

Arabian Horse Association 2013 Annual Overview

The Arabian Horse Association (AHA) was created as a member organization to aid and encourage the breeding, exhibiting, use and perpetuation of the purebred Arabian as well as Half-Arabian and Anglo-Arabian horses; coordinate the activities of Arabian horse organizations, associations, clubs and societies; promote and encourage the participation of Arabian horses in multiple activities; and coordinate all Arabian horse show activities, registration activities and other discipline competitions and recreational and educational activities utilizing Arabian horses which are intended to promote growth and enjoyment. Currently, it achieves these objectives by having provided the following services, products and activities in the last year.

ADMINISTRATIVE

For the **Executive Vice President**, a continuation of cooperation with sister breed associations including other organizations such as the American Horse Council, Western Dressage Association of America, and the Ranch Sorting National Championship have been a major focus as well as continuing to put emphasis on club participation. In addition evaluating our IT infrastructure including the development of a new website robust enough to perform modern marketing functions has received great focus. Also key personnel changes have taken place throughout the year with limited reorganization taking place. Other emphases have included work on AHA's Strategic Plan, Animal Welfare, Sweepstakes, Futurities, as well as encouraging and soliciting input from members through greater use of surveys.

The **Human Resources and Office Services** department has facilitated the hiring of 8 employees over the last year. We hired Chuck Aaron as our Sr. Director of Business Technology; Mercedes Bathrick as a Marketing Intern; Amanda Brown as our Awards Processor/Distance Ride Coordinator; Andrea Dowell as our General Ledger Accountant; Diann Metzler as our Accounting Supervisor; Minh Nguyen as our Java Programmer; Devin Smith as a Competitions Program Representative; and Tanya Thomas as a Customer Service Representative. This includes the promotion of two of our staff members, Susan Laessig and Kelsey Martinez to National Event Coordinators, and filling their prior positions with Devin and Tanya. Heather Ellzey transferred to a Marketing Specialist / Convention position, and Diann assumed the roles of HR Director in addition to her Accounting Supervisor position, splitting the positions equally. Including 3 contract sales positions and 1 contract IT employee, AHA currently has a total of 46 employees compared to 47 same time last year.

An internal, Intranet site, the AHA Work Wiki site, was rolled out for employees of AHA. This site gives employees access to standard forms, benefit information, staff directories, staff meeting videos, and any other communications needed. This is a great new resource to encourage employees to access information themselves when they need it, and it is at their fingertips.

Office services facilitated the replacement and repairs to the outside copper piping for the sprinkler system which was stolen. New water shut off valves were also installed inside the building due to corrosion of the old valve. A new scanner was installed in the mail room.

For **Accounting**, Interfund debt decreased by \$794k between March 2008 and March 2013, with \$191k of this debt reduction occurring between March 2012 and March 2013.

AHA's net assets – adjusted to eliminate unrealized gains/losses in investment fair market values and HRS depreciation, both of which are non-cash items – increased by \$753k from March 2008 to March 2013. Of this improvement, \$257k occurred between March 2012 and March 2013.

AHA's working capital (cash + current assets – current liabilities – deferred revenues) increased by \$668k between March 2009 and March 2013, with \$295k of the increase occurring between March 2012 and March 2013.

The FY13 printed Audited Financial statements are available at Convention.

The **Business Technology department** has facilitated the hiring of a new Java Developer. Minh Nguyen comes to AHA as a recent Computer Science Honors Graduate from the University of Colorado Denver. Minh brings new energy, knowledge, and fresh ideas to our department.

Business Technology is working on a Business Continuity and Disaster Recovery plan in conjunction with AHA Sr. Directors, Illumen Corp., and Latisys Corp. As a first step, we are planning to replace two 120v 20amp circuits with a 208v 30amp circuit at Latisys at no additional cost to AHA. Once this is done, we will connect all our Latisys hardware to a 208v 30amp circuit and have an extra 208v 30amp circuit ready for full power redundancy in case of a power failure.

The new Website Re-write project is underway, requiring staff to work closely with KGBTexas in the exchange of information regarding our applications, processing and transaction flow interactions, and ongoing development. The Marketing report will speak more about the specifics of this project.

Two new database servers were ordered to replace outdated Oracle 10g HRS production and test database (DB) servers. Regortek Corporation will be handling the consulting services project for the new Oracle 10g to 11g DB porting upgrade. Maya's conversion to the new test DB server will be handled first. Once this is fully tested and operational we will proceed with FEZ's conversion and testing. Once both new servers are completely and fully operational with 11g the switch over will occur.

Fifteen new desktops were placed in service this year as we work to get to a hardware and software rotation that will help to keep AHA closer to modern technology improvements. BT is working closely with Illumen to identify hardware (HW) and software (SW) options going forward to best serve AHA. Options include purchase, lease, or working "in the cloud". BT is working to explore these options.

We are also working on strategic planning initiatives, which will take us out to 2017. The most immediate include system accountability and oversight, technology costs and choices: some of these include examining new databases (SQL Server and MySQL), financial packages (Microsoft's Dynamics ERP and Lawson), and Business Intelligence and CRM packages.

AHA's Business Technology department will embrace the challenges to streamline hardware, software, and services to our customers...utilizing the most cost effective solutions in making this department successful now and in coming years.

