committee realizes that the current price of DNA profiling is too high for some registrants and it therefore recommends the use of new FTA technology for the collection, storage and verification of parentage of all sires and dams in the AKC registry. In addition to ensuring the validity of the studbook, the use of DNA in all breeding animals will allow AKC inspectors to verify correct parentage at the retail level.

**Recommendation:** The committee recommends that microchipping be required for all dogs registered with the American Kennel Club.

**Background:** Microchips provide a great service to dog owners and the public. Without a permanent method of identification, determining the chain of ownership of an individual dog can be extremely difficult and time consuming. By assuring that all AKC dogs are microchipped, this requirement will increase the value of an AKC registered dog.

### **AKC Breeders Department**

**Recommendation:** The committee recommends that an AKC Breeders Department should be established with the following responsibilities and elements:

- **Education/Information:** The department would create, maintain and deliver informational and educational resource materials on husbandry, responsible breeding practices, the development of predictable traits in bloodlines, the value of purebred dogs, selection of a breed, proper housing and exercise requirements. It would also be a resource for specialized or misunderstood issues related to breeding and husbandry, such as line-breeding, inbreeding, cropping, docking and culling; and on social issues related to breeding such as overpopulation,<sup>8</sup> purebred rescue and substandard breeding operations. It would develop and provide information to enable the public to help recognize a responsible breeder. Materials should be prepared for print and Internet distribution, for the media and for presentation at seminars.
- **An 800 number** should be developed as a “help line” for AKC dog owners for issues such as training and socializing puppies and for customer service.
- **The Veterinary Outreach Program:** To increase its effectiveness, the Veterinary Outreach Program should be part of a Breeders Department.
- **Criteria or hallmarks for recognizing and rewarding breeders** who are above average in knowledge, experience and accomplishment should be developed. The dog fancy wants AKC to do more to enable the public to recognize quality breeders.

**Background:** The American Kennel Club should be the leading resource for information about dog breeding and breeders. An AKC Breeders Department would facilitate

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<sup>8</sup> National Council on Pet Population and Policy: [www.petpopulation.org](http://www.petpopulation.org)

development of an environment in which AKC could work with breeders, veterinarians and other animal scientists to create a science-based informational resource that would position AKC as the leading authority on dog breeding and ownership.

Currently, and for more than a decade, public perception about purebred dog breeding often has been framed by organizations that focus on problems associated with breeding, which they commonly use as fundraising issues. Topics include overpopulation, substandard breeding operations, genetic diseases and similar issues. The result is that the American public has adopted a negative focus and has absorbed a lot of misinformation and half-truths about breeding and purebred dogs from groups that in some cases oppose breeding altogether.

The dog fancy has also been influenced by these campaigns. Many breeders are basing their breeding decisions, at least in part, on their perception of issues such as pet overpopulation. Because of this, many dog fanciers today define a good breeder as one who seldom breeds. "Less is better" is the mantra. Breed enthusiasts working for the improvement of their breeds have always understood that breeding should be done for quality and not quantity, but some fanciers have concluded that it is morally wrong to produce any more dogs while some are euthanized in shelters. The problem with this conclusion, however, is that it has simply transferred breeding to others. The public wants purebred dogs. Demand drives supply! Today, commercially bred foreign dogs, many with serious health problems, are entering the US pet market because there are not enough puppies in the US to fill the demand.

Public relations, public education and legislative efforts can only go so far without having an expert-based resource to rely on for information about breeding-related issues. Breeders are the backbone of the AKC sport of purebred dogs. Their interests deserve more focused attention than they now receive.

Because of the many long-term campaigns against breeders and breeding as well as the more routine challenges faced by urban breeders today, purebred dog breeding needs an advocate. Based on its mission, traditions and unique expertise, the American Kennel Club is the only organization that can effectively assume this leadership role.

### **Support for Purebred Rescue**

**Recommendation:** The committee unanimously recommends that AKC should establish a mechanism or entity for funding and supporting appropriate and responsible rescue efforts for purebred dogs, releasing funds only to rescuers that operate in accordance with published guidelines.

