



RCI Bulletin

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Horse racing losing speed in Michigan

Competition from casinos blamed for stomping out sport

Tim Wardle
Capital News Service

The sport of kings is quickly losing ground due to the state's failing economy and stiff competition from other forms of legalized gambling, according to state officials and horse owners.

Byron Schunk, a Clare horse owner who takes his thoroughbreds and standardbreds all over the country to race, said competition for the gaming dollar among racetracks, the state Lottery, and casinos is not being played on a level playing field.

He cited failed proposals that would have legalized "racinos" - racetracks with electronic gaming, such as slot machines. In 2004, Michigan voters passed Proposal 1, a constitutional amendment that requires a statewide vote on any new gaming - except at Detroit casinos. The state technically doesn't control Native American casinos.

"A lot of money was spent by the Native Americans and Detroit casinos to stop that measure," he said. "It is killing horse racing."

Nearly 20 casinos across the state are run by American Indian tribes, as well as three privately owned casinos in downtown Detroit.

Schunk said he used to take his horses all over Michigan, but no longer. He said the purse structure - meaning the money available to win, put up by the owner of the track or the sponsor of the race - is not nearly as high as in other states, such as Kentucky or Pennsylvania.

"This is a huge trend," he said. "It has just allowed other states to prosper."

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Dan Adkins, vice president of Southfield-based Hartman & Tyner Inc., which owns the track in Hazel Park, said horse racing is probably doomed because of the passage of Proposal 1.

He said in all states where "racinos" are allowed, horse racing is flourishing.

Hartman & Tyner own two other racetracks - Tri-State Racetrack and Gaming Center in Charleston, W.Va., and Mardi Gras Racetrack in Hallendale Beach, Fla.

Adkins does business out of the company's Florida office.

Hazel Park in trouble

"Our other two racetracks would be out of business if electronic gaming were not allowed," he said. He said the Hazel Park track may not last much longer if the current situation remains unchanged.

Liana Barnett, information manager for the state's Racing Commissioner, stopped short of saying casinos are hurting horse racing.

"There is competition from the casinos," she said. "In general, horse racing is declining in Michigan, as well as nationally."

Barnett said the state's sagging economy is more to blame for the industry's decline.

However, she said there's been a renewed interest in horse racing recently due to the mass marketing of the major races - the Kentucky Derby and the Belmont Stakes.

Barnett also said Michigan is host to the only mixed breed track east of the Mississippi River - Mount Pleasant Meadows. The Meadows is also the only track in Michigan featuring Arabian racing, meaning jockeys sit on the horses, as opposed to harness racing - the jockeys ride in sulks - featured at Hazel Park Raceway, Northville Downs, Sports Creek Raceway in Swartz Creek and Jackson Harness Raceway.

Two Michigan racetracks have closed in the past 10 years - Detroit Race Course in Livonia in 1998 and Great Lakes Downs in Muskegon last fall.

Barnett said her office has received an application from Jackson-based Post It Stables Inc. to open a new racetrack in Romulus.

The golden age

According to former Rep. Larry Julian, R-Lennon, who led the fight in the House to legalize racinos, Michigan horse racing once experienced a golden age.

"From the 1930s to the 1970s, people only had three legal gambling options - one to go to Atlantic City, one to go to Las Vegas and one to go to the racetrack," he said.

Measure proposed

The state lottery began in 1972, and casinos were allowed to open in the 1990s.

Adkins said he is drafting a petition to amend the Michigan Constitution and provide for 10 new racetracks, with electronic gaming permitted. The amendment would require the new tracks to create 500 new jobs for them to keep their license.

Adkins said it would be hard for the Detroit and American Indian casinos to drum up public sentiment against a measure that would create so many jobs.

Source: Lansing State Journal.

Governor Rendell Commends Pa Equine Industry's Efforts to End Steroid Use in Race Horses

Nearly All Horses Tested Were Negative for Anabolic Steroids

Governor Edward G. Rendell today said Pennsylvania is leading the charge to eliminate the use of anabolic steroids in horse and harness racing.

"Pennsylvania's horse and harness racing industries are the backbone of our state's \$1.5 billion equine industry," said Governor Rendell. "We are the first state in the region to begin testing for anabolic steroids in racehorses, and we are setting a national standard by ensuring that our racehorses are clean of steroids and any other performance-enhancing substances."

Pennsylvania's Horse and Harness Racing Commissions announced last summer that testing for anabolic steroids would officially begin April 1. Since then, horsemen in Pennsylvania have worked to eliminate steroid use.

The commissions took a snapshot of horses raced over a two-month period that ended Feb. 22 to determine if trainers understood that Pennsylvania's racing regulators were serious about getting steroids out of racing. With 2,061 samples tested, 98.8 percent were negative for anabolic steroids.

Governor Rendell recognized the leadership of Horse Racing Commission Chair Rick Abbott and Harness Racing Commission Chair Roy Wilt in addressing the issue, and commended Pennsylvania's horsemen for their diligent effort.

Anabolic steroids are used to enhance a horse's racing performance by improving its appetite to build muscle mass, promote weight gain, and increase strength and vitality. While many of these functions can be therapeutic for the horse, unfortunately, the use of the steroids has been abused by trainers to give horses a competitive edge on the racetrack.

"We congratulate our state's horsemen who heeded the call of the commissions and are eliminating the use of steroids in racing," said Agriculture Secretary Dennis Wolff. "Pennsylvanians should know that when a horse wins a race in this state, it's due to good nutrition and genetics combined with the skill of its trainer and jockey or driver.

"We are making great strides in protecting our horses and the image of our equine industry," Wolff said.

Due to the impressive results of the testing, both commissions will perform additional testing in March and will provide trainers with the test results for their information and guidance prior to the April 1 enforcement date.

Sanctions will vary with the levels of detected anabolic steroids. By July 1, any confirmed positive test will result in loss of purse, a \$2,500 fine and a 45-day suspension. Penalties for the second violation will be the

loss of purse, a \$5,000 fine and a 90-day suspension. The third violation would result in a revocation of the racing license.

Pennsylvania is also the first state to base its testing program on blood plasma samples rather than urine samples, allowing for more precise and accurate detection of the steroids. Testing is conducted at the Department of Agriculture's Pennsylvania Equine Toxicology and Research Laboratory in West Chester.

Pennsylvania is home to three thoroughbred racetracks – Penn National Racecourse in Grantville, Philadelphia Park Race Track in Bensalem and Presque Isle Downs in Erie.

Likewise, there are three harness racing tracks in the state – The Meadows Racetrack near Pittsburgh, Harrah's Chester Casino & Racetrack near Philadelphia and Pocono Downs Racetrack in Wilkes-Barre. A fourth track, Valley View Downs near New Castle, is scheduled to open in the summer of 2009.

Source: PA Governor's office press release.

CHRB takes step toward strictly limiting steroids

The California Horse Racing Board (CHRB) took a regulatory step toward eliminating steroids in horse racing by setting strict limits on the threshold levels of the four most commonly used steroids that can be present in test samples.

"It is our board's desire to eliminate unnecessary anabolic steroids in horse racing, and this is a major step," CHRB Chairman Richard Shapiro said. "With the good science and national consensus, we've just got to move this forward. Anybody who reads the news knows this is obvious. This is something that will help the whole industry very quickly."

The CHRB's next step will be to reclassify the four anabolic steroids and move them into penalty categories that call for fines and purse forfeiture. That process will begin in the next few months.

A threshold level was established for nandrolone, boldenone, and testosterone, anabolic steroids that occur naturally in horses. A threshold level was also approved for Stanozolol, an anabolic steroid that would be prohibited from being used for racing purposes under the established regulatory limit.

The national Racing Medication and Testing Consortium (RMTC), which previously developed national model rules for steroids, is in the process of determining withdrawal times. Withdrawal information will be available to horsemen once the CHRB finishes the regulatory process for steroids and the RMTC study is complete.

"If you don't use anabolic steroids, you won't get a positive," said Rick Arthur, D.V.M., equine medical director for the CHRB. "It's that simple."

The CHRB previously classified all anabolic steroids except nandrolone, boldenone, testosterone, and Stanozolol as class 3 drugs subject to a category B penalty.

The CHRB expects the regulations, and all of other anticipated regulatory changes for anabolic steroids, to be in place by the fall.

Source: Thoroughbred Times.

Waldrop Defends Testing Policies

A congressional subcommittee was told Feb. 27 that while testing for drugs in horse racing isn't perfect, the current model is both effective and ever-improving.

Alex Waldrop, the president and chief executive officer of the National Thoroughbred Racing Association, was one of several major sports executives to testify before the Subcommittee on Commerce, Trade, and Consumer Protection in a hearing titled, "Drugs in Sports: Compromising the Health of Athletes and Undermining the Integrity of Competition."

In his [opening remarks](#), Waldrop said the Racing Medication and Testing Consortium provides a "credible, scientifically based, industry-led forum for addressing the multitude of drug and medication issues presented by modern day veterinary medicine.

"Is our testing protocol perfect? No. Can it be improved? Absolutely," Waldrop told assembled committee members. "But the major industry stakeholders are united in their commitment to address drug and medication issues on a national basis through the RMTC and RCI (Racing Commissioners International)."

