



MDBA Pty Ltd
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Australian National kennel Council Limited Application for Authorisation AA1000442 – Interested party consultation.

Master Dog Breeders and Associates Response Submission on the likely public detriment and effect on competition

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DESCRIPTION OF MASTER DOG BREEDERS AND ASSOCIATES BUSINESS ACTIVITIES

Background to the MDBA Pty Ltd Trading as Master Dog Breeders and Associates

In its current form as a Pty Ltd company the Master Dog Breeders and Associates [MDBA] was formed on the 25th July 2006. This was established to fill a perceived consumer need in canine associated services. The MDBA offers a competitive alternative to traditional established options with a greater focus on the health and welfare of purebred dogs. We have breeders, pet owners, canine rescuers, and canine professionals as our members. Our current MDBA client/member services, include canine pedigree registration, and we are operational in all states of Australia and in 26 countries internationally. Our statistics for the 2018-2019 financial year indicate that our organisation is a real competitor to the ANKC in the Australian market place in spite of this market being historically dominated by the ANKC.

What We Do

The MDBA promotes responsible canine breeding practices and dog ownership with a primary focus on what is best for the health and welfare of dogs. This includes the following:

1. The MDBA provides a canine stud book registry and issues certified pedigrees documenting the dog's birth and ancestry. In addition, our pedigrees also document any known health, temperament and work details. This enables the breeder and puppy buyer to make a more informed decision when choosing a breeding animal or a new family member.
2. The MDBA provides educational canine related short courses and resources to help improve the knowledge and management for breeders with a view to ensuring the health and welfare of their animals.
3. The MDBA works with Breed Advisory Committees which develop strategies for the improvement of the health and welfare of pure breeds and breed related activities.
4. The MDBA collects, records and shares health and temperament data with our breeders and their puppy buyers to enable a transparent view of the current health and welfare state of the dogs and their breeds.

A major function of the MDBA is ensuring our members do what is best for dogs by setting guidelines and standards. Our members must agree and comply with these before becoming a member and every time they renew their membership.

RESPONSE TO THE ANKC PROPOSED AMENDMENT TO THEIR CODE OF ETHICS

The MDBA believes that the stated rationale for the ANKC submission will not result in the stated desired outcome.

The amendment will not improve the health and welfare of dogs and a restriction on the ability for a breeder to register or dual register their dogs with a non-ANKC registry will have no impact whatever on perceived consumer confusion. The MDBA disputes that consumers are confused by having more than one registry in Australia and additionally the MDBA believes that having more than one registry is of benefit to consumer choice.

The MDBA submits that the proposed arrangement:

- a. Would have the effect, or would be likely, to have the effect of substantially lessening competition and
- b. Would not result, or would be unlikely to result, in a benefit to consumers. Any possible benefit would most certainly not outweigh the detriment to consumers due to the lack of a competitive market.

There is no evidence to suggest that dogs which are registered with the MDBA stud registry are less healthy or have more welfare related concerns than those only registered with the ANKC. In fact, the vast majority of the dogs registered with the MDBA also have ANKC pedigrees.

MDBA breeders operate under strict codes of conduct and each breeder agrees to adhere to their state and local laws which control breeding ages, number of litters for each female dog, conditions for keeping their dogs, required record keeping etc. The MDBA also has mandatory and voluntary breed specific DNA, health and fitness tests, which our breeders agree to undertake with their dogs.

The MDBA has recognised that some breeds of dogs have their health impacted due to there being a very small gene pool within the breed.

The MDBA has developed policies regarding dogs which are able and not able to be included in a breeding program to ensure a wider healthier gene pool is available for MDBA members than those only with the ANKC. MDBA breeders are able to have greater choices in their selection for characteristics beneficial to the health and welfare of a breed and the public.

Adding this amendment to the ANKC code will not stop people who are registered with organisations other than the ANKC, claiming and advertising that they are “registered breeders”. As breeders are registered with all manner of registering bodies including state and local governments. Notably this is, at least partly, because the ANKC does not have and, can never have, a monopoly on the term “registered breeder”. It will also not stop someone who wants to deceive the public by saying they are registered members of the ANKC, MDBA or any other body, when they are not.

MDBA breeder members are directed to ensure they have truth in advertising and to ensure they do not misrepresent their dogs as per their agreed Code of Ethics. Members are also advised to qualify their status by using the term “MDBA registered breeder” or “MDBA registered pedigrees” when advertising, to prevent any consumer misunderstanding.

The MDBA is proud of the fact that it has differing rules and policies regarding our Stud registry. Our rules and policies have been implemented with the advice of professionals qualified in canine genetics and animal welfare and husbandry. The different rules and policies enable MDBA breeders to utilise a more diverse gene pool than if they were members of the ANKC with the ANKC limitations regarding canine registrations.

The MDBA does restrict the frequency and ages of breeding dogs to that which is relevant to a breeder’s state and local laws, as well as their veterinarian’s advice.

Would the acceptance of this amendment have the effect, or would it be likely, to have the effect of substantially lessening competition?

Yes.

