



AMERICAN HORSE COUNCIL **2018 ANNUAL REPORT**





PRESIDENT'S LETTER

Thank you for allowing me to serve this wonderful organization, and what an exciting time to be in a leadership role with the AHC.



The enclosed report outlines some achievements and progress in selected key areas over the past year and some extraordinary resources that made them possible. In addition, the report provides an update on the status of our financials.

Our committees continued to keep on top of issues, legislations, and policy that impact your work and lives. Our internship program proved that the future of the industry is bright by identifying, supporting, and spotlighting some young great minds.

From myself, our Board Officers, Board of Trustees and great staff, thank you for your membership and support.



Sincerely,

Julie M Broadway

Julie M. Broadway, CAE
President





Observations from Chairman

Domesticated horses have been part of human history for more than 6,000 years. They have been used for everything from pulling chariots to pulling plows, but today's horses are cherished more for their athleticism and companionship. About 38 million people, representing 30 percent of the households in the United States, consider themselves horse enthusiasts.

Today, there are more than 7 million horses in the United States alone with the majority considered recreational – they are used for trail rides or as companion animals. More than 2 million are show horses and racehorses, and about a half million are working animals, such as police horses or therapeutic riding horses.

In some aspect or another, we are all involved in the equine industry – it is what has brought us here to Washington, and for most of us, it is our livelihood. Some of us are lucky enough to work directly with horses and be around them every day. Others, such as myself, work from an office and aren't able to be hands-on, but we still have an appreciation and respect for horses, and they are what motivates us.

We are part of more than 1.75 million people who are employed directly or indirectly in the horse industry. The reach of the industry touches everyone from farmers who produce hay and oats to feed store employees to association executives. Actually, there are more than 300 equine-related associations in the United States that employ more than 5,000 people.

Combined, this leads to total wages of approximately \$79 billion being generated as a result of our work with and for horses. If you combine the direct impact of the equine industry and the other sectors that are affected, the overall economic impact to society from horses is \$122 billion. That is a huge impact to our economy, and according to numerous surveys and studies, the equine industry is growing.

Globally, Zion Market Research reports that the equine healthcare market will reach \$750 million by 2023, and other research shows growth in the equestrian products and supply markets, including riding apparel and gear. As an example, one study foresees the \$1.9 billion equestrian equipment market growing to more than \$2.5 billion by 2028.

This is great news for the equine industry, and we should all be proud of what we are achieving.

Another area that has seen tremendous growth is aftercare. I know that in the Thoroughbred industry aftercare is extremely important and organizations such as The Jockey Club are devoting funds and resources to ensure Thoroughbreds are taken care of after their racing and breeding careers have ended. From what I've seen, other organizations are doing the same.

As a reflection of this, the Unwanted Horse Coalition recently changed its name to the United Horse Coalition to express the industry's unity around the importance of aftercare. Its website showcases the progress and extensive resources that have come to fruition since the UHC's inception. The UHC is now an information outlet for the various aftercare programs throughout the country and serves as a point of contact for the general public to obtain more information and direct them toward the correct program.

One such program, which is becoming more valuable and gaining solid strides within the industry, is equine-assisted therapy. We in this room know the powerful effect horses can have on our emotions and mental state, and that power is being recognized and harnessed through equine therapy programs. Horses are comforting and healing individuals with and without special needs through activities such as therapeutic riding and helping veterans with post-traumatic stress disorder. Horses are changing lives.

The American Horse Council leads the way for these and many other programs. The horse council's mission is to advocate for the social, legislative and economic interests of the equine industry to keep the industry viable, sustainable and strong. It does so by staying on top of issues, legislation, and policy that affect all of us.

And it will continue to work diligently to ensure a bright future for a vibrant equine industry.

Sincerely,

Jim Gagliano

Jim Gagliano
AHC Board Chair



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UNITED HORSE
COALITION
Ashley Harkins



EQUINE WELFARE
DATA COLLECTIVE
Emily Stearns



Time To Ride

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Steve Koch
Katy Ross
Jen Roytz

**MEMBERSHIP AND
FUNDING:**
Christie Shulte Kappert



EWDC STEERING COMMITTEE:

Julie Broadway
Christy Counts
Christie Schulte Kappert
Emily Weiss
Keith Kleine

POLICY & LEGISLATIVE 2018 YEAR IN REVIEW



EQUINE ASSISTED THERAPY (EAT)



VICTORY!



Supported **second consecutive increase** in funding for EAT through Fiscal Year (FY) 2019 appropriations legislation. This provision is intended to increase the availability of funds at the Department of Veterans' Affairs to support EAT within the context of the Adaptive Sports program.