U.S. Rep. Ed Whitfield of Kentucky, who in addressing an [earlier panel](#) Feb. 27 criticized horse racing's testing policies, later grilled Waldrop on a 2004 quote from a former leader of the NTRA, D.G. Van Clief: "We have endeavored to adopt uniform rules governing the use of medication for years without success – despite the clear need to do so." (Note: A story on the NTRA Web site [quotes](#) the last part of that statement as "despite the clear case for uniformity.")

"Do you agree with that statement?" Whitfield asked.

"I do not agree," Waldrop replied. "Since that statement was made, a great deal of progress has been made."

Whitfield then talked in theory about forcing states to comply with a national uniform testing model by adding conditions to the federal Interstate Horseracing Act, which permits simulcasting.

"Would it be unreasonable to say if a state doesn't adopt (the rules), they could lose simulcast rights?" Whitfield asked.

"No. That would not be unreasonable," Waldrop replied.

Whitfield earlier asked Waldrop if steroids should simply be banned in all U.S. racing.

"There is a need to abolish them in competition," Waldrop said.

"So, if a horse tests positive for steroids, it shouldn't be racing," Whitfield countered.

"That is correct," Waldrop replied.

Waldrop was also asked why some states haven't adopted the model rule. Waldrop, like other panelists participating in the hearing, noted all testing isn't foolproof.

"It was interesting hearing the discussion about the human growth hormone and the differences in testing urine and testing blood plasma," Waldrop said. "That is the situation we find in horse racing where steroids are concerned.

"What horsemen are telling us is we want rules...you tell us what we can do to comply, and we will comply," he

continued. "I have read all the clips and I know what they are saying all around the country and I have yet to hear a horseman say 'we do not want to stop using steroids.' What they are saying is we want a test for plasma. And that is reasonable. The RMTC is doing the research and we think by the end of the year they can get full compliance."

Waldrop was also asked about barring horses from competing in states that haven't adopted model rules. "That would be unprecedented," he said. "The more important rule is that as more and more states adopt the model rule on steroids, other states that don't comply will have to if they (want horses to compete). You can't use steroids in one state and take that horse to another state that bans steroids because you are going to test positive."

Waldrop was part of an afternoon panel that included Jim Scherr, CEO of the U.S. Olympic Committee; and Myles Brand, president of the National Collegiate Athletics Association, among others. The morning panel included commissioners Bud Selig of Major League Baseball, David Stern of the National Basketball Association, and Roger Goodell of the National Football League, among others.

The morning session was televised live on ESPNNews, while the afternoon session was available only via Web cast.

Source: Bloodhorse.

Commentary: A Reasonable Approach

By Alex Waldrop

On Feb. 27, I appeared before a Congressional Subcommittee for a hearing entitled, "Drugs in Sports: Compromising the Health of Athletes and Undermining the Integrity of Competition." The testimony made it clear that most sports are grappling with many common drug-related issues. We can now add one more common issue to the list: the very real possibility of federal intervention to "clean up" sports competition.

The truth is, horse racing has a very good story to tell regarding recent integrity initiatives. In the past decade, the industry has implemented a more streamlined and thorough drug classification system, established better methods of testing, invested millions of dollars in research, and developed model medication rules and penalties. Much of the credit for this progress should go to the Racing Medication Testing Consortium, representing virtually every segment of the industry. The RMTC, along with the Association of Racing Commissioners International, has led to an effective collaboration between industry stakeholders and state regulators. Despite the progress, Congress and some industry participants believe the pace needs to quicken.

The subcommittee's ranking member, Congressman Ed Whitfield (R-KY), plainly views the glass as half empty when it comes to the industry's integrity efforts. Rep. Whitfield referred to a study indicating that 60% of starters compete on anabolic steroids. He noted that while some states have adopted the RMTC/RCI model rules and penalties, others have been slow to act or have not acted at all. He painted a portrait of confusing rules from state-to-state juxtaposed against what could be nationally mandated model rules. He noted that many prominent industry participants have urged Congress to do what horse racing appears unable or unwilling to do: pass national, standardized medication rules and penalties. He didn't, but he also could have mentioned that fans clearly support strict enforcement and strong integrity.

Much of what Rep. Whitfield said was hard to refute. Seven states have yet to adopt the model medication rules. Far fewer have adopted the model penalties, and 22 states have taken little or no action on the model anabolic steroid rule. That doesn't even count those jurisdictions that passed the model rules, but only after modifying them to some degree.

Rep. Whitfield made it clear that he and others expect the industry to adopt all model rules and penalties—including a rule banning anabolic steroids from competition—by Dec. 31. Suggesting the approach Congress will take if the industry fails to act, Rep. Whitfield asked: “Would it be unreasonable to say if a state doesn’t adopt (the rules), they could lose simulcast rights as authorized in the Interstate Horseracing Act (IHA) of 1978?”

My reply was, “No. That would not be unreasonable.” More than a few have questioned my response.

I could not honestly say that it would be “unreasonable” for Congress to premise the IHA protections on the adoption of specific medication rules and penalties. Clearly, some in our industry are urging Whitfield to do just that. Is federal intervention the preferred route? The answer to that question is categorical—“No.”

Federal intervention in medication issues shifts significant control over our industry from the states to the federal government, which has no expertise and little or no interest in effectively regulating our industry. Federal intervention also is likely to carry a heavy price that will be paid by greater taxation on commerce under the IHA. Too much money is already being siphoned off our industry by antiquated, state government-imposed excise taxes—money the RMTC would rather see spent on research and testing by the states. Federal intervention might force uniformity, but at a price our industry cannot afford. Contrast that with the RMTC/RCI model rule process, a creative private/public partnership that delivers racing the necessary independent oversight while also giving the industry a real say in the way in which it is being regulated.

As long as states drag their feet in adopting the RMTC/RCI model rules, federal intervention is a real possibility. We in horse racing are faced with a simple choice: we can move with purpose and resolve to gain national adoption of the model rules as put forth by RMTC and RCI following broad scientific and regulatory input from the industry; or we can delay implementation and await the very real possibility of federal intervention. Given this choice, the time to pass the model rules—including the anabolic steroid rule—is now.

Source: The Bloodhorse

Vets’ secret trade in dog body parts A clinic that makes money out of putting down healthy animals

A CLINIC is killing healthy dogs and secretly selling their body parts to Britain’s most prestigious veterinary college for research, an investigation has found.

The Royal Veterinary College (RVC) has a financial agreement with a vet’s practice which provides the organs from dogs on a regular basis.

An undercover reporter posing as an owner found that staff at the Greyhound Clinic in Essex agreed to kill greyhounds for £30 each even though he told them the dogs had “nothing wrong with them”.

The clinic is then paid by the college, which specifically insists the dogs must be healthy before being euthanased, for each animal from which it supplies parts.

The RVC, which is the oldest and largest veterinary college in Britain, admitted that it had a number of similar financial agreements with other clinics to provide specimens.

The practice has “horrified” the RSPCA and animal welfare campaigners and even one of the heads of the greyhound racing industry itself.

The sport has been criticised for failing to explain the fate of thousands of greyhounds which retire from racing each year and then disappear without trace.

Alistair McLean, chief executive of the National Greyhound Racing Club (NGRC), the industry's governing body, said he was "flabbergasted" by the trade in body parts. "This is completely and utterly unacceptable," he said. "It is quite scandalous."

The RSPCA said: "We are shocked by this evidence which appears to show an opening for greyhounds to be systematically destroyed for profit. We certainly would not like to think that there was a financial incentive to ending a pet's life."

Maureen Purvis, of the campaign group Greyhounds UK, compared the practice with that of Burke and Hare, the 19th century bodysnatchers who killed people to provide corpses for dissection. "What this clinic is doing is the canine equivalent of that," she said. "It is just absolute butchery."

Although the rules governing vets allow them to use their discretion on putting down healthy animals, in practice most are reluctant to do so.

The NGRC states that its trainers should put dogs down only as a last resort. "Even a broken leg can often be mended but some trainers see it as simply more cost effective to have it put down," said a racing insider.

It is now apparent, however, that some veterinary practices also have a financial incentive to put dogs down without any medical reason.

The Greyhound Clinic is in an Essex hamlet which is in effect a "greyhound village". The clinic's immediate neighbours are the kennels of at least six NGRC-registered trainers, two greyhound retirement homes and a practice racetrack.

The undercover reporter called the clinic and spoke to Donna Atkins, the practice manager, saying he had two greyhounds he wanted putting down because he "had no room for them".

The reporter asked if the clinic ever took blood from the dogs before killing them and Atkins said the Royal Veterinary College sent people once or twice a week to collect blood from dogs being put down, she said.

When the reporter called back, Atkins said: "We are going to take the glands as well. Is that okay?"

The reporter said it was, but emphasised that his dogs were not old and there was nothing wrong with them. "That's fair enough; that's not a problem," said Atkins. "So it's 10.15 tomorrow. Bye."

When the reporter arrived the next day, two students from the RVC, who introduced themselves as Demi and Rick, were waiting. The reporter, who said his dogs would arrive shortly with his brother, explained there was "nothing wrong with them" but the students appeared uninterested. Asked why they wanted the dogs's lymph glands, Demi said: "We take tissue from healthy dogs and we look at the cells and put them in an artificial environment and use that to further our research."