MEMBERSHIP SERVICES

AHA presently consists of about 24,350 unique members who join directly or through one of its 230 affiliate clubs throughout the United States and Canada. Clubs were given the opportunity to complete a synopsis of their club background and activities. To date, just over half of the clubs have responded and their club bios are the AHA website to assist members in finding the club that matches their interests. We also had a club membership drive and five registrations to convention were given as prizes.

Members receive all or some of the following benefits: six bimonthly issues of *Modern Arabian Horse* magazine (for a member rate of \$10); AHA Handbook and Directory, eligibility to participate in AHA programs and events, \$1,000,000 excess personal equine liability insurance for horse-related accidents for competition members, special “For Members Only” access to AHA’s on-line services; free classified ads and horse and rider competition records, an official AHA membership card, preferred rates on horse registrations; promotional literature; and special rate insurance for clubs and recognized competitions. Membership is down from 25,800 for the same time last year. All breed associations are experiencing similar declines. Various marketing campaigns have been utilized by different breeds, yet all efforts have not stopped the declining numbers.

Honor Awards for Volunteers

- Presidents, Directors, and Volunteer Service Recognition Awards are presented to individuals who have contributed time, expertise and dedication to the Arabian breed and the Association.

Club Excellence Award Program

- This program recognizes AHA affiliated clubs through awards for excellence in four categories: Breed Promotion/Community Involvement; Membership Recruitment/Retention; Communication; and Club Projects. One club is selected from these four winners to receive the Club of the Year Award.

ARABIAN, HALF-ARABIAN AND ANGLO-ARABIAN REGISTRY SERVICES

AHA maintains the official Arabian, Half-Arabian and Anglo-Arabian horse registration records. The purebred Arabian registry contains over 661,000 purebred Arabian horses, making it by far, the largest Arabian horse registry in the world. The Arabian Horse Association is also a member of the World Arabian Horse Organization (WAHO), whose main objective is to “maintain throughout the world the purity of the blood of the horses of the Arabian breed.” Outside the United States, Arabian horse registries in 69 countries have registered an additional 400,500 Arabian horses. The Arabian registry maintains a comprehensive database that connects the pedigrees of almost one million purebred Arabian horses throughout the world. There are approximately 348,500 Half-Arabians and 9,810 Anglo-Arabians registered in total. AHA also provides DataSource Online and as an application, a subscription service on the internet, which is the largest online database for research and information of Arabian horses. This is the stud book of the Arabian Horse Association. DataSource provides subscribers with access to unlimited pedigrees, show records, progeny lists, and breeder and owner information.

RACING

AHA provides administrative support to the Arabian Jockey Club and its programs. In 2012, 127 Arabian horse owners raced for a total of \$2,170,743 in 214 races. The Racing Committee arranged another spectacular race (President of United Arab Emirates Cup Stakes) at UAE Presidents’ Cup Stakes race at Churchill Downs, a track that had never seen Arabian racing. Also for the first time, Arabians will be running in the 30th Breeders Cup at Santa Anita. The Purebred Arabian Trust funds \$6,000 in promotional (Trackmaster) support to the Arabian Jockey Club.

COMPETITIONS and NATIONAL EVENTS

AHA provides competitive opportunities for showcasing horses because it is one of the best ways to demonstrate the versatility and athletic capabilities of the Arabian, Half-Arabian and Anglo-Arabian horse. Competition drives breeding, as many breeders will breed for a competitive discipline versus a recreational only type horse. To participate in AHA recognized competitions, registration is required. Another benefit to competition is that it provides a setting to teach responsibility, sportsmanship and the value of hard work to youth. AHA promotes this area through:

1) Recognition of Competitions

Horse competitions must obtain recognition from AHA in order for participating horses to qualify for National and Regional events and be eligible for awards and programs sponsored or established by AHA. Competition management must submit an application, follow AHA guidelines for putting on an AHA recognized competition and pay the required fees. AHA annually recognizes approximately 365 United States Equestrian Federation (USEF) or Equine Canada (EC) equivalent approved Arabian horse shows, which is up from the previous 328 shows reported in 2012 plus 170 distance rides which is down from the previous 191 reported in 2012. In 2011 the AHA One Day Show concept was launched with 26 shows being held that year. In 2012, a total of 47 AHA One Day Shows were recognized and in 2013, 86 shows were held. Continued feed back from these small shows is positive stating that without this concept, many shows would be destined to cease. By eliminating some of the added costs (primarily fees and other requirements) these shows have been able to run without passing along certain fees to themselves and their local and beginner exhibitors. In addition, these shows have added a venue for new small “r” judges to gain judging experience. It is believed that this concept continues to be a win-win situation, preventing shows from dying and allowing small “r” judges a venue to learn. Records from approximately 535 AHA recognized competitions, consisting of over 105,000 entries annually, are maintained on an ongoing basis for awards. In addition, AHA tracks Dressage, Hunter/Jumper, Eventing/Trails, Combined Driving, Pleasure Carriage Driving, Dressage Driving, Cutting, Working Cow, Reined Cow, Competitive Trail, Endurance and the recently added Reining results from open (non AHA recognized) competitions.