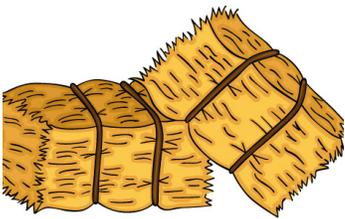
RECREATION NOT-RED-TAPE (RNR) ACT

Legislation that would **increase the role of volunteers** in the maintenance of lands managed by the Bureau of Land Management (BLM), and streamline the process for necessary permits to ensure maintenance on trails is completed. **BILL GAINS MOMENTUM!**

FARM BILL



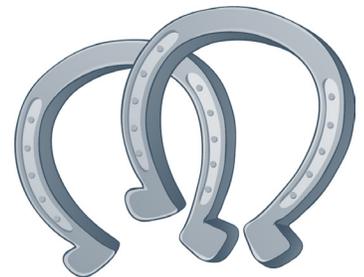
VICTORY!



- Agriculture Improvement Act of 2018
- Clarified horses are **"livestock,"** not "pets."
- Established Animal Health vaccine bank
- Increased support for National Animal Health Laboratory Network

PREVENT ALL SORING TACTICS (PAST) ACT

AHC Supports **Rep. Yoho's (R-FL)** and **Rep. Schrader's (D-OR)** bipartisan leadership in sponsoring the **PAST Act** (H.R. 1847). The legislation has won bipartisan co-sponsorship from 2/3rds of the House of Representatives. On the senate side, AHC supports S.2957, a companion bill sponsored by Senators **Crapo (R-ID)** and **Warner (D-VA)**.



GUEST WORKER VISAS



AHC and it's allies successfully lobby for "cap relief" in FY 19 approps legislation. Horse industry includes "equine worker" within context of AG visa bill in the House.

THREE-YEAR DEPRECIATION

Industry continues to advocate for retroactive extension of this important incentive for 2018 and beyond. Budget bills and so-called "continuing resolutions" open many opportunities and legislative vehicles to carry this valuable measure for industry.

AHC STRATEGIC PLAN

Progress Report



Marketing & Communications

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

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

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

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

Governance

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

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

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

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

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

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

Health & Welfare

Objective: Advocate for the health and well-being of horses by serving as a forum for discussion on welfare issues and sharing best practices.

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

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

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

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

Explore AHC's role in supporting an equine ID plan.

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

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

Advocacy

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

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

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

Facilitate opportunities to organize coalitions around legislative issues to increase influence.

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

Develop a plan to promote contributions to the PAC by AHC members.

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



AMERICAN HORSE COUNCIL

Financial Snapshot

FISCAL YEAR 2018 FINANCIALS

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

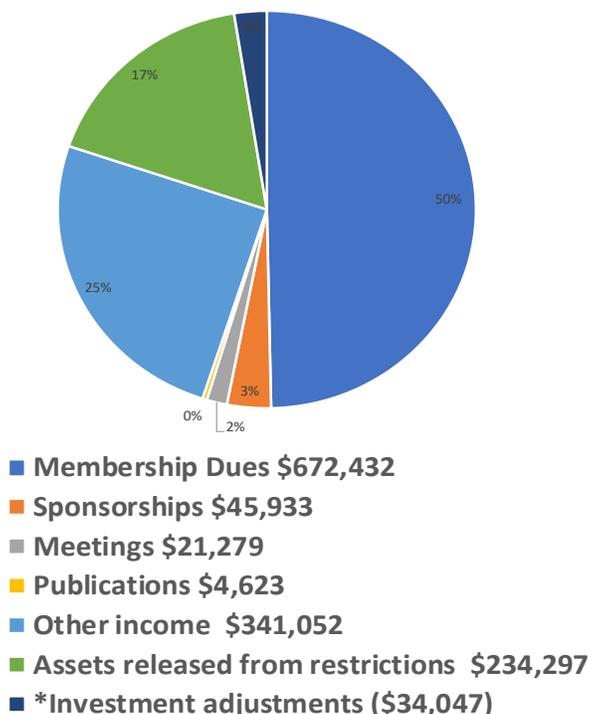
TOTAL REVENUES: (less donor restrictions) **\$1,526,903**