The reporter left but not before paying Atkins £60 in advance to have the fictitious dogs put down. He was not asked to sign any forms and was at no time asked his name, phone number, address or any details as to why the dogs should be destroyed.

He also asked Atkins if the RVC was paying the clinic to take body parts. "No, no, we work in conjunction with them. We all work together from all over the place. It's part of their learning," she said.

John O'Connor, 65, head vet and director of the clinic, told the undercover reporter, who was now posing as an employee of a company wanting to procure canine organs, that he had an "exclusive" commercial contract with the RVC until November. After that he would review the situation and expected "at least £30 per canine part".

When contacted later by The Sunday Times O'Connor initially denied a financial agreement with the RVC but subsequently admitted invoicing the college at £10 per dog and being paid.

He claimed that he had been paid a few hundred pounds since he began supplying the parts three years ago and that he intended to pay the money to charity.

O'Connor said he put down dogs only if they had medical problems or showed aggression and said he would not have euthanased the fictitious dogs.

An RVC spokesman confirmed it had an agreement with the clinic but said owners should be issued with a form "to indicate their acknowledgment" of their pets' fate. "The decision to euthanase an animal must only be taken when both owner and vet agree and the owner has given written consent."

Source: London Times

Peace -- for now -- in New Jersey

Peace, at least temporarily, has come to the New Jersey racing industry.

Gov. Jon Corzine has announced that the state's casino businesses will pay \$90 million over the next three years to supplement the purses offered to horsemen by New Jersey racetracks. The funds also will support horse-breeding programs, the governor said. Legislative approval for the agreement is required.

In return for the subsidies from the casinos, the gaming establishments get something that they want: A state prohibition of slot machines at the tracks over the three-year period. The previous purse-enhancement accord, for \$86 million over four years, lapsed Dec. 31.

The New Jersey Sports and Exposition Authority had spent \$4 million to supplement purses at its Meadowlands racetrack since the previous deal expired, the authority's chief executive, Dennis Robinson, said.

The Big M and Freehold Raceway had threatened purse reductions in the absence of a new pact with the casinos.

Slots at tracks in New York, Pennsylvania and Delaware have given them a competitive edge over their New Jersey counterparts. The latest purse-supplement funding, while welcome, offers no long-term solution to the tracks in the Garden State. Such a solution would seem to involve slots -- and the inevitable end to the current armistice with the powerful gaming interests of Atlantic City.

Source: Staten Island Advance website posting..

Tracks balking at slots campaign Magna says Laurel license a key issue

Maryland's pro-slots forces are planning an eight-month campaign for a referendum on expanded gambling that they say would fix the state's budget problems and save horse racing. But those who stand to benefit most - the state's racetrack owners - are balking at the effort and saying that they might not participate in the push

for the ballot measure.

Scott Borgemenke, executive vice president for racing at [Magna Entertainment Corp.](#), the Canadian company that owns the Laurel and Pimlico tracks, said yesterday that the company has not decided whether to contribute to the pro-slots campaign being led by former Maryland Budget Secretary Frederick W. Puddester.

Although the Laurel track could be granted slots under the November referendum, Borgemenke said the company views the proposal as less than ideal because a license there would not be guaranteed. "We're very supportive of our horsemen. We know slots will help the purses," he said in an interview yesterday. "We'll look at what the slots will do as far as Laurel's and Pimlico's business plans."

But Maryland horse racing officials say Magna executives have been more definitive in private conversations. John Franzone, chairman of the Maryland Racing Commission, said Frank Stronach, Magna's chairman and interim chief executive officer, told him a few weeks ago that the company would not contribute "one penny to support the referendum."

"Magna has an issue that Laurel was not named as a specific site," Franzone said. "The issue is not whether it'll go to Laurel Park, but the issue is whether it'll pass."

Franzone said he's told Stronach in subsequent conversations that a Magna failure to financially back the referendum would be "ill-advised." Franzone said he thinks Stronach might change his mind.

Under a deal structured at the time of Magna's acquisition of the Laurel track, former Maryland [Jockey Club](#) President Joseph A. De Francis, his sister Karen and others would receive 65 percent of Magna's Maryland slots profits during the first five years, 50 percent for the next five years and 40 percent in the following decade, according to filings with the Securities and Exchange Commission.

Stronach said last week that the company is trying to renegotiate the contract, but it is unclear how De Francis' announcement Friday that he will quit Magna's board would affect those discussions.

William Rickman Jr., who owns Ocean Downs near [Ocean City](#), another track that is a potential site for slots, could not be reached for comment yesterday. Late last year, he said he did not plan to do "heavy lobbying" to gain passage of the referendum.

That's bad news to those who have been fighting for years to legalize slot machine gambling in the state.

"Without the participation of all the stakeholders, we're going to have a very difficult time," said Gerry Evans, a lobbyist for the Maryland Thoroughbred Horsemen's Association.

Slots opponents aren't so restrained. In addition to Internet advocacy and an already robust grass-roots push, slots foes are pledging a multimillion-dollar campaign to defeat the referendum.

"We intend to defeat this referendum, and we intend to do so in an intelligent kind of way. And we're going to follow the path that leads us to this goal," said Aaron Meisner, coordinating chairman of StopSlots Maryland. "And I don't know what is along that path."

Meisner said StopSlots had not ruled out taking money from out-of-state gambling interests, and others involved with the group said it probably would have to do so to fund the kind of campaign they are planning.

Slots opponents have held out hope that [Penn National Gaming](#) would invest heavily in defeating the referendum to avoid any competition for its marquee property, Charles Town Races and Slots, in Charles Town, W.Va., one of the most profitable racetrack casinos in the country.

Eric Schippers, vice president of public affairs at Penn National, said the company will not be part of any campaign to stop slots in Maryland.

Although Penn National pulled out of a deal to buy Rosecroft Raceway after the Prince George's County track was not included in the slots legislation, Schippers said the company is "exploring other options or other potential opportunities to participate, should Maryland approve gaming."

"It's safe to assume that we're looking for potential opportunities in Maryland, but it's very speculative right now," he said.

In other states, casino companies have heavily bankrolled campaigns for and against gambling. Of the \$54 million spent on gambling ballot measures in six states in 2006, 89 percent came from gambling companies with a direct stake in the passage or failure of the measures, according to a study by the National Institute on Money in State Politics.

But that might not be the case in Maryland. Rickman said in an interview with The Sun late last year that pouring contributions into the measure's passage would be "a waste of money" because slots operators would only be able to retain 33 percent of the profits under the state plan.

Last week, members of the Maryland's Thoroughbred Horsemen's Association discussed in a meeting Magna's refusal so far to join the campaign.

"We need the financial backing of every stakeholder that's going to benefit from slots," said Richard Hoffberger, the association's president. "And anybody who doesn't participate makes it difficult for the pro-slots effort."

Borgemenke, who was expected in Baltimore last night, said he and Magna's lobbyist are trying to meet with Puddester, a senior dean at the [Johns Hopkins University](#) who was asked last week by [Gov. Martin O'Malley](#) to chair the pro-slots group For Maryland, For Our Future.

Source: Baltimore Sun.

Owners' Liability on Trial in Britain

The legal responsibilities of being a racehorse owner in Britain have come to the fore in the wake of a multi-million dollar legal claim against the owners and trainer of a horse that severely injured an assistant trainer in a pre-race paddock incident at Wolverhampton Racecourse, England, in April, 2005.

The case is due to reach court later this year and the potential repercussions have sent shock waves through Britain's 16,000 registered Thoroughbred racehorse owners, prompting the Racehorse Owners' Association to include, as of Jan. 1, 2008, third party liability insurance as a new benefit in its annual membership fee of £195 a year.

Chris Kinane, then assistant trainer to Ian Williams, was kicked in the head by the Ian Semple-trained Saameq in the Wolverhampton incident almost three years ago. He has since undergone more than 17 operations and will require extensive care for the rest of his life.

Kinane's family has launched the lawsuit against Semple, majority shareholder David Irvine and fellow owner RB Racing Ltd, citing negligence on the part of the connections.

Irvine, 42, from Kilmarnock, Scotland, the owner of a small sub-contracting business, was not covered by insurance at the time of the incident. He faces financial ruin and has re-mortgaged his home to help meet legal

fees, although he has encountered difficulty securing a lawyer.

"I have to find a solicitor in England to take it on as a 'no-win, no-fee' case," he explained. "But as soon as I mention legal aid I hit a brick wall. I haven't got any money so surely I should be able to get legal aid. The situation is dire, to be honest."

The pressure of the court action has prompted Scottish trainer Semple, who has insurance of up to US\$2-million, to relinquish his British training' license, although he currently has runners participating under his name at the Dubai International Racing Carnival.

ROA chief executive Michael Harris said: "The tragic accident of Chris Kinane has left many racehorse owners concerned about the risk of a claim, and potentially a multi-million pound claim, being brought against them by a third party for which they have no insurance protection or inadequate protection.

"The insurance applies to racehorses that are in full training, horses being prepared to go into training and horses which are out of training on a temporary basis.