2) U.S. National Arabian and Half-Arabian Championship Horse Show

Offers over \$1 million dollars in awards and prize money, and is the Arabian horse industry’s premier event. Showcasing the best Arabians, Half-Arabians and Anglo-Arabians in North America, the show attracts horses at the pinnacle of their show ring careers. The show occurs annually in October currently in Tulsa, OK. U.S. Nationals exceeded its budget by 53 horses this year and averaged 1.85 entries per horse which is up from the 1.70 entries per horse budgeted. Adding to the competitive excitement at this year’s show was the Ranch Sorting Exhibition which offered \$5,000 in prize money payout to the top winning teams. In addition, new classes were offered for Arabian and HA/AA Ladies Side Saddle (western and English) AAOTR and Arabian and HA/AA English Trail. Select classes continue to remain popular, with Arabian Western Select AATR having the most entries of all the U.S. National classes at 53 entries. Last year select classes averaged 38 riders per class; for 2013, select classes had a slight increase averaging 40 riders per class. The states with the largest number of exhibitors are California at 137 followed closely by Texas at 134 and Arizona third with 97. Close to 1,846 horses (1,039 Arabians and 807 Half-Arabians/Anglo-Arabians) compete at this prestigious, world-class event utilizing 3,398 stalls (3400 were set). Each national show has a positive economic impact on its host city. The nine-day event requires the coordination of well over 100 officials, volunteers, contract workers and staff. The Tulsa CVB placed the impact to the city at \$33 million.

3) Canadian National Arabian and Half-Arabian Championship Horse Show

The Canadian National move to Brandon, Manitoba, continues to be a huge hit with exhibitors. The city of Brandon is welcoming and has a first rate indoor facility to provide for our exhibitors during this 56th annual competition. This year we were above budgeted number, 763 horses entered compared to 690 budgeted and the largest provinces represented were Alberta with 70 owners and British Columbia with 47. The largest participation by states was Minnesota with 59 owners followed by Wisconsin with 57. Five new classes

were added this year; Arabian and Half-Arabian/Anglo-Arabian Sport Horse Under Saddle Jr. Horse, Arabian and Half-Arabian/Anglo-Arabian Country Pleasure Driving ATD, and Showmanship AATH. The newly added Adult Showmanship class brought in 22 entries for its first year in existence at a National Show. The 14 to 18 youth division competing in the Hunter discipline had the largest classes; three of those classes had 26 exhibitors each. Select Rider classes continue to be a draw to this show with Western and Hunter commanding the large entries. Although the number of horses was up, our average per budgeted entry is down. The average entries per horse for 2013 were 2.78 and the budgeted number was 2.85. Held during the middle of August, the show provides a multi - million dollar economic impact to Brandon. Unlike our other nationals, the six-day event offers classes, including Sport Horse, for the whole family – youth, adult, amateurs and professionals, and requires the coordination of over 50 officials, volunteers, contract workers and staff. It includes a trade show.

4) Sport Horse Nationals

AHA produced the first Sport Horse Nationals in September, 2003 and this year's show marks its 11th annual. This year's show was held at the Virginia Horse Center, in Lexington. This show was above the budget expectation (500) by 36 horses which were comprised of 298 Arabians and 238 Half-Arabians/Anglo-Arabians. The average entries per horse at this show were 3.99, which were slightly down from 4.07 last year. The states of Virginia and Pennsylvania boasted the most participants per state. New this year was the addition of A/HA/AA 14.2 & Under Working Hunter, Arabian and Half-Arabian/Anglo-Arabian Sport Horse Under Saddle AOTR, and A/HA/AA Carriage Pleasure Driving Surry Obstacles. Two exhibition classes were added, A/HA/AA Beginner/Novice Combined Test and A/HA/AA Intro Jumper. This year Gelding Sport Horse In-Hand classes saw some of the larger numbers with 50 entries in the Arabian Open, 58 in the Arabian AT, 39 in the HA/AA Open and 37 in the HA/AA AT. Sport Horse also offers fun activities for all exhibitors including the annual Barn Parties. Once again this year, was the Daily Amateur Drawing; giving all amateur riders a chance to win a prize, as well as a presentation to all First Timers who were awarded a ribbon and included in a huge crowd for the group photograph. Both of these items continue to be a big hit with our Sport Horse exhibitors. Continuing to provide an east, west rotation, Sport Horse Nationals will be going back to Nampa, Idaho for 2014. A sport horse is traditionally defined as a horse that competes in one or more of the three Olympic equestrian disciplines of Dressage, Eventing or Jumping. Also included are Hunters and Carriage Driving. The sport horse disciplines continue to be one of the biggest areas of growth for competitions over the next several years including the addition of several Hunter and Carriage Driving classes.

5) National Competitive Trail and Endurance Rides

AHA hosts two National Championships in the distance riding disciplines. This year the Distance Commission worked diligently to put on a showcase event. Held in October at the Jim Edgar Panther Creek State Fish and Wildlife Area in Chandlerville, IL managed in conjunction with the Arabian Horse Distance Riders Association (AHDRA). The number of horses participating continues to be a challenge, but the rides themselves will be a showcase event for those that participated. It is definitely a required emphasis for our breed since it leads the world in this discipline. Options for consideration in the future include holding the rides separate or working in conjunction with Competitive Distance organizations.

Competitive Trail is a timed event that compares a horse's condition to other horses covering the same trail within the same time period. Endurance is judged as a timed event, and the

first horse over the finish line is declared the winner if it passes the medical parameters enforced by the official veterinarian.

