



# RCI Bulletin

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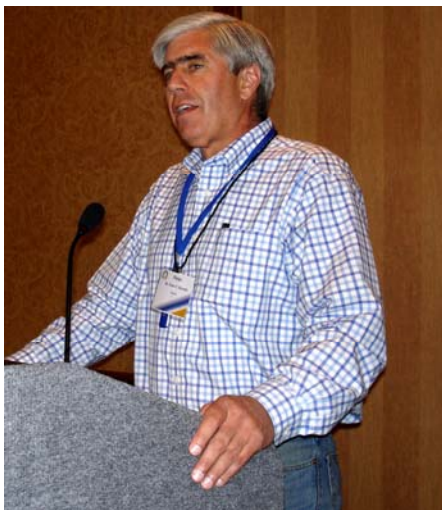
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**The rate for the RCI Summer Board Meeting at**  
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## Regulators Pass Model Rule On Steroids



RCI Chairman Peter Burnett

“I think RCI is more important and relevant than ever in history,” said new chairman Peter C. Burnett, the chairman of the Virginia Racing Commission, in his address to assembled regulators. “Racing needs to speak in a unified voice to the public. I hope we can turn talk into reality.”

Lending a loud voice of realism to the conference was guest speaker Bill Casner, chairman of the Thoroughbred Owners and Breeders Association and co-owner of WinStar Farm.

Casner earlier in the week passionately delivered a planned presentation outlining the hazards of toe grabs, and then interjected himself into a lively debate on the steroid issue prior to the model rule passage.

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The adoption motion was then passed almost unanimously, despite concerns expressed by some on the scientific standards use on four allowed limited-use anabolics -- stanozolol, boldenone, nandrolone, and testosterone.

“I want to see the use of steroids eventually banned as well, but we need to be absolutely accurate when we put this out as regulators,” said Ingrid Fermin, executive director of the California Horse Racing Board.

But Casner’s input drove home a measure that was likely to pass anyway.

“It has an impact when regulators hear a horse owner say, ‘regulate this,’ ” said RCI executive vice president Paul Bowlinger.

Model rules are for the most part consensus guidelines which regulators use in their respective jurisdictions to seek the enactment of collaborating legislative laws. The RCI membership roster includes 38 states and nine neighboring nations and territories in North America.

RCI president and CEO Ed Martin said the pressure was now on chemists to determine more accurate threshold levels, if any, before the proposed implementation date of Jan. 1, 2008. The thresholds have been in effect for 14 years in Iowa, the lone state with anabolic steroid testing, as well as in international settings.

Like Casner’s powerful pleas for bans of anabolic steroids and toe grabs – which some research suggest are present in 95% of all catastrophic racehorse injuries – the voice of another “outsider” drove a point home on the implementation of nylon-reinforced safety reins for jockeys.

Darrell Haire, a former jockey and western regional manager for the Jockeys’ Guild, called a ride he once had on a horse with a broken rein “the scariest thing that could happen while you are in the middle of a pack.”

Haire said he didn’t know if a broken rein was ever directly attributed to a jockey’s death. “But,” he added with pointed emphasis, “before someone gets killed, this needs to be mandated.”

In a wide-ranging address, guest speaker Alex Waldrop, president of the National Thoroughbred Racing Association, called for increased dialogue with regulators, while at the same time asking for their help.

“Racing has fallen into old ways of thinking,” he said. “We are taxed like are a monopoly franchise, with taxes on gross handle. Casinos don’t get taxed on gross, but on revenue.

“And somehow we have to get past the thinking that takeout needs to be regulated. We need the ability to drop our price. We need to get out of the thinking that we have to control every economic (aspect) of the industry.”

Waldrop also noted the potential threat offered by a Congressional bill introduced April 26 that would roll back a ban on Internet gambling, from which horse racing is currently exempt.

“That is a real threat to the business,” Waldrop said of the bill, which was introduced by U.S. Rep. Barney Frank, a vocal opponent of the Interstate Horseracing Act. “Just like the expansion of casino gambling, expansion of internet gambling is a threat to our industry.”

The RCI conference concludes April 27. *Source: The Bloodhorse*

## Whitfield Receives Joan F. Pew Award

Connie Whitfield, chairwoman of the Kentucky Equine Drug Research Council, accepted the Joan F. Pew Award at the Association of Racing Commissioners International awards dinner on Wednesday.

Whitfield, who has helped lead the charge to change Kentucky's equine drug rules, said it felt good to see others acknowledge her work. Also vice chairwoman of the Kentucky Horse Racing Authority, Whitfield accepted the award which recognizes commissioners who show courage in leadership.

The William H. May Award went to the American Greyhound Council, for its work, which centers on finding Homes for retired greyhounds

Others recognized at the dinner in Jackson Hole, Wyoming, included Colorado Division of Racing Events Director Dan Hartman, who received the Len Foote Award, presented by last year's award winner Stan Bowker.



Pew Award Board Chairman Barker Hickox, received the Chairman's Award and Delaware Thoroughbred Racing Commission Chairman Bernard Daney, who completed a one-year term as RCI chairman, received a special 20th Anniversary Pew Award; and the late Joe Joyce, former president of Arlington Park and the founder of the Arlington Million (G1) was honored for his work on the Pew Award Governing Board. *Source: The Thoroughbred Times*

## **RCI Panel Discusses Ideas For Racehorse Safety**

Emphatic calls for change in dealing with horse racing injuries and related prevention methods were made April 24 during a panel discussion at the annual Association of Racing Commissioners International Conference in Jackson Hole, Wyo.