"There is a requirement for racehorse trainers to have public liability insurance, but there is no mandatory requirement for that cover to extend to owners who may also be exposed to a claim when their horse is resting away from the training yard or is being kept at home."

The new insurance benefit in the ROA membership provides an indemnity up to a maximum of £10 million per individual claim and follows an agreement between the ROA, Newmarket insurance brokers Lycetts Hamilton and the insurance company QBE Insurance (Europe) Limited.

The ROA has already seen a "significant" uplift in membership levels to over 7,500 following the introduction of this "key benefit" which sits alongside many other benefits.

The British Thoroughbred Breeders' Association introduced similar third party liability on March 1 for broodmares and young stock, including foals, yearlings and two-year-olds being prepared for sale. But it does not apply to horses who are directly under the care of their owners.

The plan covers horses in Britain, plus mares being covered and stock offered for sale abroad in other European countries for a span of up to six months. To be eligible, mares must actively be used for breeding or fostering and will not qualify while resting from race training or when in training.

Source: Bloodhorse.

MEC's three-year loss tops \$306-million

Magna Entertainment Corp., the leading operator of racetracks in North America by revenue, lost \$113,759,000 during the 12 months ended December 31, 2007, to bring the company's three-year loss to \$306,403,000.

This year's loss includes \$42,980,000 lost in the fourth quarter, which ended on December 31, 2007, a nearly 7-to-2 increase versus the same period last year. The company's annual loss was a 30.2% increase versus 2006, when it lost \$87,351,000. Magna Entertainment lost \$105,293,000 in 2005.

"We remain firmly committed to implementing our debt elimination plan, although the weak U.S. real estate and credit markets have adversely impacted our progress to date on asset sales," founder, chairman, and acting Chief Executive Frank Stronach said in a company release.

Many Magna Entertainment properties remain for sale, including racetracks Great Lakes Downs in Michigan, Portland Meadows in Oregon, Remington Park in Oklahoma, and Thistledown in Ohio.

Revenue increased 9% to \$625,715,000 year to year and 14.4% to \$117,286,000 for the fourth quarter. Chief Operating Officer Ron Charles said that the company's PariMax operations, which include XpressBet, AmTote, and HorseRacing TV, performed well.

Gulfstream Park in South Florida, however, has not performed well as slots revenue there continues to fail to meet expectations, and business on the facility's core product, horse racing, also is in decline through the first quarter of 2008.

Source: Thoroughbred Times.

Operator of Laurel, Pimlico Says Its Ability to Continue in 'Doubt'

Racetrack operator [Magna Entertainment](#), the parent company of [Laurel Park](#) and [Pimlico](#), announced yesterday it had more than tripled its fourth-quarter loss to just less than \$43 million, and reported in its financial statement that its "ability to continue as a going concern is in substantial doubt "

The [Ontario](#)-based company, one of the major racetrack operators in the country, suffered losses of more than \$113.7 million in 2007 despite implementing a debt-reduction plan last September that called for the sale of non-core racetracks and other real estate holdings.

Magna, which also lost \$288.3 million between 2004 and 2006, is carrying long-term debt of \$879.9 million with \$209.4 million of that debt due this year.

The company's financial struggle raises questions about Magna's position when [Maryland](#) voters face a slot-machine referendum this November that would provide a huge infusion of income into the state's racing industry. Maryland racing has been battered in recent years as tracks in [Delaware](#), [Pennsylvania](#) and [West Virginia](#) began realizing revenue from slot machines. None of those tracks is owned by Magna.

Recent analyst reports to the Pennsylvania Gaming Congress found that slot-machine revenue in Pennsylvania last year reached \$1.08 billion, according to a story in the Thoroughbred Times.

Maryland Racing Commission Chairman *John Franzone* has called on Magna to detail its finances at the commission's upcoming meeting March 18.

"It's almost inconceivable how [Magna] can lose that much money," Franzone said. "Are you making mistakes at the window and paying people incorrectly?"

Franzone suggested it would be wise for Magna to concentrate fully on helping pass the slots referendum in Maryland.

"If you get the slots and run them properly -- this ship is the Titanic now and it will change it into the" [Queen Elizabeth II](#), Franzone said. "That would reverse their fortunes dramatically and allow them to gain profitability."

Magna's stock fell 9 cents yesterday, with a closing value of 79 cents per share. On Feb. 14, NASDAQ warned the company its stock would be delisted if the share value didn't rise above \$1 by this summer.

"No one can be happy with our financial performance during the fourth quarter of '07 or the year as a whole," said Magna Chairman [Frank Stronach](#) during a conference call with investors.

"It's like 'Groundhog Day,' " said *Tim Rice*, president of Rice Voelker, an investment firm in [Louisiana](#). "Every quarter, the results are disappointing. Every quarter, [Magna says,] 'We're going to sell assets and reduce debt,' and nothing ever happens."

Source: Washington Post

Stronach calls for résumés

A sixth straight year of annual losses has pushed cumulative red ink at **Magna Entertainment Corp.** to more than half a billion dollars and has interim chief executive officer Frank Stronach pleading for help to find his replacement.

Yesterday, on a conference call to report the company's latest quarterly woes, he sent out a call for help from analysts and shareholders to contact suitable contacts.

"Send us the résumés," he said, on a call dominated by continued criticism of the racetrack and gambling company's dismal performance.

Mr. Stronach said the U.S. housing crisis is causing problems with a plan to sell excess real estate to pay off debt. MEC will talk to its debt holders - mainly parent company **MI Developments Inc.** - and seek new sources of financing after losing \$113.8-million, or \$1.04, a share last year.

The continuing troubles at the company, which owns some of the most prestigious racetracks in North America, have sent the value of its shares from almost \$5 to less than \$1 since last February.

"I'm very mindful of the performance of our stock in the marketplace and I am committed to addressing the issues underlying that unsatisfactory performance," Mr. Stronach said on a conference call with investors and analysts yesterday.

"No one can be happy with our financial performance during the fourth quarter of 2007 or the year as a whole," he said.

Participants on the call agreed.

"I think you guys ought to go back and listen to about the last seven or eight conference calls because it's like Groundhog Day," said Tim Rice, who follows the company for Rice Voelker LLC in New Orleans.

"Every quarter the results are disappointing. Every quarter we're going to sell assets and reduce debt. And it's just - nothing ever happens."

Gulfstream Park in Florida is not meeting expectations in part because construction of a housing development is keeping customers away and there were problems with the track at Santa Anita Park in California in the fourth quarter, which led to racing being cancelled on eight days during the quarter.

MEC has \$180-million in payments due to parent MI on May 31, including an \$80-million bridge loan.

MI owns about 60 per cent of MEC's shares. Mr. Stronach is also chairman of that company.

MAGNA ENT. (MEC.A)

Q4	2007	2006
Profit	(\$42.9-million)	(\$12.5-million)
EPS	(38¢)	(12¢)
Revenue	\$117-million	\$102-million

Source: Toronto Globe.

CHRB Hears World Poker Tour Concept

by Debbie Arrington

Could the folks who invented the World Poker Tour do the same for horse racing? If so, deal California in.

At its Feb. 28 meeting in Arcadia, the state horse racing board heard the outline for the World Thoroughbred Tour, the brainchild of poker tour founder Steve Lipscomb.

"We're extraordinarily excited about the possibility to do something in this sport," Lipscomb said. "(After the success of the poker tour), we've had appeals from everything from bingo to blackjack. We passed. ... But there are so many parallels (between racing) with the poker market in 2001."

That's when the tour started poker's rebirth.

"At that time, poker rooms were closing in droves," Lipscomb continued. "Fans were dying out. People asked how do we save poker?"

Exploiting a hole-card camera and boiling the game down to super-simple basics, Lipscomb's poker tour turned the centuries-old pastime into a spectator event and popular television. The tour's biggest fans and most of its stars are under age 30. A tournament at nearby Commerce Casino the same weekend as the Santa Anita Handicap has a \$7 million pot.

About a year ago, Lipscomb and his staff started thinking seriously about horse racing in a tournament format. Working with Drew Couto of the Thoroughbred Owners of California and Billy Koch of Little Red Feather Racing, the WPT crew developed a game that combined a pick-three or pick-five concept with poker tournament strategy.

Said Koch, "We can create new heroes for our sport. Handicappers can be heroes."

"In racing, we already stand on the shoulders of giants," Lipscomb said. "People love horses. It's exciting to watch. But we needed a way to try to allow that young bravado thing, allow people to compete against each other instead of the anonymity of the pari-mutuel system, then translate that group experience to TV."

The rules of the tournament would be up to the host track. Under the proposal presented to the California Horse Racing Board, the races could be limited to the host track or include other tracks, both in and out of state.

Scientific Games, which services California tracks, has the capability to put the wager into action immediately, Couto said.

"It's doable," he said. "This can work both on and off track and through ADW (advance deposit wagering), too."

Here's the concept: A bettor buys into the tournament at a set fee, such as \$25. In return, the bettor receives a fantasy bankroll loaded into a plastic swipe card similar to many tracks' rewards cards or an online betting account. Tournament wagers are restricted to win, place or show, or a combination of those, on only one horse per pre-determined race.