6) Youth National Arabian and Half-Arabian Championship Horse Show

Held in July, in Albuquerque, New Mexico, the 21st annual Youth National Show attracted 837 horses (407 Arabians and 430 Half-Arabians/Anglo-Arabians) in 2013, which was well above the budgeted number of 775. The increase in entries can be attributed to the 47 eighteen (18) year olds we had competing at this year's Youth National show resulting from the implementation of the resolution which increased the youth age from 17 to 18 years of age. New this year; are the additions of the Arabian and Half-Arabian Cutting JTR 18 & Under, and the A/HA/AA Dressage Seat Equitation JTR for both the 13 & Under and 14 through 18 age groups. Youth Nationals continues to meet the competitive demands of our young Arabian enthusiasts. Extra curricular activities, such as a national hippology contest and the AHYA Convention, provide educational and leadership opportunities as well. The states yielding the most participants continue to be Arizona, California and Texas. Youth Nationals had owners attending from as far away as the States of Hawaii, New Hampshire, Delaware and Connecticut and the Canadian province of Saskatchewan. This National Show continues to generate a multi million dollar economic impact for the Albuquerque economy each year. The seven-day event requires the coordination of over 100 officials, volunteers, contract workers and staff and includes a trade show. A continued success has been the APAHA clinic which is open to all competitors and the general public. This year's clinic provided the opportunity for youth to learn from expert clinicians, Liz Bentley and Rick Nab.

AWARD PROGRAMS

▪ Arabian Breeders Sweepstakes

This payout program was created for the specific purpose of promoting the Arabian horse, elevating its stature in the horse industry and providing a financial incentive for the breeding of Arabian horses. As a reminder, this program was revamped in 2011 with a "Back to basics" theme, the revised Arabian Breeders Sweepstakes Program brings "Breeding" to the fore front. The Sweepstakes Commission has created four different categories; three of which award allocated prize money. Category "A" offers new allocated classes which focus on Junior horses and Breeding/In-Hand and reward owners/breeders with allocated payback after each Regional and National Show. Category "B" awards point payback at a set amount of \$10 per point. The difference from the old points program is that exhibitors now know how much they are receiving per point and can show accordingly to make sure they receive their \$100 per year investment back plus additional Sweepstakes earnings.

Classes offered for points are open and amateur classes (AO and AT) at AHA Recognized shows which include Regionals. Owners of CTR and Endurance horses can continue to receive point earnings for their participation at AHA Recognized Rides in Category "B". Category "C" bridges a gap which was evident in the old Sweepstakes payout structure. Owners could receive prize money in Yearling classes but then had to wait for those Breeding Entries to mature before they could earn additional Sweepstakes money. Now with Category "C", Two-Year Olds can compete at the National level and earn up to \$2,000 per Championship win. The final category, Category "D", is the chance to compete for big prize money payout. Sweepstakes owners of Breeding and Original Entries in the 3 & Under and 4 & Over overall Championship halter classes will vie for a chance for \$10,000 to be awarded to the Arabian Champion and \$5,000 for the Half-Arabian/Anglo-Arabian Champion (amount to be split for Saddle/Pleasure and Stock/Hunter in the 4 & Over class). In addition, these overall Championship classes now payout to the remaining Top Ten. The main enticement for the Sweepstakes program is that you

can receive a return on your investment during the first year of your foal's life and can continue to reap the benefit at each stage of your horse's life.

Program Highlights -

- Breeding Entry category is the way to enter for payback in the show ring and on the trail.
- Breeder/Nominator Payback awards payback equal to 5% of the allocated and point value earned to that entry at National, Regional and Local Shows, or at designated non-show events provided that all Sweepstakes requirements have been met.
- Purebred stallions that are Sweepstakes Nominated Sires are awarded a 5% payback each year based on the prize money awarded to the stallion's get (payback will cease for any newly enrolled Nominated Sires entered in 2010 and beyond, Nominated Sires previously enrolled will keep receiving the 5% payback).
- In August 2012, the AHA note to Sweepstakes was paid off.

Sweepstakes is one of the most broad-based prize money programs of any breed. Sweepstakes entries are for the life of the horse and the only additional fee incurred is the nomination to the "Points Program" which is optional.

In 2013, approximately 1,972 Breeding entries were received. This is a drop of roughly 23% from last year's entries.

▪ **Horse Achievement Awards**

Horses earn points for wins in performance, halter, racing and distance riding. Six levels of Achievement are awarded and recognized with plaques and official award letters mailed to owners. Each level allows a horse owner to display a different symbol(s) after the horse's name. Such symbols add prestige and immediately identify the horse as one with significant accomplishments. A High Point Horse Award is awarded for points earned in a calendar year. Horses must enroll in the program for each year of competition in order to accumulate points for that year. All Things Equine, an AHA Corporate Partner, supplies the plaques for award winners in both the Horse and Amateur Achievement Awards.

▪ **Halter Futurities**

Highlighting the best Arabian and Half-Arabian/Anglo-Arabian three-year-old fillies, colts and geldings in U.S. and Canadian National competitions, this prize money payout program provides an incentive for breeders. Breeders nominate foals in utero and renominate each year until the horse is shown in its third year. The nomination fees, renomination fees, late fees and money received from the buyback program are distributed to the Top Ten winners of five futurity classes at both the U.S. and Canadian Nationals. For the foaling year 2013, a total of 1,363 distinct horses were nominated (769 for Canada and 1,333 for U.S. totaling 2,102 nominations, down by 378 in 2012). For the 2013 U.S. and Canadian National Shows, there were a total of 87 horses entered in the Halter Futurity Classes which is 39 horses down from 2012.

