



A teleconference of the CKC Board of Directors was held on June 1st, 2009.

ATTENDANCE

Board of Directors	Staff
Dwain McLean, New Brunswick & PEI, Chair	Joe Mauro, Chief Executive Officer
Lee Steeves, Nova Scotia, Newfoundland & Labrador	Sonny Allinson, Manager, Communications
Ed Graveley, Québec	Ann McDonagh, Publisher, Apex
Anita Cairns, Alberta, NWT & Nunavut	
John Werle, Saskatchewan	
James Campbell, BC Interior & Yukon	
Bob Rowbotham, Ontario East	
Margaret Jones, BC Southwest	

ABSENT

Brian Taylor, Ontario Central
Kim Hamel, Manitoba
Richard Paquette, Ontario North
Doug Windsor, Ontario West

CALL TO ORDER

The Chair called the teleconference to order at 8:10 p.m. (EST).

POSTAL ASSISTANCE SUBSIDY (PAP)

Mr. Mauro reported that the CKC had received notice on April 22, 2009 from Heritage Canada that the *Official Section* no longer qualifies for a grant under the Publications Assistance Program (PAP) as a result of changes in the qualification requirements. We were advised that the *Official Section* is no longer considered to be an acceptable "ride along" publication and it will jeopardize the *Dogs in Canada* postal subsidy if we continue to distribute it within the poly bag distribution of *Dogs in Canada*.

Effective August 22nd, 2009 the *Official Section* must be mailed under separate cover. At present the PAP assistance for the *Official Section* is \$311,000 per annum and we have been subsidized for 10 years. On top of that, we pay another \$130,000 to mail *Dogs in Canada* and that is a subsidized rate of 57% of the actual cost if CKC has to pay the distribution cost alone.

Subsequent to receiving the notification, Mr. Mauro and Ms. McDonagh spoke with Heritage Canada to request an extension to make the changes required since the requirement to comply within a short timeframe represents an enormous change and is a significant unbudgeted expense in 2009 to the business unit. Heritage Canada was adamant that there would be no extension to the deadline of August 22nd, 2009. As a result, Mr. Mauro and McDonagh met with Apex Publishing Ltd. Board of Directors (via teleconference) to apprise them of the situation and subsequently the CKC communication's staff and the Apex editorial staff began the process of considering options. A matrix of

options was circulated to the CKC Board of Directors in preparation for this teleconference and Ms. McDonagh reviewed them. They are summarized below.

Option #1: Distribute the *Official Section* to 100% of the membership under separate cover from *Dogs in Canada* from September through December 2009. This option represents an unbudgeted cost of \$94,000 for the 2009 fiscal year. This is the easiest route to not disrupting the publishing schedule but it is also the most expensive option.

Option #2: Bind the *Official Section* into *Dogs in Canada*. . However binding the *Official Section* into *Dogs in Canada* would increase the ratio of listings pages in *Dogs in Canada* to the point where *Dogs in Canada* would no longer qualify for the PAP subsidy. By Publications Assistance Program definition the *Official Section* content is 88% listings. To comply listings must be less than 50% so the *Official Section* would have to be redesigned; such a major revamping cannot be done in the timeframe we have been given.

Option #3: Announce a publishing hiatus (pause) to regroup and examine ways to meet the new PAP requirements or find alternative methods of providing the same *Official Section* information to members. During the publication pause, the membership would be consulted to identify what they would like to see the *Official Section* become moving forward.

Option #4: Produce an entirely new magazine next year.

Option #5: Move all the content to a DVD which would allow almost endless content

Option #6: Maintain an online *Official Section* on a monthly basis. At present this would not serve 100% of the membership. It could be augmented and made to be more inclusive by circulating the *Official Section* content by email to members who have provided their email addresses (approximately half of the membership). Over 85% of members have access to email and 60% have high speed.

Ms. McDonagh commented that *Dogs in Canada* has been subject to extensive reviews by Heritage Canada over the last three years which has resulted in changes to the magazine offers to members. .

The Chair opened discussion on the options presented and invited other suggestions. Highlights of the discussion follow.

A question was asked whether there is an opportunity to go after some of the advertising that's being put into other canine publications to cover the distribution costs of the *Official Section*. Ms. McDonagh commented the content may not comply with Heritage Canada's guidelines for the PAP and we would already know about any possible additional advertising revenue and would be going after it. She noted that all things being equal the advertising revenue available today is not going to be vastly different next year or two years down the road whether or not we introduce a new publication. There may be shifts in advertising revenue between *Dogs in Canada* and a new version of the *Official Section* but it's not going to represent a huge increase. It was noted that there may be better opportunities on-line where more and more clients are moving their advertising money.

It was suggested that we might be able to find a sponsor to defray some of the distribution costs

A question was asked whether maintaining the content on-line would present issues to members who don't have high speed internet access. It was noted that a PDF version of the document could be distributed by mail. The postage charge for about eight pages is approximately \$1.18 per unit. The cost could be reduced if member feedback tells us there are portions of the content that could be produced less frequently or not circulated by mail.

It was pointed out that none of the additional expense for any of the options has been included in the 2009 budget.