NET PROFIT/LOSS: **(\$145,778)**

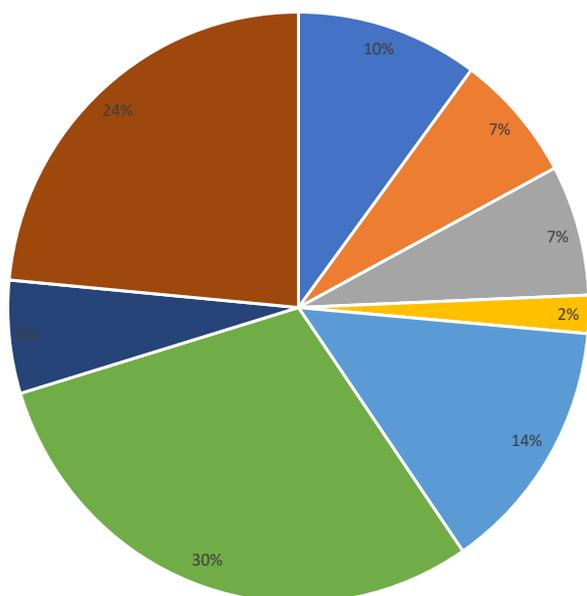
TOTAL EXPENSES: **\$1,672,681**

NET ASSETS AT YE: **\$733,081**

2018 REVENUE BREAKOUT



2018 FUNCTIONAL EXPENSE BREAKOUT



- Advocacy \$169,664
- Regulatory Support \$117,741
- Communications and Membership Services \$119,563
- Membership Retention & Recruitment \$34,853
- Marketing Alliance \$234,397
- *AHC Foundation \$499,874
- United Horse Coalition \$103,416
- Management and General \$393,293

*This includes final payments for 2017 Economic Impact Study

AMERICAN HORSE COUNCIL FOUNDATION

Background & Financial Snapshot



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

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

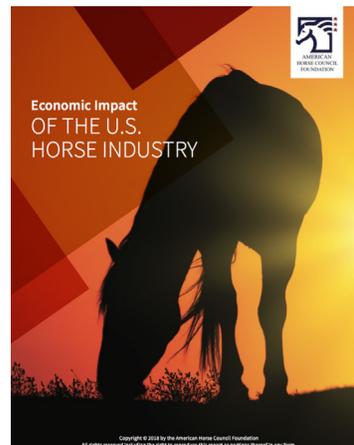
The AHCF has two major initiatives that work under its auspices: the **United Horse Coalition** and the updating of the **National Economic Impact Study**.



UNITED HORSE COALITION
EDUCATE. ADVOCATE. COLLABORATE.

Founded in 2005, the **United Horse Coalition (UHC)** is a broad alliance of equine organizations that have joined together under the American Horse Council to educate the horse industry about the problem of horses at-risk or in transition. We seek to provide information for existing and prospective owners, breeders, sellers, and horse organizations regarding the long-term responsibilities of owning and caring for horses, as well as focusing on the opportunities available for these horses.

Through industry collaboration, the UHC promotes education and options for at-risk and transitioning horses.



Recently updated in 2017, the **Economic Impact Study** details the number of horses by state and in the US, industry spending activity, jobs created both directly and indirectly, number of participants in the equine industry, economic impact of industry segments such as racing, competition, recreation, equine assisted therapy, rescues and sanctuaries, and traditional working horses.

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

2018 AHCF FINANCIAL OVERVIEW



2018 Total Revenue*: \$476,520

2018 Total Expenses*: \$603,290



Net Change : (\$382,663)

Net Assets at YE: (\$265,448)**

*includes revenue/expenses for both UHC, Operation Gelding and Economic Impact Study

**Net assets includes restricted funds for Impact Study to be completed in 2018



COMMITTEE ON LEGISLATION AND TAXATION

WHAT IS COLT?

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



WHAT DOES COLT DO?



COLT works to raise funds to support Congressional candidates friendly to the equine industry that are running for, or up for, election. In 2018 COLT reviewed bylaws and recommended changes to address campaign finance reform and FEC filings.

WHERE DOES THE FUNDING FOR COLT COME FROM?

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



Contributions to COLT are not tax-deductible.

COLT FINANCIAL PICTURE

Revenues: \$0
Expenses: \$24
Net Assets at 2018 YE: \$2,266



AMERICAN
HORSE COUNCIL

Put more **HORSEPOWER** in Congress!

UNITED HORSE COALITION 2018 YEAR IN REVIEW



UHC TAKES A NEW DIRECTION



The United Horse Coalition held a strategic planning session and determined that the initial mission of the UHC had been accomplished. A new direction has been forged for 2018, one in which UHC will now act as a platform for the equine industry and various organizations who all share a stake in helping at-risk horses and those in transition to coalesce within. This includes the ability to come together and collaborate on new and innovative initiatives to help at-risk equines.

OPERATION GELDING

Final year for Operation Gelding and Operation Chip!

YEAR 2018

269 castrated via clinic

230 castrated via voucher

18 clinics held Nationwide in 12 states

\$52,050 awarded in funding

A NEW WEBSITE

AHC and UHC leadership discussed that the greatest and most impactful need for UHC would be the development of a new website for 2019



A NEW DIRECTION MEANS A NEW NAME



The mission of UHC continues - including a recent name change from the "Unwanted Horse Coalition" to the newly branded "United Horse Coalition" – a better reflection of the need to change the way in which we as an industry discuss the equines who need our help the most.