▪ **Amateur Achievement Awards**

Amateur and youth drivers, riders and handlers earn points for wins in performance, halter and distance riding. Nine levels of Achievement are awarded and recognized with plaques mailed to the amateur participants. Participants must enroll in the program for each year of competition in order to accumulate points for that year. Like its horse counter part, Amateurs also receive awards including a year end High Point for those Amateurs which receive the highest number of points throughout the calendar year. Participants may only be named the Amateur High Point once, after that they are unable to receive the award again.

- **Performance Futurity and Maturity**

This Futurity program is for three-year-old Arabian and Half-Arabian/Anglo-Arabian performance horses and 5-year-old and under Arabian and Half-Arabian/Anglo-Arabian Reining, Working Cow and Trail horses that compete for prize money in ten classes at the U.S. Nationals. Horses are nominated in the year of competition. Nomination fees collected are distributed to the Top Ten winners in the fourteen classes. Approximately 191 horses were nominated for the 2013 US National Show which is a decrease of 57 horses from 2012.

The Performance Maturity AAOTR Program is for 4 or 5-year-old Arabian, Half-Arabian/Anglo-Arabian in Western and Hunter performance classes and 5 or 6-year-old Arabian, Half-Arabian/Anglo-Arabian English and Country English performance classes. Horses are nominated in the year of competition. Nomination fees collected are distributed to the Top Ten winners in the eight classes. Approximately 277 horses were nominated for the 2013 US National Show which is up by 22 horses from 2012.

- **Incentive Riding Programs**

These three online programs are available to all membership categories.

- **Open Event Incentive Program** -- Those who take their horses to all-breed competitions can earn points for these open competitions. Riders who participate earn recognition and awards based on the number of points they accumulate in a variety of disciplines and events. In 2012 we had 42 participants, in 2013 we have 44.
- **Frequent Rider Program** - Leisure and trail riding and driving, schooling, taking lessons, riding in parades, giving demonstrations -- anything that is not a competition counts toward awards. Prize and award benchmarks range from 25-5,000 hours. In 2012 we had 466 participants, in 2013 we have 352.
- **Competitive Distance Program** - Promotes and rewards horse owners for competing in distance events approved by national organizations representing endurance, competitive trail and ride & tie competitors. Prize and award benchmarks range from 250-5,000 miles. In 2012 we had 95 participants, in 2013 we have 55.

- **Distance Horse Awards**

Recognition is given to Arabian and Half-Arabian/Anglo-Arabian horses that reach mileage goals in endurance and/or competitive trail. Participants must enroll in the program each year in order to accumulate miles for that year. AHA also provides year-end annual awards for High-Point Arabian and High-Point Half-Arabian/Anglo-Arabian horses from selected distance riding organizations. In addition, AHA offers a Distance Horse of the Year Award which is selected by a sub-committee comprised of the Awards, Distance Committee and Distance Commission Chairs along with an At-Large member from CTR and Endurance. This year this sub-committee will be reviewing five (5) deserving candidates.

- **Dressage Rider Awards**

Recognition is given to riders for earning a required number of scores per level of dressage. Scores can be earned at AHA recognized competitions or open shows upon submission of required forms. Certificates are awarded for Training Level, and certificates and pins are awarded for First through Fourth Levels. There is a one-time enrollment requirement. The AHA/United States Dressage Federation (USDF) All-Breed Awards program provides eligibility for year-end awards with the USDF for both Arabian and Half-Arabian/Anglo-Arabian divisions for Training through Grand Prix Levels. Additionally, AHA presents the overall winners in each level a personalized Medallion.

▪ **Honor Awards for Volunteers**

Presidents, Directors, and Volunteer Service Recognition Awards are presented to individuals who have contributed time, expertise and dedication to the Arabian breed and the Association.

▪ **Club Excellence Award Program**

This program recognizes AHA affiliated clubs through awards for excellence in four categories: Breed Promotion/Community Involvement; Membership Recruitment/Retention; Communication; and Club Projects. One club is selected from these four winners to receive the Club of the Year Award.

▪ **Honor Awards for Arabian Horses**

The Ambassador Award is available annually to Arabian, Half-Arabian and Anglo-Arabian horses for outstanding achievement in representing the Arabian horse community to the general public. This award is voted on by the Awards Committee at Convention and per the board motion made in March of this year, will not longer need to be presented to the Board of Directors for ratification at their next meeting after Convention. There are three (3) nominees for consideration this year. The Open Competition Award is available to Arabian, Half-Arabian and Anglo-Arabian horses for outstanding achievement in representing the Arabian horse community in areas of open competition. There are two (2) nominees for consideration this year.

MARKETING & SALES

AHA Marketing & Sales staff developed objectives for 2013 in early January and has worked with all AHA departments, volunteer committees and show commissions to meet those objectives. AHA believes that market, promotion and sales initiatives must become an integral part of overall corporate strategies and objectives.

2013 Objectives:

To create dynamic marketing, communications and sales programs that will:

- Build brand presence in the market place.
- Manage the AHA website rebuild project and ensure the site is the effective marketing tool needed to promote the services and benefits of the Arabian Horse Association.
- Increase advertising revenue.
- Work with the Membership department to grow membership and improve membership retention.
- Support and provide benefits to all AHA U.S. and Canadian members, Breeders/Breeding, Trainers, Exhibitors, Recreational Riders, etc.
- Create dynamic marketing and promotion plans that help increase member participation in all national events: U.S. National Championships, Canadian Nationals, Youth Nationals, Sport Horse National Championships
- Effectively promote all AHA member programs: T.A.I.L., Learn-To-Ride, Breeders Sweepstakes, Futurities, etc.
- Identify and target national caliber Corporate Sponsors.
- Support, promote and grow the Arabian Horse Youth Association.
- Bring cohesive direction to all marketing, communications, PR and sales efforts for AHA programs, services, events and activities.

