Phone: (503) 663-7031 • FAX: (503) 676-8025 • E-mail: ik9sb@aol.com • Website: www.ik9sb.com CENTERS: OREGON (Main Office) • ARIZONA • BRAZIL • CALIFORNIA (San Diego) • CALIFORNIA (Anaheim) • CALIFORNIA (Vallejo) • COLORADO (Denver) • COLORADO (CO Springs) • COLORADO (Mancos) • CONNECTICUT • DELAWARE • EL SALVADOR • FLORIDA (Orlando area) • FLORIDA (Miami area) • GEORGIA (Thomasville) • GEORGIA (Atlanta) • HAWAII • IDAHO • ILLINOIS • INDIANA • IOWA • KENTUCKY • MASSACHUSETTS • NEBRASKA • NEVADA • NEW HAMPSHIRE • NEW MEXICO • NEW YORK (Hilton) • NEW YORK (Long Island) • NORTH CAROLINA • NOVA SCOTIA • OHIO • POLAND (Warsaw) • PUERTO RICO • RHODE ISLAND • SOUTH KOREA • TAIWAN • TENNESSEE TEXAS (Dallas) • TEXAS (San Antonio) • TRINIDAD/TOBAGO • UTAH • VERMONT • VIRGINIA • WISCONSIN • BRITISH COLUMBIA (Surrey-Vancouver) • BRITISH COLUMBIA (Vancouver Island) • ALBERTA (Edmonton) • ONTARIO (Toronto) • ONTARIO (Ottawa) • HUNGARY • JAPAN (Tokyo) • JAPAN (Wakayama-Osaka) • JAPAN (Sanda-Kobi) • SPAIN

Date
Name
Address
Thank you for your inquiry concerning establishment of an ICSB frozen canine semen bank in
The information below is the general concept of our license program in providing select
groups/veterinary clinics with the ICSB procedures, products and services so that our program is made
available to dog breeders at a more local level. If you have any questions after reading through this,
please let us know. We can mail you the general contract and equipment/supply list if this is a program
you would like to develop at your facility in Lansdale.
Sincerely yours,
John Platz, President, International Canine Semen Bank, Inc.

ICSB LICENSE CENTER SET-UP, FEES, AND TRAINING

The general concept of the International Canine Semen Bank (ICSB) licensing contract for establishing a canine semen freezing center is to set up an operating unit wherein all aspects of freezing canine semen are performed, if the new center qualifies. The preparation and testing of medias are performed at our Main Office in Sandy, Oregon. Other than media preparation, the aspects that each ICSB center is capable of are semen collection, evaluation, freezing, storing, shipping, and artificial insemination, along with the shipping and receiving of fresh cooled canine semen and the extraction of sperm cells from the testes of neutered or dead dogs. What has been seen in the way of income at our US centers with regard to semen freezing, is a general range of from \$324.00 to \$1877.00 (U.S.) from one ejaculate collected.

If the new center location qualifies, the training consultation that is involved requires usually 3 days, depending on the experience and the amount of time per day the trainee(s) can make available for the instruction phase. ICSB-Oregon will provide the initial forms required by

the different registries in the United States which are used to record semen collections, shipping, and artificial insemination.

ICSB is based on over 48 years of research and operation, which has been funded by the American Kennel Club, the National Greyhound Association and Ralston-Purina Company. We have produced several thousand puppies from the use of frozen semen and have developed our own procedures and semen solutions, based on statistical evidence and our in-depth research that began in 1971. Our latest record of 4 Beagle puppies was produced in January, 2010 from semen we had frozen and stored in liquid nitrogen for just under 38 years. This speaks well of our semen freezing system as well as our long-term commitment to our clients and their dogs' semen that we have stored for them. Our system is used by veterinarians worldwide and we have many veterinarians that produce litters with our frozen semen the very first time they work with our system.

We have observed conception rates using the ICSB system of frozen canine semen at between 88 and 89 percent after 584 bitches have been bred, and, more recently, 91 percent after the last 131 bitches were inseminated.

