



Executive Vice President Speech
AHA Convention
Friday, November 15, 2019
Tulsa, OK

(#1 intro slide)

This is my 12th and final time to stand before you at this convention as your Executive Vice President. Time has flown! But as announced in August, by the end of my contract June 30, I will be moving back east. I have thoroughly enjoyed serving you the membership and working with the staff and leadership of AHA.

(2 Building front photo slide)

Since you have already heard from our Treasurer, I am not going to restate our financials. But I am going to review some of our **CAPEX improvements** over the last few years. During the last 7 years we have spent \$1.3 million on Capital Improvements. And this was done out of cash reserves which meant it was done without debt. This has been for such projects as new HVAC, roof replacement, new lighting, computers, printers, servers, a new scanning system, new Multiview accounting system, website development, new software and upgraded software, to name some things. We are currently in the process of replacing the original phone system with a modern VoIP system which is projected to last another 25 – 35 years. Our current one is ancient and dates back to when the building was originally built. Once the phone system is completed AHA's infrastructure is starting to get in great shape. Projects on our waiting list include new carpeting, cubicles, painting, and parking lot repairs.

As our Treasurer pointed out yesterday, the improvements have occurred concurrent with re-building AHA's cash. Our *Arabian Horse Life* magazine has continued to struggle financially and the future of our magazine is under review. The major consideration

is the cost of publication versus its value as a member service. This is the key consideration.

We just finished a very successful **local promotion** on September 21 which President Nancy reported on yesterday. In order to interest more people in our breed, more promotion has to take place in our local communities by our members, breeders, professionals, and our clubs.

Following are charts showing many years of trends. These trends continue to be very similar to our sister organizations.

(3 Slide of Staff counts)

Our **staff** is getting leaner and consists of 40 employees; 38 full-time with 2 part-time. When I started nearly 12 years ago, we had 60 employees. Presently we are under a limited hiring freeze. We will be filling the Director of Marketing and Communications position but this will be done after the Marketing Department has been given an analysis as to the best structure that is needed. And as I mentioned earlier, the future of the magazine needs to be settled. I am grateful for Kelsey Berglund, Director of National Events for taking the added responsibility of managing the Marketing Department on an interim basis.

(4 Slide of Staff new hires)

For various reasons, we have had roughly a 24% turnover of personnel in the past 12 months. A major factor is that Denver's unemployment rate is very low and the cost of living is high in the Denver area. This affects our entry level employees in a big way. In the last year also, Brenna Whitlock Johnson, Youth & Family Services Co-Ordinator, moved from Marketing into National Events. This move has worked very well!

(5 Qualifying Horse Shows slide)

Throughout the spring, summer and fall, **18 regional championships** and **318 jointly recognized USEF/AHA horse shows** have been held. This is down about 25 shows from

about 5 years ago. It is felt this loss may be attributed to our One day and Value Shows growth. There were 11 One-Day and 96 Value Competitions recognized this year for a total of **107**. 45 distance rides were recognized.

(6 National Horse Shows slide)

Regarding our **National Events**, all continue to be stable.

In the slide before you, **US** continues to show a slight uptick in horses; **Youth** a slight yet downward trend; and **Canada** a decline due to VS which cost us 143 horses this year; and **Sport Horse** fairly steady taking into consideration the East to West rotation. Sport Horse moved to a new venue, Balmoral at Crete, IL, this year. Since I joined AHA, all of our national events have changed venues.

Distance Nationals was back in Vinita, Oklahoma this year. It again hosted 6 of our sister organization's Distance Nationals. It was very successful yet wet and cold.

AHA provides administrative support to the **Arabian Jockey Club** and its programs. Through August 2019, there were 70 unique Arabian horse owners participating in racing. They raced for a total of \$995,998 in 88 races. The **Darley Awards** were held back in Houston this year. It was a spectacular event that honored many horses, owners and jockeys in Arabian racing. There have been several races throughout the year sponsored by Emirates Racing that hold large purse payouts.

(7 AHA Registry slide)

As you can see from the slide, **registrations** continue to be in a decline both for Purebreds and Part-breds with Half Arabian's starting to stabilize and trying to stim this downturn.

(8 Breeds Registration slide)

In this **combined slide** for all breed associations the same trend is apparent. AHA is working closely with the National Pedigreed Livestock Council (NPLC) to try to turn this downturn around.

(9 Breeds Transfers slide)

Transfers continue to mirror registration trends. Common thinking between the breeds for this downward trend is related to the growth of discipline competition where breed ownership papers are not required.

(10 Show Sweepstakes Chart slide)

The **Arabian Breeders Sweepstakes Program** has made many changes that are starting to bring stability and growth to the program. As seen from this chart, the downturn seems to be turning back up. This is great news since many sister organizations Prize Money Programs are struggling or have been discontinued.

(11 Sweepstakes Changes slide)

The Last Chance Buy-In for horses not previously enrolled in Sweepstakes ended on October 15th and was a bigger success than anticipated bringing in **384** Original entries, which totals a little over **\$1.3 million** in new revenue to the program.

For next year's classes at U.S. Nationals - 5 Sweepstakes only classes -Arabian Stallion, Mare, Gelding and HA/AA Mare and Gelding in AAOTR **Performance Halter** have been added offering \$25,000 each for the purebred classes and \$15,000 each for the HA/AA classes.

(12 Breeds Membership slide)

Membership. Membership continues to decline for all sister organizations in the same trend as AHA.

AHA presently has **16,507 members**. At this time last year, we had 17,632 members - a decline of 6.3%. Our membership has been in decline for the majority of the past ten years. The decline has ranged from four to seven percent yearly. Of our members

59% have a **Competition Card**. Members join the association to conduct business such as a registration, transfer, to access our online section, to participate in competitions or to join a committee or commission. We currently have **215** affiliate clubs throughout the United States and Canada. Going back 10 years we had 245 clubs but we have since lost 48 clubs and have gained 22 new clubs.

AHA leadership is going to be working with the new **Local ad hoc Committee** to look at ways to promote Arabian ownership and membership at the local level. As previously stated, it is through our clubs is through our clubs, breeders and professional stables locally that this has to happen.

(13 Social Media Communications slide)

This slide depicts our success Social Media success in reaching Arabian horse enthusiasts, members, and potential new owners.

- **Facebook**

- **102,528** Likes
- Posts reached **117,593** in the last 28 days alone

- **Instagram**

12,900 Followers on AHA Page, **4,461** on AHYA Page
Leading age demographic on AHA Instagram Page: **25-34**

- **Email Marketing**

Average Open Rate on email campaigns: **21.3%**

- **4.3%** Better than industry standard

460,000 total unique email views in 2019

Best open rates for targeted content is by USN Exhibitors, Club officers, eblasts, Regional clubs, etc.

(14 Convention Slide)

Our **convention attendance** appears to be tied to our membership downturn. As seen in this slide, over the last 10 years we have dropped from over 500 eligible delegates to under

400 today as seen on the blue line. Certified delegates follow the same pattern as shown by the red line.

From all this, it is clear AHA's work is never done and we have our challenges ahead!

In closing I want to let everyone know I am going to miss you! That includes the leadership, commissions, committees, and especially the staff I have enjoyed working with. Some of my best friends are within AHA's membership! So I don't intend to just go away. I welcome the opportunity to continue as a volunteer in whatever areas I could be of service to the association.

I am excited for AHA and the Arabian Horse's future. **Join me in celebrating the Arabian Horse, Half Arabian, and Anglo-Arabian Horse!**

Thank you!