In the age of social media, words can mean everything, and we understand the importance of conveying the right message. With that in mind, a movement has been started in which the "unwanted" horse has now become the "at-risk" horse, or one in "transition."

AT-RISK:

An equine that has an increased possibility of experiencing a situation of neglect, abuse, or general poor welfare.

IN TRANSITION:

Any equine that is currently in transition from one home, vocation, opportunity or owner to the next. Throughout its lifetime, most horses will have multiple homes and owners. Often, these horses find themselves in transition due to no fault of their own, rather as the result of a change in the owner's circumstances (time, location, finances, need, etc.)



EQUINE WELFARE DATA COLLECTIVE

2018 YEAR IN REVIEW

(Encompassing August 2018-December 2018)

MISSION

An organization to collect data on at-risk and transitioning equines and the programming available to assist them.



ACCOMPLISHMENTS

The Equine Welfare Data Collective (EWDC) was officially formed in August of 2018. The goal of the EWDC is to collect data on at-risk and transitioning equines within the United States and the demographics of the organizations assisting them. The EWDC analyzes aggregate data and provides free reports to the public.

No complete database of equine welfare organizations within the United States existed. Using a combination of resources, the EWDC first built a list of all organizations within the United States and Puerto Rico that take legal custody of at-risk equines. This list is continually maintained and audited annually. Over 900 organizations were identified. This list is considered our testing population.

An inaugural survey collecting summary data for 2017 and more detailed data for January 2018-June 2018 was created shortly after building the population list. In October 2018 the survey was piloted to a small group of organizations.

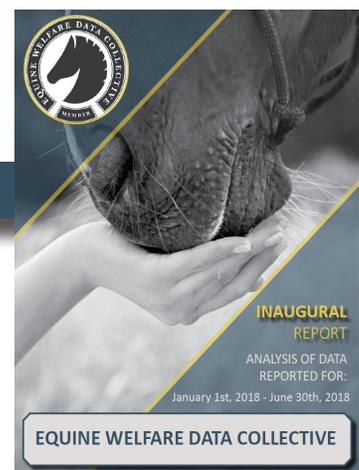
After piloting, the survey was further adjusted for ease of completion and sent to the entire population of equine welfare organizations. Organizations were recruited to complete the survey through phone and email contact.

Recruitment for survey participation carried through 2019.

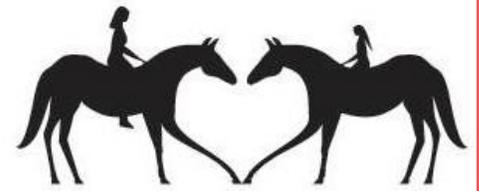
PLANS FOR 1st QUARTER 2020

The EWDC released the inaugural report in November 2019. Data collection continues with an updated survey planned for released in January 2020.

The next report will be released in spring of 2020.



AHC MARKETING ALLIANCE 2018 YEAR IN REVIEW



Time To Ride

2018 TIME TO RIDE CHALLENGE

Challenge dates June 1 - November 15, 2018

- Extended to give barns in warmer climates an opportunity to participate

146 new host registrations

503 Challenge events registered

17,596 newcomers

TIME TO RIDE CHALLENGE FIVE-YEAR RESULTS:

YEAR	TOTAL NEWCOMERS:
2014	25,281
2015	40,385
2016	26,648
2017	22,152
2018	17,596

Over 132,000 Newcomers introduced to horses over five years!

CONSUMER MARKETING TEST

- conducted summer 2018
- Target: women/moms with kids
- **6.3%** CTR
- **4.5%** conversion rate

NEW MANAGEMENT:

Program Manager: Molly O'Brien

martino flynn

- New program approved for 2019
- Pilot program to be conducted

AHC MARKETING ALLIANCE





AHC OUT AND ABOUT 2018 MEETINGS

The AHC attended a variety of meetings for industry associations and organizations in 2018.

We invite you to contact the AHC if you are interested in having a representative speak at your next conference or meeting.



- United States Equestrian Federation
- United States Trotting Association
- Carriage Operators of North America
- American Quarter Horse Association
- Back Country Horsemen of America
- National Institute for Animal Agriculture
- American Youth Horse Council
- International Forum for the Aftercare of Racehorses
- Jockey Club Roundtable Equestricon
- United States Animal Health Association
- Kentucky Equine Law Conference
- Coalition of State Horse Councils
- Professional Association of Therapeutic Horsemanship International
- Arabian Horse Association
- American Association of Equine Practitioners
- American Paint Horse Association
- Outdoor Recreation Roundtable
- LA Farm Bureau
- Harness Horseman International
- VA Horse Industry Board
- VA Farm Bureau
- Coalition of State Horse Councils Fall Conference

LOCALLY:

- Washington International Horse Show
- Maryland Horse Industry Board
- Virginia Horse Council





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