Training for the center set-up is usually at the new center location, however, on occasion, we can provide the laboratory training at our facility in Sandy, Oregon if that is more convenient for the new center. Our instructor(s) will travel to the new center location, set up all equipment to be sure all is functioning properly, and train the licensee(s) in all aspects of the procedures and techniques. Up to 3 trainees can participate in the training session. The topics of the new center training period will usually consist of the following:

- 1. Canine semen collection, evaluation, freezing techniques,
- 2. Frozen semen packaging, labeling,
- 3. Frozen canine semen storage, inventory and shipping procedures,
- 4. Minimum sperm numbers, volumes, normal sperm cells required for conception,
- 5. Diagnosis and treatment of ejaculates containing or exhibiting:

High viscosity
High pH
Low pH
Urine
Blood
Leukocytes
High levels of Flavoprotein

Low sperm count

- Low motility
- 6. Treatment of dogs exhibiting low sperm count, soft or atrophied testes,
- 7. Obtaining ejaculates from dogs unable to ejaculate normally or having lost all nerve sensation to the hindquarters (electroejaculation),
- 8. Shipping and receipt of fresh cooled canine semen,
- 9. Collection, evaluation and freezing sperm cells from testes of dead dogs or

- 10. Registry requirements (American Kennel Club, National Greyhound Association, American Field, United Kennel Club, etc.)
- 11. Detection of estrus in the bitch, the value of vaginal exfoliative cytology, serum progesterone level interpretation, and other parameters for determining optimum time for artificial insemination.
- 12. Retrieval, opening, thawing, evaluation and artificial insemination of pelleted and straw frozen and fresh-cooled canine semen.
- 13. Vaginal artificial insemination and surgical insemination techniques.
- 14. Shipping/receiving frozen canine semen from foreign countries, i.e., Australia, New Zealand, South America, Africa, Canada, Europe.
- 15. DNA typing and identification.

When the training consultation is completed, the new center will be operational and prepared for business. Some of the requirements in the license contract consist of the following:

- A. All medias, fresh-cooled semen shipping kits and miscellaneous kits will be furnished by ICSB-Oregon at a very discounted rate.
- B. All information, equipment, techniques and procedures furnished the new center will be treated as trade secret and shall not be transferred to any other individual, company or agent,
- C. Any new updates in procedures, techniques, equipment will be made available to the new center.
- D. The fees (in U.S. dollars) for this license, consultation and center set-up vary with country, location, territory and prior experience. The general license contract terms for US centers are:
 - 1. A license and consultation fee, which, in the United States, is based on a territory of 50 miles from center location, prior experience and population. This fee is \$4,000.00 US\$ that covers the first year of the license. Each year after the first, an annual fee of \$1,000.00 is paid. The license is for a 10 year term, then is renewable in 5-year increments thereafter.
 - 2. For the training, a designated ICSB technician will travel to your facility and carry out all of the training sessions, at the new center's expense including lodging, food and airfare. Including an hourly rate of \$40 per hour for the training technician. If the trainee(s) wish, the training could be performed at the ICSB headquarters in Sandy, Oregon.
 - 3. At the time of signing of the contract, a \$1,000.00 payment along with the signed contract is submitted to ICSB to begin the program. ICSB will complete the contract by signing and sending a copy of the completed contract back to the new center. A date will then be agreed to to begin the training. At completion of the training session, the remainder of the license fee (\$3,000.00).

The new center will send to ICSB-Oregon a semi-annual update of clients, addresses and dogs' names/breeds for the inventory reference file. Other aspects of the ICSB program which may be available to new centers at this time, but may be a separate contract from the standard license, are:

- a. Semen collection, evaluation, freezing and storage in the domestic cat,
- b. Artificial induction of estrus and ovulation, and artificial insemination in the domestic cat,
 - c. Semen collection, evaluation, freezing, storage, and artificial insemination in wild/endangered/exotic animals (mammals, reptiles, birds).
 - d. Semen collection, evaluation, freezing, storage and artificial insemination in other domestic animals.

In conclusion, ICSB is based on over 48 years of research in canine reproductive physiology and, in order to maintain our high standards and quality control, we must be certain that the techniques and procedures, when transferred to a new center, are followed as instructed and demonstrated. In order for our Company to be successful, our licensees **must** be consistent in the use of the techniques involved to assure that everything is aimed toward producing pregnancy, optimum litter size and healthy puppies for the dog breeder. Our overall success is measured by how well we are able to produce puppies with frozen semen. Each of our licensees is our representative in their area. The training and operation of each center, as you can understand, is critical to the overall future success of that center, as well as ICSB worldwide.

If you have any further questions, please let us know. I can send you a general license contract to review as well as a supply and equipment list, if you like. I hope this information answers most of your questions. Thank you for your inquiry.

Respectively yours,

John Platz, President International Canine Semen Bank, Inc.