Unlike a multi-race wager such as a Pick 6, the bettor decides his or her wagers between races and can go "all in" at any point. The bettor can also pass a race. Television monitors keep track of the leader board. At the end of the tournament, the pool is paid out to the top 5% of the players with the winner getting 45%.

"It's certainly very interesting," commented CHRB chairman Richard Shapiro. "It could add new life to another old game. It's a wonderful thing. Poker has been a phenomenon. This is a terrific concept."

Added commissioner Jerry Moss, "We think it's a good idea, but it's up to the tracks how to implement it."

The board directed its staff to draw up a proposal in time for its March meeting and public review. Tour officials hope to have the wager in place in time to introduce it at Del Mar this summer.

Source: Bloodhorse.

1,500 city OTB workers fear parlor closures by the summer

By *SETH FIEGERMAN*

Many betting clerks don't like their odds in the job market as the city threatens to get rid of its OTB parlors.

"I'm 60 years old. I don't think many people will hire me now," said [Mike Murphy](#), who has worked at a [Queens](#) OTB for nine years. "I don't know what I'd do."

[Mayor Bloomberg](#) last week put together a vote to close the city's financially troubled OTBs by June.

[Off-Track Betting Corp.](#) grosses more than \$1 billion annually, but due to revenue-sharing mandates and formulas imposed by [Albany](#), it actually reports a deficit of \$14million.

Murphy, who is married and has an 8-year-old son, will be one of 1,500 employees to lose a job if the OTB is forced to close.

And that creates a ripple effect.

"That means families and extended families will suffer, too," said [City Councilman David Weprin \(D-Queens\)](#), chairman of the Finance Committee.

Weprin wants the Legislature to design a fairer deal for the OTB that takes into account the higher cost of operating in the city and to change the way payments to the state are calculated.

"The NYCOTB is actually the most profitable OTB in the state," he said. "The problem is, payments are based on gross profits rather than net profits."

Source: NY Daily News

RACING TO SAVE OTB

Two members of the City Council plan to introduce a resolution asking the state to save OTB and the 1,500 jobs that would be lost if the city carries out its threat to shut down the money-losing operation in June.

David Weprin (D-Queens) and Robert Jackson (D-Manhattan) want the state to allow the city to keep more of the operation's profits.

Source: NY Post

Injuries to racing greyhounds increase at Kenosha's Dairyland

More dogs suffered serious injuries racing at the Dairyland Greyhound Park last year, compared with 2006, according to state records.

They show 76 greyhounds broke their legs, an increase of 18.7 percent. The total number of injuries also increased to 462, up 19 percent.

The records said 363 of the 462 dogs hurt suffered muscle-related injuries, sprains or fractures.

Jenifer Barker, a state veterinarian who treats most of the injured dogs at Dairyland — which is the only remaining dog track in Wisconsin, said the condition of the track's surface and deterioration of the greyhound industry in general are reasons for the increased injuries.

The leader of a national organization opposed to greyhound racing has criticized oversight of dogs at the Dairyland, saying the number of injuries to them there in recent years "far exceeds the acceptable norm in dog racing or any other sport."

"This has been the case since the track was built in 1990," Susan Netboy, head of the Penn Valley, Calif.-based Greyhound Protection League, said Monday.

"Eighteen years of high injury rates suggests structural defects that cannot be fixed with resurfacing and grooming. For all of these years, management has been unwilling to effectively address this underlying problem, and hundreds of greyhounds have paid the price."

Bill Apgar, the track's general manager, dismissed Netboy's comments.

"Their agenda to shut down the industry is well-documented," he said. "We won't comment on such propaganda."

Apgar said the track has not been completely resurfaced since at least 1995. But he said the track is constantly maintained and groomed for the dogs.

"Nobody likes injuries," he said. "This is an athletic contest, and injuries do happen. We spare no expense in making the track as safe as we can."

Dave Picard of De Pere, president of the Retired Greyhound Athletes, a nonprofit that doesn't take a stance on the greyhounds racing issue but helps find homes for retired greyhounds, said the report of injuries is a concern.

"I hope they would take some steps to improve the track if that's the problem," Picard said. "If the statistics are correct, then perhaps the condition of the track can be improved."

Apgar said four full-time workers were employed to groom the track, as well as three part-timers. He also said that he, the maintenance director and the track's racing director monitor the track.

Not every injury is attributable to the track, Apgar said.

"A third of these injuries were injuries when the dogs were bumped in turns. Other injuries could be the result of genetics. Maybe the dog got bumped, didn't show any effects right away and the next time he ran, he broke down," he said.

Barker said there was not a policy among veterinarians around the country on how often a track needs to be resurfaced, but she said a rule of thumb is every three to five years.

Dan Subach, the state Gaming Division's chief steward at Dairyland, also said weather plays a role in injuries at Dairyland.

"And there is a concern that the quality of dogs Dairyland is getting is not as good as they've seen in the past," Subach said. "And that quality may be related to past health issues, or previous injuries. Finally, when dogs run well, they tend to be moved out to other tracks.

"We want to look at the kennels and the education and training at the kennels, and make sure they are putting a sound animal on the track."

Barker said the greyhound industry has been in decline for years, a victim of differing tastes and the growth of casino gambling.

"Some have called it a dying industry," she said. "There's not much money in it, and there isn't as high caliber of help as there used to be."

Source: Green Bay Press Gazette.

Hungry, hungry horses

Last year's drought slashed hay production; now equine groups say they're seeing many more cases of neglect and abandonment

Bourbon County's John Ransdell got a phone call recently from an Eastern Kentucky horseman with a sad story.

"He had 16 Rocky Mountain saddle horse yearlings that he couldn't get hay for anymore," said Ransdell, who breeds "Rockies" himself. "He said he was going to shoot the horses, because he didn't want to just watch them starve to death. I had some extra hay, so I went and got the horses and brought them home with me."

Lori Neagle, executive director of the Kentucky Equine Humane Center, a horse rescue facility in Nicholasville, got a similar call from a man in the Bowling Green area, desperately seeking a home for 50 head of Appaloosa horses that he couldn't afford to feed anymore. Neagle told him that while her facility was almost full, she might be able to accept some of the animals.

"He never called back," Neagle said. "What happened to those horses, we don't know."

Something is amiss in the kingdom of the horse this winter.

Horse associations, veterinarians and equine rescue operations in many areas of Kentucky say they're getting more and more reports of people who can't afford to feed their horses, mainly as a result of last summer's drought, which slashed hay production and doubled the cost of hay to \$8 a bale and more. The general national economic downturn is considered another factor, though there is considerable debate about whether a recent ban on U.S. slaughterhouses may also be contributing.

There are few hard numbers to track the problem, but equine leaders tell of skinny, undernourished horses showing up at auctions, and recount stories of horses going hungry, being given away to anyone who will take them or -- in a few extreme cases -- being left to fend for themselves.

Similar stories are being reported in New York, Minnesota, Tennessee, Florida, the Carolinas and other states.

The Kentucky Horse Council is taking the situation so seriously that it recently launched a fund to help horse owners who need hay, and established a hotline they can call for help.

"I've been using the word **crisis** to describe the situation, and I think that's still true," says Ginny Grulke, the council's executive director.

Others also are stepping up to help.

Christopher and Melody Muir Takacs left California in 2006 seeking a quieter life. But last summer, after buying a farm in Nicholas County, they started taking in horses that nobody wanted. Now, with hay shortages increasing the need, they've started the Buckland Equine Foundation, their own small horse rescue service. As of a few days ago, they were taking care of eight misplaced horses.

"If you'd told me eight months ago that I'd be doing this," Chris Takacs said, "I would have said you were crazy."

Numbers hard to pin down

Despite the dramatic stories, it's hard to pinpoint just how deep the problem goes.

Dr. Robert Stout, Kentucky's state veterinarian, says no statewide figures are available on how many horses have been abandoned or neglected or how many, if any, have died.

"There's no system for capturing that kind of data," Stout said. However, Stout says he's convinced there is a problem.

"My perspective is that it's probably due to the drought we had and the shortage of hay and other foodstuffs, coupled with higher prices," he said. "It's probably more of an issue than it has been in previous years."

Lori Neagle says the Kentucky Equine Humane Center, by far the largest rescue organization in the area, has taken in more than 140 horses since opening about a year ago. Many, though not all, of the cases were related to high hay prices. Other rescue groups report receiving much smaller numbers. But since there is no comprehensive list of centers statewide, it's unclear how many horses have been rescued.

Ginny Grulke, the horse council director, says that while she's received "lots of reports of abandoned horses from people who are credible," her group has been unable to compile "quantifiable numbers."

Indeed, some groups, like the Humane Society of the United States, contend that reports of abandoned horses in Kentucky and elsewhere are wildly overblown. "We've been unable to find a factual basis for most of the stories we've seen," society spokeswoman Stacy Segal said.

Lurking in the background is last year's shutdown of equine slaughterhouses in the United States. (Some American horses still are being trucked for slaughter to Mexico and Canada, although Congressman Ed Whitfield, R-Ky., is sponsoring legislation to stop it.) When U.S. slaughterhouses closed, some in the equine industry predicted that thousands of old or unwanted horses would be abandoned or left to starve because owners no longer would be able to have them slaughtered.