AHA Website Rebuild Project - Market Development and Promotion (MDP) plans at present are directed toward development of a new website and web program for AHA. Our current website is www.ArabianHorses.org.

The AHA Website Rebuild project was officially launched on September 25th and 26th when AHA staff, members of the Marketing Development and Promotion committee and our vendor, KGBTexas met for the initial discovery meeting. Positioned as the hub of Arabian horse commerce and community, ArabianHorses.org is the marketing and business tool that interfaces with AHA members and customers. The new website will provide access to online programs; offer highly successful online classifieds, AHA competition results, interactive newcomer referral programs, Incentive Riding Programs (Open Event Incentive, Frequent Rider and Competitive Distance), pedigree research, education, youth and much more. The website was in need of a new look and easier, more user-friendly navigation. Upon completion the website will provide AHA with an up-to-date marketing and business tool that improves our members web experience and entices non-member who are Arabian enthusiast to learn about the Arabian horse and join AHA.. This project has been spearheaded by the MDP committee, AHA staff and the Board of Directors.

National Print Ad Campaign - Four-color print ads promoting the various marketing programs (DataSource, Youth Programs, Registration, Amnesty Program and Discovery Farms) appear six times per year in *Modern Arabian Horse*. Other print avenues are also being explored; however, due to budgetary constraints from the lack of funding, little outside advertising is possible. Marketing has used *RESULTS*, the *USDF Directory*, *Young Rider* and *Blaze Magazine* in outside magazine advertising efforts. And, we are working on a partnership with California Horsetrader.

We were also able to barter ad space with Horse Illustrated and were included in their 2013 yearbook. The yearbook includes an ad and advertorial on top reasons to own an Arabian horse. This magazine is available on news stands and has a shelf life of one year.

2013 Arabian Horse Billboards – Working with Clear Channel Outdoor AHA was able to produce and post six billboards that promote the Arabian horse in Florida. Through the work of Christine Ryan, Lance Walters and Rob Janecki of Clear Channel and an AHA member, we were able to take advantage of the opportunity for non-profits to benefit from unused billboard space. Through this opportunity AHA is able to get affordable space.

COMMUNICATIONS

- **Electronic Communications (full membership, by region, state)**
 - Monthly AHA Insider: General News
 - Monthly AHA Insider: Regional News
 - Monthly AHYA Insider: Focused on Youth Members
 - AHA Insider Flashes: As needed for urgent news
 - Modern Arabian Horse (MAH Blasts) Electronic Ads: Generally Corporate Partner paid ads.

AHA uses the monthly Insider as a direct news communication to its members and subscribers. It is a conglomeration of news from all departments and facets of AHA. The specialized AHYA Insider also goes out to youth and youth-related members. Additionally, AHA offers the Regional Directors a chance to communicate news and updates to the entire membership on a monthly basis through the Regional News.

This year's use of MAH Blasts has proven very successful. The current rate for eblast is \$250 each. Our Marketing Staff is currently working on an email marketing program that will focus on improving open rates and generate more revenue.

- **Press Releases**

AHA provides ongoing communications with the larger equine community as well as members about AHA Awards, winners and special events through press releases to outside equine publications and websites. AHA also provides press releases for the general news in the communities where we host our national shows. 2013 boasted great news and media response especially for Youth and U.S. Nationals. News crews from various print, TV and radio outlets were at the shows nearly daily covering the shopping, competitors and the horses.

- **Media Relations**

AHA provides press kits for the local media at National show venues. Provide media relations coordinating to local media around show venues, including scheduling interviews and story ideas. This year, media outlets were particularly interested in the **TAIL** tours at Youth, Sport Horse and U.S. Nationals. Our outreach efforts targeted home schooling networks, Girl Scouts, FFA, 4H and US Pony Clubs. It is estimated that over 700 children and adults were introduced to the Arabian horse through **TAIL** tours in 2013

- **Monitor Online Media Coverage**

AHA monitors and analyzes our online media coverage, both positive and not, to learn and grown. AHA strive to work with groups interested in the best for the Arabian breed such as the Promotion Positive Change Group which helped coordinate a number of breed outreach activities at U.S. Nationals.

- **Adequan Daily Stride Online Video Updates**

These 3-5 minute video segments that highlight the day's happenings or tell exhibitors' stories are way to stay in touch with AHA members and the wider public that are not able to attend the shows. The videos are posted on ArabianHorses.org, AHA Facebook, AHA YouTube and are also used by USEF in their breed specialty coverage. The videos are shot, edited and produced by AHA staff. Our corporate partner Adequan helps fund this effort.

- **Create/Maintain Social Media Presence**

- The **AHA Moment**, created by AHA Marketing, is a video update that provides members and Arabian horse enthusiasts' information and news about AHA programs, services and the benefits of membership.

-AHA Facebook has over **65,000** fans, up an astounding **17,200** plus from this time last year. Fans hale from **40** different countries, speaking that many languages. Our fans are **71%** female with **20%** of them in the **18 – 24** demographic.