The goal of such an entity would be to provide leadership and financial support for responsible rescue. Providing a more formal entity for rescue would enable a variety of benefits to flow to rescuers such as insurance and the opportunity to create a national database and to generate media support for their work. This could be a new 501 (c) 3 organization or become part of one of AKC's existing affiliates such as AKC Companion Animal Recovery.

**Background:** Rescue has been an informal part of the sport of purebred dogs for decades and has grown into a major national dog-placement function during the last 10-

15 years. Responsible rescuers offer an invaluable service to their breeds and to society, but currently there is little organized support for them.

It is a common practice for companies to treat the correction of problems associated with their business efforts as a cost of doing business. The purebred dog that does not find a permanent home represents such a problem in the dog world and should likewise be recognized as part of the overall expense of breeding dogs.

Rescue faces many challenges today. Irresponsible breeding and placement practices assure that in some breeds and some parts of the country, rescuers will be overwhelmed by the sheer magnitude of discarded and recycled dogs. Because of this, some rescuers work with anti-breeding organizations and actively oppose AKC. In addition, as the number of dogs needing rescue in some parts of the country has declined and the “no-kill” philosophy has grown, irresponsible and illegal rescue practices have developed. These include the placement of dogs that should be euthanized, dog theft, selling dogs, no-return policies and the importation into American shelters of dogs from other countries,<sup>9</sup> to name a few.

To support responsible rescuers, help purebred dogs find homes and in a few cases, to mitigate the radicalization of rescue, AKC should provide support and leadership. Currently responsible rescuers find themselves between a rock and a hard spot, on one hand being painted with the same brush as the irresponsible rescuers, and on the other hand, getting little support from people whose efforts they support.

### **Dialog with Commercial Breeders**

**Recommendation:** The committee unanimously recommends that the AKC establish a formal, ongoing dialog with high volume breeders.

**Background:** AKC has registered commercially bred dogs for more than 50 years. If AKC is going to continue registering commercially bred dogs and require that high volume breeders comply with AKC requirements and standards, AKC needs to establish an ongoing dialog with the commercial sector in which AKC personnel can explain our Rules and policies. AKC’s number one goal in this effort should be to help people improve the conditions under which dogs are raised. Commercial breeders encountered during kennel tours expressed a desire for the AKC to continue working with commercial kennels, some crediting AKC with causing significant improvements in that sector.

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<sup>9</sup> As the supply of shelter dogs goes down, many shelters and animal sanctuaries have begun importing strays from other countries and territories. Kim Sturla, the driving force behind the San Mateo ordinance to license breeders is now involved in helping stray Mexican dogs come to sanctuaries in the US. In the east, numerous shelters are importing stray dogs from Puerto Rico. Please see: [www.animalplace.org](http://www.animalplace.org) and [www.sterlingshelter.org/puppy\\_rescue.htm](http://www.sterlingshelter.org/puppy_rescue.htm)

## Dog Ownership Survey

**Recommendation:** The committee unanimously recommends that AKC commission a nationwide study on dog ownership trends by an outside professional firm. Among other issues, the study would focus on the causes behind declining registrations. The study would include a range of questions on the source of dog ownership, attitudes about registration, purebred versus mixed breeds, where dogs were obtained, relinquishment, etc.

**Background:** Data on dog population trends and pet ownership dynamics is sorely missing and relying on assumptions is a dangerous policy. American Pet Products Manufacturers association, the AVMA and others have done studies that suggest that dog ownership itself is relatively stable or even trending slightly upwards at just under 40% of all households owning at least one dog today. There are no known studies that suggest that purebred dogs represent a smaller percentage of the total number of dogs in homes today. To provide effective leadership, AKC needs to understand these trends.

## Registration Incentives and Value-added Registration Package

**Recommendation:** The committee unanimously recommends that AKC should develop and provide a value-added registration incentive package to encourage more registration of AKC dogs. This package would include pet insurance, microchipping information, and enrollment in CAR along with other incentives and information about AKC.