Now, some horse folks, like Dr. Doug Byars, a Lexington-based equine-care expert, contend that the shutdown of equine slaughterhouses is exacerbating the hay situation this winter.

"We're not talking about championship horses, but horses that are unwanted or that are no longer of any service," Byars said. "Now, these horses have no value, and with the slaughterhouses closed there is no outlet for them. So, you're getting these reports of abandoned horses and horses not being fed."

Others, however, argue just as passionately that many reports of horses going unfed this winter are being pushed by those who want U.S. slaughterhouses reopened, or who are interested in seeing that slaughter shipments to Mexico and Canada continue.

"They tried to keep that business going by saying that when the U.S. plants closed, there would be abandoned horses everywhere. But none of that has really happened," insisted Pendleton County's Shelly Price, co-founder of a group opposed to horse slaughter.

Nevertheless, there is general agreement that increasing numbers of horse owners are struggling to keep their animals fed this winter.

Plenty of sad stories

Lori Neagle says the Kentucky Equine Humane Center began getting calls for help shortly after Christmas from "people wanting us to take not just one horse, but several head at a time."

In one recent case, she said, the center accepted nine horses and two mules whose owner couldn't afford feed for them.

Among horses being cared for at the center is a little mare called Dixie, so named because she was found, half-starved, running loose along the busy Dixie Highway at Elizabethtown. She has never been claimed.

Then there's Gilbert, an 11-year-old saddle horse whose unknown owner has never claimed him, either. Gilbert was found tied to a telephone pole near the Scott-Owen county line last year. He had been mistreated, was nearly starved and probably had been tied to the pole for at least four days, Neagle said.

Such cases of outright abandonment are rare, according to Neagle. Most of the horses the equine humane center receives are voluntarily surrendered by their owners. But there are other unusual stories.

"I've had calls from people who said they woke up one morning, looked outside and saw some strange horses in their field that someone had just dropped off," Neagle says.

Marcia Moss, who runs a small horse rescue operation in Shepherdsville, described two horses found on a rural road there recently, and never claimed.

Owenton-based horse auctioneer Joe Penn says he's heard of cases recently in which people bought farms only to find undernourished horses languishing in empty back pastures, simply left behind by the previous owners.

On top of everything, stories keep circulating about horses abandoned on public lands, mainly in Eastern Kentucky. But no one could provide confirmation of any large cases.

Rodney Holbrook, U.S. Army Corp of Engineers resource management officer at Fishtrap Reservoir in Pike County, says at least eight unclaimed horses have been running loose on reservoir property for months. Recently, someone has been taking hay to the horses, but Holbrook said he doesn't know if it is the owner or just some concerned person. Holbrook said he's trying to find someone to round up the horses and take them away. Holbrook added that he's unaware of any similar problems at corps facilities in Eastern Kentucky.

Dave Baker, a spokesman for the Kentucky Division of Wildlife Resources, said the department is contending with horses running loose on some of its wildlife management areas. But he said he didn't know how many

horses are involved. It's unclear whether the horses were abandoned, or simply left by owners looking for free pasture, Baker said.

The Kentucky Horse Council's Ginny Grulke says she's been working on a case involving two horses left on a farm near Wilmore. A neighbor took them in, she said. Grulke said she also received two calls last week, each involving up to 40 head of horses in the Central Kentucky area whose owners couldn't afford feed for them.

According to Stout, things should improve for horses and their owners once spring grass starts to grow in pastures across Kentucky. Just how soon that happens will depend on the weather, but Stout and others warn that relief could take a while.

"If you have fields where the grass already was thin from the drought last summer, and horses have eaten what's left right down to the ground," Grulke said, "getting those pastures to recover may be hard."

Meanwhile, over in Bourbon County, John Ransdell is still taking care of those yearlings he picked up from the Eastern Kentucky man who could no longer feed them.

"They were pretty knotty when we brought them in here," Ransdell said. "But we've treated them for worms and fed them and got them going. It gives them a chance anyway."

He said he hopes to sell some of the horses, give others to breeders he knows and perhaps keep the rest. But hay remains in short supply in many areas, he said.

"If we hadn't found some hay ourselves," he said, "we'd probably be having to get rid of our horses."

Source: Lexington Herald Leader.

Task force for retired racehorses holds first meeting

A state task force has started identifying second careers for retired racehorses, but funding such programs might be a more difficult matter.

The 13-member New York State Task Force on Retired Racehorses, the first of its kind in the nation, held its inaugural meeting on Friday in Albany, the state capital.

The state of California and Woodbine, a Toronto racetrack, dedicate 0.3% and 0.25% of gaming revenues, respectively, to retirement programs.

However, Diana Pikulski of the Saratoga Springs, New York-based Thoroughbred Retirement Foundation, which has a \$3.2-million budget, said those levels are insufficient.

"Horses need to eat every day, and the people who care for them have to be paid," Pikulski said. "I would be concerned about a program that doesn't provide enough money, but gives people the feeling that it's all being taken care of. Funding of programs is something we're going to have to look at very seriously."

The New York State Task Force on Retired Racehorses, whose members were appointed by Governor Eliot Spitzer and legislative leaders, is charged with making recommendations to the state by July 2010. In addition to retirement issues, it also must deal with the pros and cons of synthetic all-weather track surfaces.

"It's so easy for us to place sound horses with people who use them as riding horses," said Pikulski, who estimated that between 400 and 500 New York Thoroughbreds are retired annually.

Getting even a tiny slice of the gaming revenue pie might be a difficult matter. The state just passed new racing legislation that will see the state's ailing harness tracks get a larger share of video-lottery-terminal revenues.

Also, the percentages due to be paid Thoroughbred horsemen and breeders was a hotly debated negotiating point.

“Who’s going to reopen VLTs?” said state Racing and Wagering Committee Chairman Daniel Hogan, who’s co-chairing the task force.

Legislation allowing for an Aqueduct racino was approved seven years ago, but a facility still hasn’t been built. On the heels of new racing legislation, however, the state is expected to name a gaming operator sometime this month and a 4,500-machine facility could be operational by 2009.

Given the New York Racing Association’s precarious fiscal condition, it appears doubtful that a significant share of VLT revenue, if any at all, would be allocated for equine-retirement programs.

“The charity model, generally speaking, is not working,” Pikulski said. “That’s something I hope we can fix.”

A gift from the Paul Mellon estate created an \$8-million endowment for the retirement foundation. But rules stipulate that only 5% (\$400,000) may be used each year. Pikulski said the rest of her group’s revenue stream comes through donations.

“I have to go outside of racing for money,” Pikulski said. “The first thing people say is, ‘I thought that sport is so wealthy.’ [Thoroughbred owners] are contributing, but a lot of them just take care of their own horses.”

Karin Bump, a Cazenovia College equine professor, said that medical and mental health foundations might provide some grant money for equine retirement efforts, because horses are sometimes used for physical rehabilitation, mental therapy, and drug intervention programs.

“You don’t even have to be on these horses,” she said. “Just being around them has a benefit.”

Source: Thoroughbred Times.

Greyhound adoption

The article "Homes for retired racers," Feb. 22, by Jennifer Phillips-Holden about retired greyhounds may have left readers with an incorrect impression.

More than 90 percent of all registered greyhounds are either adopted or returned to the farm as pets or breeders when they retire. Greyhound racing is working with volunteer adoption groups all across the country to reach the goal of 100 percent placement of all adoptable greyhounds in the near future.

Greyhound breeders, kennel operators and tracks spend well over \$2 million each year to support local, regional and national adoption programs.

Greyhounds make great pets in large part because of their experiences in racing. Because they are accustomed to being carefully handled, they are usually gentle and docile, and generally interact very comfortably with people and other dogs.

We commend the efforts of Colonial Greyhound Adoption and appreciate all the hard work it has invested in finding good homes for retired racers from [Florida](#) and New England.

Gary Guccione, Communications coordinator, American Greyhound Council, Abilene, Kan.

Source: Virginia Daily Press.

Trotting stallion collapses in breeding shed

Windsong's Legacy, who captured the 2004 trotting Triple Crown, becoming the first horse to accomplish the feat in 32 years, died Saturday morning while in the breeding shed at Perretti Farms in New Jersey. The son of Conway Hall-Yankee Windsong (by Prakas) was 7 years old.

According to Perretti Farms spokesman Bob Marks, Windsong's Legacy was on the "phantom" and his semen had just been collected for subsequent breeding when he collapsed. Marks said veterinarians suspect the stallion suffered a ruptured aorta, although a necropsy will be conducted to determine the exact cause of death.

In 2004, under the tutelage of trainer-driver Trond Smedshammer, Windsong's Legacy won the Hambletonian, Yonkers Trot (held at Hawthorne Race Course) and Kentucky Futurity to become the first trotting Triple Crown champ since Super Bowl in 1972. He earned \$1.7 million in his 3-year-old season with nine wins in 12 starts. He took a lifetime mark of 1:53 in winning the final of the Stanley Dancer Trot.

Windsong's Legacy's stallion career has thus far resulted in 184 foals from his first and second crops, with his oldest foals now 2 year olds in training. He was bred to 104 mares in 2007 and already had a large number of mares booked for this year.