It was suggested that the next best step for the *Official Section's* new life may be an expensive one. We won't have the answer to what the content should morph into until we have done a thorough investigation of what the readership would like to see going forward and the options, feedback and financial impact of the options have been fleshed out and analyzed.

Concern was expressed regarding hard core members who may feel cheated by the way the magazine is going. We may lose members. It was noted that regardless of the decision made, it is important to inform the membership through the *Official Section*, through the website, through a direct mailing and any other communication vehicle available to us why this is happening and the potential financial impact so they get a full perspective of just what has happened.

Ms. McDonagh was asked to outline the critical path in terms of giving members notice. She commented that we would include an insert describing the problem, why it's happening and what we will do next in the poly bag distribution of the July and August issues of *Dogs in Canada*. The distribution of the July issue has been held back for a week pending decisions made at this meeting. She noted that it is important to use as many different avenues as possible to communicate the problem and that she would like to get off at least two mailings in the poly bag before we have to cease the way it is currently packaged.

Mr. Allinson added that other parts of the broader communication plan include an e-bulletin, postings to the website and changes on the signatures of out-bound staff emails.

The following consensus was achieved by straw vote* (6 in favour, 1 against, 4 absent and the Chair did not vote).

Part one: Open dialogue with the membership to explain the problem we face and the situation that is before us; and continue to offer the *Official Section* in hard copy to those who feel they need it through some vehicle of getting their feedback as to whether or not they want to continue to receive it given the increased distribution cost and what it would mean to the bottom line. If members don't want to receive a hard copy a rebate may be offered to them.

Part two: Between now and the end of December, engage in dialogue with the members as well as with the Board as to what form and content the *Official Section* should include in 2010.

*Since business can't be done officially by teleconference, it was noted that this item will be put before the September Board meeting for ratification.

Ms. McDonagh and Mr. Allinson left the meeting (9:30 p.m.)

FCI/CKC MEMORANDUM OF UNDERSTANDING (MOU)

The Chair reported that we have received communication from FCI with two attachments. One attachment is the wording of the Memorandum of Understanding which is the exact wording accepted in Puerto Rico in November 2007. The second enclosure is the wording for point #7 which is the judges agreement and when the MOU is signed, point #7 will be an attachment to it. It was noted that the last paragraph had been added by FCI to the judges agreement which had not been part of the negotiations and FCI has agreed to remove it. The other addition is that they are asking for two signatures from both parties.

It was noted that both the AKC and The Kennel Club have signed agreements with FCI within the last few months

The following items were raised during discussion:

Concern was expressed regarding providing an accurate list of CKC judges who have judged CACIBs and who would bear responsibility to verify their qualifications. It was noted that CKC will provide FCI

with a list of people who qualify under item #1 of the agreement. If FCI wants to challenge anyone on the list, the Canadian judges will be responsible for proving their qualifications.

Concern was expressed regarding the wording of the MOU. Some members of the Board felt that they should make changes because the current Board has not endorsed the document. They were reminded that the draft had been presented to the December 2007 Board meeting (with the exception of item #7 – the judges item) and the Board had implied consent. It also had been discussed at the March meeting. The meeting was cautioned that this was what was understood to be the final draft and to wordsmith or make changes now, might lose all and be seen as having bargained in bad faith.

It was noted that we have informed FCI that we cannot sign anything until the Board meeting in September. .

CHINA KENNEL CLUB

The Chair reported that he had been invited by the National General Kennel Club of China (NGKC) to attend their National Show and First Global Canine Welfare Forum to be held November 27 to 29, 2009. The Canine Forum is an awareness part of a program to inform the public about responsible dog ownership and treating dogs with a higher priority than they do in that country at present. They have invited members of the government and the city where the show will be held to participate. Mr. McLean has been invited to participate with all expenses paid by NGKC. They have also invited CKC to have a booth and they have invited a second person from CKC to staff the booth. All expenses of constructing the booth, translating and printing all the materials, signs, etc. and the expenses of the second person from CKC will be paid by NGKC (with the exception of air fare for the second person). It was noted that the AKC is working with the NGKG to get their registry up to speed.

Mr. Werle left the meeting (10:03 p.m.)

Concern was expressed regarding having a booth if it is only attended by someone from NGKC without having a second CKC representative there. There was also some uncertainty about the usefulness of having a second CKC representative on the booth unless a translator will be provided.

There was some scolding of the Chair because the Board had not been informed when the invitation was received in May and also concern expressed because he had discussed the invitation with Heather Logan, the 2008 Honourary Chair, to determine the legitimacy of NGKC before informing the Board of the invitation. The Chair responded that because there was no expense to the CKC, there was no need to seek permission. Some Board members commented that the Chair does not represent the CKC without permission.

It was noted that the NGKC would like a decision with ten days. It was agreed that the Chair should go and no agreement was reached on attendance of the second person.

Mr. McLean will circulate a copy of the invitation to the Board.

SYMPOSIUM ON RESPONSIBLE DOG OWNERSHIP IN GREAT BRITAIN

The Chair informed the meeting that Bill Bruce from the City of Calgary's By-law Enforcement Division has agreed to be a speaker.

ADJOURNMENT

The teleconference adjourned at 10:10 p.m. (EST)