Many ANKC breeders wish to breed dogs which are not able to be registered with the ANKC. They breed purebred dogs and would like to provide a pedigree document for their dogs and puppies and the MDBA can provide them with this service. There can be numerous reasons for ANKC breeders wishing to breed with non-ANKC registered dogs, including that the ANKC does not recognise, and will not register and/or allow, breeding of some of their purebred dogs. They may be working on a breeding program to eliminate a genetic disease, raising the health and welfare level of their breeds or they may have working dogs. Canine genetics experts recommend breeding away from genetic health issues with a wider genepool and these practices are undertaken in other countries to improve the health and wellbeing of breeds.

The MDBA is currently the only registry to provide a pedigree with information that indicates the ancestors and a dogs working ability for breeders that may wish to provide these details. With this information on the pedigree, the breeders can market their puppies to those seeking working dogs rather than show dogs.

Consumers should be able to access services from any club that they are members of that meets their needs. The MDBA and the ANKC provide some different services and consumers should have the ability to access the most appropriate service suitable to their needs without restrictions. For example, breeders may wish to trade with other organisations affiliated with the ANKC and also access the MDBA breeding programs that are working towards healthier canines.

To restrict a consumer to only have one organisation's registered dogs on their property is a restriction of trade, reduces consumer choice and is not better for the community as it will create a monopoly which impacts competition and a fair marketplace.

There are some local councils at the present time which make it very difficult to breed dogs for breeders who are not ANKC breeder members. Some Shire Councils, for example, do not allow a person to keep an entire dog unless they are a member of the ANKC. While some others make it much more difficult [Victoria], or impossible for a breeder to breed dogs at all unless they are ANKC members, [Logan Shire and Moreton Bay Shire in Queensland] that we are aware of, and the Department of Agriculture in Queensland has advised the MDBA that more councils may follow. We are aware that some consumers have started a legal challenge to this situation.

Due to policies such as these, some consumers will remain members of the ANKC simply to meet a local council requirement. They may also be members of the MDBA with MDBA dogs on their premises. If this amendment was to go through they may have no other option but to cease to become MDBA members or own MDBA registered dogs. This gives the ANKC an unfair market advantage and will impact on the MDBA's growth and consumer choice.

Many of our members wish to register some of their dogs with the MDBA but need to remain members of the ANKC due to the ANKC being the only FCI (International Kennel Club) recognised registry in Australia. This gives the ANKC a monopoly on FCI recognised Canine sports and conformation activities in this country and internationally. If breeders wish to participate in ANKC/FCI approved events and sell dogs and semen to ANKC/FCI affiliated registries they must be members of the ANKC.

This amendment application, if successful, prevents ANKC members from trading anywhere in Australia, or internationally, with anyone who is not recognised by the ANKC. This radically restricts trade and competition.

If this amendment is accepted, it would mean that an ANKC member could not purchase a dog from an MDBA member even if they do not intend to breed with it. It prevents an MDBA member, who is also an ANKC member, from **OWNING** a dog which is not registered with the ANKC. This is an attempt by the ANKC to ensure that any dog bred or **OWNED** by a member of the ANKC will only be bred by an ANKC member. This impacts negatively on competition. Not just on other canine registration bodies, but also the 34,000 members of the ANKC who will not be allowed to purchase or own a dog registered with the MDBA, any other Canine registry, any other breeder or rescue organisation.

It is important to note, that several state ANKC member bodies [Dogs NSW, Vicdogs, Dogs SA, Dogs Qld and Dogswest] have already introduced amendments to their codes which prohibits their members from being able to register a dog with a Registry Body not recognised by ANKC Ltd. The MDBA believes this is unlawful, and since these amendments to the state ANKC registries has been introduced, has prevented MDBA members, who are also ANKC members, from being able to register any of their dogs with the MDBA. Even those dogs which have never been or which cannot ever be registered with the ANKC. For example the DogsNSW code Number 29.

Many members who were registering their dogs and litters with the MDBA prior to these amendments being introduced in NSW and Victoria, have resigned their MDBA membership in fear of reprisals. Many have been threatened, suspended and fined by the ANKC, with some having their membership withdrawn from the ANKC if they register a dog with the MDBA.

As ANKC membership in Australian states prohibit their members using MDBA registry services. Those who have remained loyal MDBA members are no longer able to register any of their dogs or litters with the MDBA if they are still ANKC members. This has negatively impacted the MDBA and other canine registry's ability to compete in this field.

The ANKC has created and maintained a monopoly, in this market, that limits competition. Many current MDBA members, and those enquiring about becoming members, report to us that staff at several state branches of the ANKC have informed them they are not able to be members of both organisations. Again, the MDBA believes this to be unlawful.

The introduction of such clauses into the state ANKC branches has not eliminated those people who use deceptive behaviour and false advertising. Nor has it ensured that those who are ANKC members will provide an ANKC registered pedigree.

IN CONCLUSION

The MDBA submits that, the proposed amendment has, or is likely to, have a major effect and cause detriment on competition in the Australian marketplace.

This will negatively impact all other canine registration services, canine related activities, sales and dog ownership. The MDBA further submits that the proposed amendment would result, or be likely to result, in a considerable detrimental impact on Australian consumers with no added benefit whatever.

The proposed amendment ensures that the Master Dog Breeders and Associates, or any other Australian canine pedigree registry, cannot compete fairly in any state of Australia or internationally.

This proposal will enable the ANKC and their state branches, to extend their current monopoly on pedigree registration of purebred dogs and canine related activities.



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