"Unfortunately, this will require some re-shuffling of mares to other stallions," said Marks.

Source: HarnessRacing.com.

Gambling laws of France, Netherlands and Greece are questioned

Netherlands & Greece

The European Commission has requested the governments of The Netherlands and Greece to change their gambling laws. It believes that the restrictive laws of these countries are incompatible with the provisions in the 1957 Treaty, which relates *inter alia* to free movement of services. These measures have not been shown to be necessary, proportionate and non-discriminatory, according to the European Union's Executive.

The European Commission action follows complaints by operators, which concern for Greece the prohibition for foreign operators to provide sports betting services and other games of chance, advertising restrictions and remote gambling by Greeks. The Dutch investigation relates only to provision and promotion of sports betting services.

Both countries have two months to reply. If the European Commission is not satisfied with the response, it's only possible action left is to refer the matters to the European Court of Justice.

As reported, the European Commission is also undertaking procedures against several other countries, among which a new one below. The IFHA will continue to report on developments.

France

France is the only European Member State whose horseracing betting regulation is directly questioned by the European Commission. The reason is that the European Commission follows the complaints by private operators, who only have questioned regulation of horserace betting in France.

In addition to this specific complaint, the European Commission has started inquiries about a draft law that prohibits credit card payments for online gambling transactions. France will have to reply to the inquiries and can not apply the law until 31 March. Should France apply the law after that date, the European Commission could decide to start infringement procedures.

Relation to horseracing

The complaints above do not directly apply to betting on horseracing. However, the complaints may lead governments to a more general review of the gambling laws and policies, which may include horseracing. There are no signs at the moment that either the Dutch or Greek government is planning to open up the market for betting on horseracing.

In addition, the European Commission is considering the various aspects of fixed-odds betting compared to pool betting for sports in The Netherlands, which may have an influence on future debates on horserace betting.

The procedures above are not related to the laws on Intellectual Property Rights, namely those that govern the use of racing data and images for wagering purposes. The principles in article 28 of the IFHA Int'l Agreement can therefore be evoked to their full extend in the European situation and we urge their promotion.

Finally, what we expect for ourselves, we should also apply to others! IFHA member countries should not be in business with operators that take bets from countries other than your own in which it is illegal and/or takes bets on races other than your own without authorization of the rights holder.

Source: International Federal of Horse Racing Authorities.

A 50-pence bet the wife won't believe Fifty pence gets nearly \$2 million

An unidentified small-time gambler last week walked into a William Hill betting shop in Thirsk, England, wagered all of 50 pence (about \$1) and correctly tabbed eight winners at various racetracks. At combined odds of nearly 2.8 million to one, the gambler won 1 million pounds (\$1.98 million).

The streak started with a horse named Isn't That Lucky and ended with one named A Dream Come True.

The man, believed to be in his 60s, found out about his winning ticket when he showed up at another William Hill parlor about 15 miles away the next day. He made five more 50-pence bets and then asked a worker to check his betting slip from the day before.

According to a William Hill spokesman, "He went visibly pale before saying he would have to go tell his wife."

Good idea. It's not easy hiding \$1.98 million in a sock drawer.

Another lucky bettor

The New York horse player who last month won more than \$3.1 million on a Santa Anita pick six spent \$4,320 on his winning ticket. But he had planned to only spend \$4,000. Fortunately for him, he found another \$331 in his pocket, giving him enough money to make the wager -- and still have money left over to buy two hot dogs.

Source: LA Times.

Turfway Park executive chef arrested

Kevin Kangas, an executive chef at Turfway Park, was arrested on Thursday after being charged with embezzling more than \$70,000 from the Florence, Kentucky, track to place wagers.

Bond was set at \$100,000 for Kangas, who admitted he took money from petty cash and deposits over the past five weeks, wcpo.com reported. Kangas told investigators each time he took money, it was to try to win enough bets to pay back what he previously took and lost.

Kangas was booked into the Boone County Detention Center.

Source: Thoroughbred Times.

WOODBINE ENTERTAINMENT GROUP CUTS ENERGY COSTS

Woodbine Entertainment Group (WEG,) Canada's largest horse racing operation, is pleased to announce that it has completed the first phase of its energy retrofit program. The energy retrofits, designed and implemented by Direct Energy Business Services, will save WEG \$475,000 per year in energy costs and significantly reduce its energy usage.

In recognition of WEG's success, Peter Love, Ontario's Chief Conservation Officer, will be awarding his prestigious Certificate of Recognition to Nick Eaves, WEG's President and COO at an evening ceremony at Woodbine Racetrack. The Certificate recognizes WEG's leadership in pursuing an aggressive plan to reduce its energy usage across its facilities.

"With over 5 million visitors to our facilities each year, we wanted to demonstrate to these customers that it is possible to significantly reduce one's energy usage and carbon footprint if you make a long-term commitment," said Nick Eaves, President and COO of WEG. "We are pleased that our work represents a significant savings, both financially and to the environment."

The three-year, \$5 million project consisted of several initiatives including enterprise level software solutions, engineering services, building automation systems, a Smardt chiller installation, a steam boiler conversion, a domestic hot water boiler installation, automated air handling units, occupancy sensors and lighting retrofits.

"I congratulate Woodbine Entertainment Group for partnering with Direct Energy to conduct retrofits in their facilities," said Peter Love, Ontario's Chief Energy Conservation Officer. "These retrofits will save energy, save money and reduce greenhouse gases. I urge others to follow suit and help us build a culture of conservation across Ontario."

WEG was also recognized, at the event, by Enbridge Gas Distribution, BOMA Toronto and Toronto Hydro for their energy conservation program. Enbridge provided WEG with a cheque for \$37,408.25 as part of their Retrofit Incentives program.

"Congratulations to WEG for their leadership in executing an aggressive energy reduction program. As a company that has extensive experience helping large organizations reduce their energy usage, Direct Energy hopes that WEG's success demonstrates to business leaders that an energy retrofit program can be both financially and environmentally rewarding," noted Bob Huggard, President, Home and Business Services, Direct Energy.

About Woodbine Entertainment Group

Woodbine Entertainment Group is the largest operator of horse racing in Canada and is recognized as one of the most innovative in North America. Woodbine operates Woodbine Racetrack in Toronto ON; Mohawk

Racetrack in Campbellville, ON, the Champions Off-Track Wagering Network; Turf Lounge; WEGZ Stadium Bar; Horse Player Interactive and HPI tv.

Source: StreetInsider.com.

Slots revenue at Presque Isle casino more than expected

Presque Isle Downs & Casino generated more than \$163 million in revenue in its first year of operation, a number that pleased its officials but has them imagining they can do better.

Previously, consultants for the Erie County racetrack casino and the Pennsylvania Gaming Control Board had estimated that it would draw about \$130 million to \$140 million annually in pre-tax revenue -- what customers leave behind as their net losses in the slot machines.

It was forecast to be among the lesser tier of slots parlors in Pennsylvania, as many are predicted to make \$200 million or more, 55 percent of which goes directly to state and local governments.

Its 1,999 machines are generating less than the statewide average, bringing in \$268 per day per machine during the Presidents Day holiday week compared with \$281 statewide and \$306 at The Meadows Racetrack & Casino, which has 183 fewer machines.

Still, it's close enough to be satisfying, said Richard Knight, chief executive officer of Presque Isle Downs & Casino.

The machines have averaged \$216 per day since opening Feb. 28, 2007, with the take much better initially and in summer months than recently. The racetrack casino has 750 employees, some of whom were laid off temporarily or had their hours cut back this winter, as the slots use experienced a seasonal slowdown that Mr. Knight said is typical in the industry. He said about 70 percent of the 145 employees affected by cutbacks have been restored to their former hours.

Mr. Knight said revenue would have been higher if not for opening during a weakening economy, and Presque Isle Downs & Casino will benefit in its second year from having established a market for itself and putting on an expanded thoroughbred racing schedule: 100 days starting in May instead of just the monthlong season in September.

A national publication, Thoroughbred Times, named Presque Isle Downs the best venue in the country recently in recognition of the high purses and the facilities at the track, including its synthetic racing surface.

Although Mr. Knight is hoping to increase revenue, some of the forecasts for Pennsylvania's casinos anticipated their volume would actually drop as more competition develops. The Majestic Star casino is expected to open on Pittsburgh's North Shore next year, and a racetrack casino in Lawrence County, even closer to Erie, after that.

"I don't think the one in Pittsburgh will affect us one bit," Mr. Knight said, suggesting that most of the facility's visitors from southwestern Pennsylvania make Presque Isle Downs part of a general tourism trip in summer months. He declined to speculate on the impact of Valley View Downs in Lawrence County, noting it doesn't yet have a gaming license.

He said the racetrack casino plans some improvements this year, including adding a deli and pizzeria to supplement its buffet, plus a bigger bar and more betting windows during racing season to relieve congestion. Its number of slot machines are about right, he said, but officials realized quickly that they had more of the

newer-style, video-oriented slot machines than local customers wanted. Presque Isle Downs & Casino has replaced about 100 of those with traditional reel machines.

Source: Pittsburgh Post Gazette.