-AHA Twitter has **12,205** followers (a **44%** increase in 1 year) and is linked to the AHA Facebook page.

-AHA YouTube channel hosted not only the Adequan Daily Stride, but also practice Judging videos and AHA Moments videos.

-Our Pinterest presence continues to grow with **827** pins and **2,204** followers.

Mentor Network - Connects potential and newer owners with knowledgeable Arabian owners to help them overcome obstacles and lead them into successful involvement in a

variety of interests, including how to purchase a suitable horse, local or regional activities, competitive events and breeding.

Discovery Farms - Provides an opportunity for those who are unfamiliar with the Arabian breed to experience the Arabian horse firsthand in a non-sale, no pressure atmosphere. After an intense clean up of the list, there are over 400 Discovery farms across the country of varying sizes and interests. Prospective owners are provided with referrals to farms in their area. Participating farms are also given the names of those referred so that they can issue a personal invitation to visit their farm.

Learn-To-Ride – Conceptualized by AHA member, Christine Ryan and the APAHA, the Learn-to-Ride program is an easily searchable list of farms that offer lessons to prospective riders. This program is web-based, allowing any AHA member the ability to list their barn for access.

Printed Publications:

Modern Arabian Horse – serves as the official publication of the Arabian horse and is published six times a year. *Modern Arabian Horse* is a three time winner of the USEF Pegasus Awards as Equine Publication of the Year for 2007, 2008 and 2010. Our publication has also been recognized by the American Horse Publications organization. *Modern Arabian Horse* was awarded three prizes in the 2012 calendar year competition;

Feature Single Article circulation 10,000 to 20,000 (print)

SECOND - *Pritzlaff Bloodlines in Distance Horse the Year* by Marsha Hayes

FIRST - *Joy Unspeakable* by Faye Ahneman-Rudenske

Editorial Design circulation 10,000 to 20,000 (print),

SECOND - *Cowboy Dressage-The Best New Thing*

AHA Handbook & Directory - the compilation of AHA rules, regulations and procedures as well as current committee information.

Arabian Horse Type Booklet – the industry authority on Arabian horse type and conformation.

Arabian Costume Manual – explains how to put together your own unique, authentic Arabian native costume.

Celebration Manual - encourages members to hold promotional events to promote the Arabian horse in their locales. Contains all the steps necessary to produce a function.

Equitation Manual – covers position of rider, suitability of horse and rider, attire of rider, tack of horse, class routine, patterns, tests and ring awareness for equitation riders. This is now online.

To Finish is To Win: A Manual for the Beginning Distance Rider – an introductory yet comprehensive guide to the sports of competitive trail and endurance rides.

Fun Show Kit – aimed at the club or group that wants to hold a horse show as a means of having a good time and/or introducing the novice horse owner to the sport of showing in a safe and relaxed environment. Includes a recommended class list, complete how-to instructions and judges cards.

Poof You Have a Booth – a guide for promoting the breed and/or club through a trade fair booth.

AHA Convention Program – an on-site program that provides pertinent information on the annual convention meetings and events.

AHA Directors Reference Manual – an orientation guide on AHA for directors.

AHA Judges Educational Program Materials – educational materials developed for the judges schools.

U.S., Canadian, Sport Horse and Youth Nationals Show Programs – provides comprehensive information regarding horses, exhibitors and classes at the event.

U.S., Canadian, Sport Horse and Youth Nationals Omnibus – booklet that contains entry forms and information pertinent to competing in the national events.

U.S., Canadian, Sport Horse and Youth Nationals Press Kits – comprehensive information is made available to the media regarding these events so assignment editors can easily understand the magnitude and scope of a national show.

Arabian Horse Magazine Advertising Media Kit – sales packet for potential advertisers to provide information on AHA, the magazine and advertising opportunities.

Miscellaneous Printed Materials for National Shows and Promotion – Including but not limited to signs, banners, billboards, posters, invitations, brochures, booths, banner stands, etc.

Promotional brochures (four-color, outside printer) - Arabian Horse Guidebook, Arabian Horse Breed Flyer, Arabia Horse Evolution of Breeds Posters, Guide to Color and Markings.

YOUTH & FAMILY PROGRAMS

AHYA Social Media

Early in 2013, we invested approximately \$300 in Facebook advertising in 2013 to increase the AHYA Facebook page audience from **2,000** to **8,200** today. We also launched an Instagram page in March and have gained **452** followers to date.

AHYA Board of Directors

The AHYA Board met twice in 2013: concurrently with the AHA Board meeting in March, and before the AHYA Convention at Youth Nationals in Albuquerque in July. A new executive committee was elected in July and will serve until July 31, 2014.

- President: Tori Oto, Region 3
- Vice President: Jackie Pakula, Region 7
- Secretary: Katie Johnson, Region 17
- Treasurer: Holly Schnader, Region 15
- Immediate Past President: Camille Waechter, Region 3

The final AHYA Board meeting will be held at the AHA Annual Membership Convention in Lexington, Va. The main topics of conversation will be Youth Nationals and annual youth contests and awards.

AHYA Educational and instructional literature

AHA offers a number of educational materials for youth groups, including: Arabian Horse Youth Judging Guide and DVD, Club Youth Coordinator's Reference Manual, AHYA Youth Board of Directors Reference Manual, Parts of the Horse and Skeleton Wall Chart, LegUp, and more.