**Background:** AKC offers numerous products and services to its registrants, but has never packaged them for point of purchase sale, the time when new dog owners are most receptive to information about registering, about AKC and responsible dog ownership, microchipping, spaying and neutering, training, etc.

Today, less than 50% of AKC registration applications issued in litter kits are ever returned as individual registrations. One of the reasons for such low conversion rates is that the public perceives little value in registering with AKC. To overcome this problem AKC must reclaim its position as the leading authority on purebred dogs and America's preeminent registry.

One approach to accomplishing this goal is to develop a value-added package as an incentive to registration. The package would include pet insurance, enrollment in AKC Companion Animal Recovery (CAR) and information about microchipping, dog care and training. It would also include information about AKC and the benefits of AKC registration. Likewise, certified pedigrees, prepaid vet exams, videos and breed information and similar products could be bundled with this package or offered individually. The package would be upgraded with additional offerings recommended by marketing professionals.

The committee recommends that AKC breeders permanently identify their puppies with a unique microchip, which number should be noted on the AKC registration and in its database. Registration in CAR is a key incentive to registration because recovery of a lost pet is a tangible benefit for all dog owners. Every AKC registration and ILP offered, regardless of the method of sale or placement – breeder, pet store, rescue, adoption, etc. – should include enrollment in the AKC CAR database. In time the public will learn

that an AKC registered dog comes with a microchip to help reunite it with its family in the event that it is lost.

AKC will soon be offering 60 days of free pet health insurance to every dog registered with AKC. Pet health insurance is another excellent registration incentive that should raise the value of AKC dogs.

It is absolutely essential that any value-added registration package give the seller an incentive to promote AKC registration to the puppy purchaser at the time of sale. Discounts, credits, cash and AKC services and merchandise should be offered to the seller as incentives for registration. If the breeder registers the litter up front, purchasers should be offered the option to change the puppy's name within certain parameters set by the breeder.

In recent years, competing dog registries have been successful in attracting commercial dog breeders and registrations. Many of them have found that the public will pay the same price for a purebred puppy regardless of where it is registered. To the public, all registration papers are the same. In addition, the new registries offer cheaper registration fees and impose few if any quality control requirements on breeders.

There is no comparison between AKC and other registries in terms of quality and services, and it is essential for AKC to begin marketing these differences in order to distinguish itself from other registries. The emergence of new registries offers AKC a wonderful opportunity to communicate its values to the American public.

Accordingly, the value-added registration package must also include marketing information about AKC. This material should inform the public about AKC's unique position as a not-for-profit organization dedicated to the advancement of purebred dogs; about its events and services for purebred dogs and their owners; about its programs to protect the welfare of purebred dogs and the accuracy of its registry; and about its contributions to canine health, dog training, and responsible dog ownership.

AKC is the real thing. The more the public knows about AKC, the better it will be able to fulfill its mission.

**Recommendation:** The committee unanimously recommends that AKC staff explore the possibility of providing an attractive registration certificate suitable for framing.

**Background:** Those who have been fanciers for many years generally do not attach much importance to the appearance of a registration certificate. However, most of our puppies go to one- or two-dog owners, many who are purchasing their first purebred puppy. A truly beautiful registration document that can be framed or put in a scrapbook can be a source of great pride – a fact some of the competing registries have already capitalized on.

**Recommendation:** The committee unanimously recommends that registration incentives should be offered. Discounts for whole-litter registrations should be encouraged.

**Background:** Currently, only about half of all puppies from a registered AKC litter are ever registered. By offering a substantial discount to breeders for registering an entire litter up front, AKC would capture many more registrations and retain future generations of AKC dogs.

Chairman's note: The High Volume Breeders Committee tackled a difficult and controversial subject. Thanks to Committee members who possessed the dedication, intelligence and integrity necessary to objectively evaluate the information revealed by our investigations and to make recommendations in the best interest of purebred dogs and the American Kennel Club.