Tribal gambling puts millions in Oklahoma state pot

Oklahoma received \$70.4 million in 2007 from Indian gambling compacts or "exclusivity fees," state records show.

The figure is more than triple the \$21.5 million collected in 2006 and matches estimates made in 2004, when a state question was approved allowing the state to enter into compacts with gambling tribes.

In 2005, only about \$8.2 million was collected.

The Chickasaw Nation led state Indian tribes in 2007 for revenue payments with \$18 million, according to Office of State Finance records. The Choctaw Nation was second with \$16.5 million, and the Cherokee Nation came in third with \$11.5 million.

State Treasurer Scott Meacham said it is likely that up to a 50 percent increase in those payments could result if the National Indian Gaming Commission were to approve proposed regulations that would reclassify noncompact Class II -- or bingo-based -- games into compacted Class III games, or slot machines.

The tribes have argued that the proposed rules are unfair and unnecessary. Meacham said approving those rules has a positive side to it.

"If payments go up, it means more tribes are converting to compact games," he said. "But that money doesn't go to the state as a whole, but straight to education."

Meanwhile, Brian Campbell, CEO of Chickasaw Enterprises, said his tribe making the most compact fee payments among state tribes is not a surprise.

"The Chickasaw Nation is always among the top three tribes that contribute the most to the state's education fund," he said. "We've proven that we are a significant contributor to Oklahoma's economic development."

Cherokee Principal Chief Chad Smith said the tribe's No. 3 position for compact payments is a direct result of finding its market and then competing in it.

"That's why we decided to expand in West Siloam (Springs)," he said. "We built a site there many years ago because of its proximity to Fort Smith and the northwest Arkansas market."

Derek Campbell, head of gaming compliance in the Office of State Finance, said officials see exclusivity fees as a barometer on how well a tribe's gambling enterprise is faring during the year.

"We don't know how many Class II machines (uncompact games) a casino has," he said. "We see trends that we read from the year-end report."

Revenue payments increased from the beginning of the year to the end. That is what state finance officials saw in 2007, Campbell said.

Compact payments started with \$4 million in January and rose to \$6.6 million by October. The monthly figures represent the total amount tribes paid to the state in compact fees, officials said.

The state began keeping logs on compact payments in 2005 after State Question 712 was approved in November 2004, allowing gambling agreements between Oklahoma and Indian tribes.

The tribes' payments are derived from a percentage of the compact machines' (Class III) profit that the state and each tribe have negotiated in their gambling compact agreement and ranges from 6 percent to 10 percent. Currently, about 33 of 37 federally recognized tribes have compacted with the state.

Janie Dillard, Choctaw executive director of gaming, said her tribe pays 6 percent for compact games and 10 percent of table games revenue to the state. She estimates 80 percent of its total games are compacted games.

"Over the past couple of years, some of the largest companies in the industry have had their games approved for play in Oklahoma under the state compact," she said.

Among other local tribes, the Osage Nation and Muscogee (Creek) Nation ranked fifth and seventh, respectively, among state tribes in total 2007 payments. The Osages paid \$3.2 million, and the Creeks paid \$2 million.

State gambling tribes have about 25,000 (noncompact) Class III machines of about 50,000 total gambling machines.

Oklahoma officials rely on tribal self-reporting and inventory amounts per casino the state already has to draw up their estimate of compacted games, Campbell said.

Source: Tulsa World

Bright future for dog racing

With a new track and dozens of race meetings this season, the Manawatu Greyhound Racing Club is anticipating a bright future.

The sand/loam mix track at Manawatu Raceway was first used last August.

The old grass surface was an obsolete design with a very tight first bend; it was also harder to maintain and had a greater likelihood of injuries.

The new surface is "state of the art" and arguably the best in New Zealand, manager Ashoka Pandey says.

This season (August to July) the club will run 50 meetings, up from 16 the previous year (partly due to finishing the season earlier to allow the building of the new track). Next season the club is down to run 51 races.

The club plans to take greyhound racing from a hobby to a profession, Mr Pandey says. People can now set up in Manawatu and look to be a professional greyhound trainer. Palmerston North is now also attractive to trainers wanting to establish satellite kennels to take advantage of the increased racing opportunities, he says.

The club runs trial meetings on Thursdays and Saturdays, allowing owners to get their dogs race-ready.

Races are held over three distances - 375m, 457m and 766m - with dogs travelling 60-70km an hour.

Mr Pandey says many people don't realise how much contact there is between the dogs as they jostle for the position they want.

"It's definitely a contact sport."

The 620m-long Manawatu track is known as a one-bend track, with dogs only needing to go round one corner for the sprint and middle distance races. Most tracks are smaller and consequently two-bend. One-bend tracks suit dogs with higher stamina as they have to sustain their speed for the entire race.

On-track attendance isn't high, which Mr Pandey attributes to the timeslots, such as Monday afternoons, the club has to use to meet Australian Tabcorp requirements.

Present last Monday was Wellington man Paul Stannard, a recent convert to the dogs. He raced horses for about 25 years, with them mainly stabled at Awapuni. Now Mr Stannard has a part-share in four dogs.

Greyhounds have a lot more starts and the ratio of prize money to cost is "hugely better," he says.

Dogs come back from injury quicker than horses and don't take as long to regain fitness after a spell.

And, of course, there isn't the expense of jockeys.

He says betting on greyhounds is more predictable as they race on the same tracks and against similar opposition more than horses.

Mr Pandey says the club is looking to facilitate a closer relationship with Massey University's vet school to further research into greyhound nutrition and training.

He was appointed manager last July, having taken over as secretary in 2005 when greyhound industry identity Nancy Cobain died.

Source: Manawatu Standard, New Zealand.

Ex-lottery security official sentenced for rigging game

INDIANAPOLIS - A judge sentenced a former Hoosier Lottery security official to eight years of home detention for revealing to two men the store where they could buy a winning \$1 million scratch-off ticket.

William C. Foreman, 62, faced up to 50 years in prison but accepted an agreement in which he pleaded guilty to a single felony count of disclosing confidential lottery information. Marion Superior Court Judge Grant Hawkins sentenced him to 20 years and then suspended 12 years.

"I stand here now in front of you embarrassed, remorseful. I take the blame for what I did," said Foreman, who was sentenced Friday. "To this day, I still cannot say why I did it."

He was accused of telling two Shelbyville men in 2004 that a winning ticket in the lottery's "\$2,000,000 Bonus Spectacular" game could be bought at a grocery store in Cross Plains in southeastern [Indiana](#)'s Ripley County.

Prosecutors said the men then bought every ticket for that game available at the store -- \$640 worth -- including the winning ticket.

Source: Associated Press.

Position Available

The State of Wyoming is seeking applicants for the position of Executive Director of the Pari-Mutuel Commission. Information may be found at <http://statejobs.state.wy.us/JobSearchDetail.aspx?ID=13411>



**RCI ANNUAL CONFERENCE
ON
RACING and WAGERING INTEGRITY**

OPEN TO THE RACING AND GAMING INDUSTRY...

March 24 – 27, 2007 in Austin, Texas

To: Racing Commissioners, Executive Directors/Secretaries and Supporting Staff, Gaming Regulators, RCI Associate Members, Thoroughbred, Standardbred, Quarter Horse and Greyhound Track Executives, Horsemen's Representatives, Industry Associations, Government Officials and Service Providers, International Representatives and Friends of RCI

From: Ed Martin, RCI President/CEO

Date: January 24, 2008

RE: RCI's 74th Annual Racing Regulators Conference
March 24 thru 28, 2008
The Driskill Hotel, Austin, Texas
Phone: 512-474-5911 or 800-252-9367
(Mention the "RCI room block" for best rates.)

Please plan on attending RCI's upcoming conference on racing and wagering integrity. The RCI conference will be the first ever held in Texas and will be characterized by a wide variety of speakers, panel discussions, committee meetings and social activities that will be open to all racing and gaming industry participants registered for the conference. This year we have several industry groups that will have satellite meetings in conjunction with our conference.

Conference dates are just around the corner and with the attractive and unique location of Austin we are certain to fill our room block quickly. It is critical that you and your organization make your plans now. Room reservation cut-off for The Driskill Hotel is **February 22**. Conference registration is discounted to \$495 if paid by March 1, if paid after March 1 the registration will be \$595. The registration fee for spouse/guest of attendees is \$125. **PLEASE RESERVE YOUR PLACE NOW!**

Call us at 859-224-7070, Ext. 4001 if you require further information or assistance in making your plans to attend. We look forward to visiting with you in Austin.

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74th ANNUAL CONVENTION
 Driskill Hotel, Austin, Texas
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Please indicate which activities you plan to attend and the number of people attending each.

- ___ (No.) Breakfast, Tuesday, March 25
- ___ (No.) Reception, Tuesday, March 25
- ___ (No.) Breakfast, Wednesday, March 26
- ___ (No.) Reception, Wednesday, March 26
- ___ (No.) Breakfast, Thursday, March 27
- ___ (No.) RCI ANNUAL DINNER, Thursday, March 27

Convention Registration Fees

	ALL ATTENDEES	SPOUSE
<u>PRIOR TO MARCH 1</u>	\$495.00	\$125
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