A new DVD will be filmed during the 2013 National Arabian Horse Judging Contest in Tulsa, Okla. during U.S. Nationals. This DVD will be made available to youth leaders and customers in early 2014.

Youth Contests and Awards:

- **Creative Contest** – youth members have the opportunity to compete for prizes in photography, art, and creative writing, audio/visual, and computer creations. We had **9** individuals entered with **18** entries this year, a decline over 2012 by 33%.

- **Hippology Contest** – children, teenagers and adults are quizzed on their equine knowledge and can win trophies, awards and cash at Youth Nationals. We had nearly **60** participants in 2013.
- **National Arabian Horse Judging Contest** – AHA, 4-H, FFA and university teams test their horse judging skills in this annual event that is held in conjunction with the U.S. National Arabian and Half-Arabian Championship Horse Show. Over \$10,000 in prizes and scholarships are awarded annually. In 2013, we doubled the 4-H/FFA division to approximately **16** teams, with slight declines in both the Jr. AHA and Collegiate divisions. Total number of teams across all divisions was up by about **17%** year over year.
- **Regional Youth Team Tournament** – young riders earn team points at shows they attend as a team, either AHA recognized or not. The highest scoring team in each region receives awards. We have **60** teams enrolled this year, up by **43%** year over year.
- **Youth of the Year** – one outstanding youth member is selected each year for achievements and contributions to the Arabian horse industry, AHA and his/her community. This winning youth is recognized on the cover of *Modern Arabian Horse*. A \$1,000 scholarship is awarded annually to the Youth of the Year and \$500 scholarship is awarded to the 1st Runner up. In 2013, we had **11** applicants, exceeding last year's applicant pool by about **50%**.

CONVENTION

Member-driven, AHA's annual member business meeting provides a forum for the exchange of ideas, an opportunity to express opinions, passage of important legislation and election of officers and certain committee positions. Traditionally over 300 delegate representatives attend each year and provide input on the issues that are critical to AHA and the Arabian horse industry. This year there are 351 participants registered as of November 6, 2013. Convention is where AHA's outstanding volunteers are recognized through the Volunteer Service Awards and where outstanding club activities are recognized through the Club Excellence Awards. The year's final AHA board meeting takes place at Convention, simultaneously wrapping up the year's business and kicking off the year to come. The President's banquet acts as a symbolic transfer from one year to the next, hosted by AHA President Cynthia Richardson. This year's Convention will review and vote on 21 resolutions.

CORPORATE SUPPORT

In FY 2014 AHA continues to meet challenges in acquiring new and upgrading or maintaining old sponsors across all levels of sponsorship. However; in the past few months we have seen some positive results. WeatherBeeta and their Wintec brand of saddles signed a three year agreement providing AHA with cash up front and over \$42,000 in products to be used for national awards.

Working with Shadow Trailers, AHA was one again able to conduct the Youth Trailer Raffle. Shadow Trailers donated a two horse bumper pull trailer for the raffle, a \$15,000 retail value. Only 300 tickets were available for \$100 each. Our youth raised \$27,600 from this donation.

Corporate Partners: Adequan, All things Equine, The Hat Lady, Marriott, and Zia Graphics.

Sponsors: Bennett Fine Jewelry, Equine Creative Group, LLC, HorseShow.com, RESULTS, LTD, Show Season, Shadow Trailers, Weatherbeeta, and Wintec.

Affinity Partners: Allied Moving Benefits, Arco Building Systems, Alpine Payment Systems, Avis, Beltone, Bell Tone, Budget, Constant Contact, Constellation Energy, Cruises Only, Prescription Savings Card, Liberty Mutual, Life Line Screening, LifeLock, Long-Term Care Resources, Montana Silversmiths, Sears Commercial, UnitedHealthcare, Avis, Budget, AT&T,

Verizon, Sprint, VPI Pet Insurance and T-Mobile, TNT Vacations, Quest Travel Adventures, and Office Depot.

JUDGES AND STEWARDS PROGRAMS

The Judges and Stewards Commissioner's office regulates the conduct and competence of its 272 judges and 120 stewards through its school and seminar that are held annually in Scottsdale, Arizona. The Commissioner, in conjunction with the Education/Evaluation Commission, determines the curriculum, criteria and testing required to certify judges in the Arabian division, assign them to specific levels and maintain continuing education. Also, the Commissioner receives and investigates complaints relating to judges and stewards conduct and, when appropriate, prosecutes charges before the appropriate hearing body. The Commissioner's office also works with the elected Selection Committee to evaluate and select the judges for the national events each year.

COMMISSIONS/COMMITTEES/BOARDS

AHA's existence as a democracy allows a large volunteer base to serve on approximately 50 committees, commissions and boards that set direction for the Association in a variety of areas. They affect Association priorities, policies and procedures, as well as the showing and use of Arabian, Half-Arabian and Anglo-Arabian horses.

ENFORCEMENT OF THE CODE OF ETHICS AND SPORTSMANSHIP

AHA accepts the obligation to set the standards in matters of ethics and sportsmanship concerning the Arabian breed. Through its Probable Cause Panel (PCP) and Ethical Practice Review Board (EPRB), it regulates and enforces the established Code. This year (2013) the EPRB heard two cases against the same individual and found in the favor of the complainant in both instances. The decisions have been printed in the magazine, *Modern Arabian Horse*, and posted to the AHA website under suspensions.