North American regulators in attendance at a Snake River Lodge & Spa conference center heard TOBA chairman Bill Casner make a passionate speech lobbying for the banning of toe grabs, an update by Florida veterinarian Dr. Mary Scollay on a fledgling racetrack injury reporting database, and pleas for standardization in racetrack surface certification by Dr. M.L. “Mick” Peterson.

Casner, who is also the co-owner of WinStar Farm, said the only solution for the inordinate amount of catastrophic injuries connected to toe grabs is to outlaw that particular horseshoe variation.

“To me, the solution is simple, and I think most of the top trainers have already realized this,” said Casner, who cited research which shows toe grabs are evident in 90% of all catastrophic injuries.

Scollay said 23 tracks are now on board to provide injury data for a standardized national database she will manage, a project that was first discussed at the “Welfare and Safety of the Racehorse Summit” held last October. The official launch date is June 1, and the racetrack vet is looking both for funding and additional tracks to jump on board. She said an analysis of national data might be available in about six months, but won’t include released data on individual tracks.

“That’s for them to decide if they want to release the data,” said Scollay, who conducted a similar type of data collection this past winter at Gulfstream Park, where, along with Calder Race Course, she serves as chief veterinarian. “The data will show the track where they stack up nationally.

“There is no point in trying to compare, say, Saratoga to Mountaineer Park,” she continued, “because they are two entirely different populations of horses.”

Peterson, a professor of mechanical engineering at the University of Maine, said it is imperative to have standardized certification for surfaces, adding that there is no better reason than the advent of synthetic surfaces.

“I have concern with synthetics in that if synthetic tracks don’t solve all the problems, then there will be another backlash in five years or so,” he said.

He noted that there are different varieties of synthetic substance compositions, and that some are “tweaked” to meet certain weather conditions or in reaction to other issues that arise with the surface.

The annual RCI conference, which features regulators from 38 member states and nine neighboring territories and countries, is scheduled to run through April 27. *Source: The Bloodhorse*

## **Progress On Wagering Issues Shared With Regulators**

A self-described horror story told by a fellow regulator provided dramatic background for a discussion on wagering security and integrity issues held April 25 during the Association of Racing Commissioners International annual conference.

John Cansdale, executive director of the New York State Racing and Wagering Board, related to conference attendees at the Snake River Lodge in Jackson Hole, Wyo., how a series of errors allowed for bets to be made during a race run last September at Saratoga Harness Track.

At the appointed time, Cansdale said, the judge hit the keyboard to close wagering, but for some still-unexplained reason, the pools remained open. At the same time, the on-site tote employee saw the race going, but his computer display said there was still one minute to post, so the employee, who later said the screen malfunction was caused by a pen being stuck in his keyboard, didn't react.

After realizing the pools had been open the entire race, track officials did a quick investigation, determined that only two bets – both losing – had been placed during the race, and declared the race results official.

The NYSRWB launched its own investigation, and determined that multiple bets were made during the race. The biggest frustration, Cansdale said, is that no one had a good explanation for exactly what went wrong.

“The long and short is that entire system broke down – technology and the human element,” Cansdale said. “You would assume that it would have been picked up somewhere along the way. This is one more plug for an independent monitoring system that would probably have picked up on one or more of these errors.”

Wagering security and integrity have been industry buzz words since the 2002 Breeders' Cup Pick 6 fraud in which individuals accessed wagering pools via computer.

James Coil, vice president of engineering for The Jockey Club, updated regulators on the effort to launch the joint-venture Wagering Transmission Protocol, which is designed to provide a model for tote transactions, efficiencies, and related security.

Coil said a year-long pilot program of the protocol is in the works, and would include a 30-day test run at a single host track working with four guest totes in at least two countries (with one likely being Woodbine). He said it would cover all race cards and all pools.

“We need to take a conservative approach and make sure it works in a real world situation – all the paperwork and meetings will never prove anything until it is put into practice,” he said.

RCI has developed with corporate partners a wagering monitoring program under the non-profit entity RCI Integrity Services, and has separately enlisted Gaming Laboratories International to develop a testing program for totalizator systems.

Kevin Mullally, general counsel and director of government affairs for GLI, said model rules adopted April 24 by RCI were a step in the right direction.

“RCI developed a template yesterday,” said Mullally, a former executive director with the Missouri Gaming Commission. “They are similar to those to in effect in South Africa, which is highly-regulated.”

RCI president and CEO Ed Martin said a monitoring program contracted by Youbet.com is still ready for a June launch. The Youbet agreement was the first secured by RCI Integrity Services, but hopefully not the last, Martin said.

“There are additional customers we are in negotiations with, including racetracks and tote companies,” he said, declining to provide names due to ongoing negotiations.

The RCI annual conference is scheduled to run through April 27. *Source: The Bloodhorse*

## **Jockey Investigation A Hot Topic At RCI Conference**

Frustrations with racetracks handling of recent jockey exclusions bubbled over during a committee meeting at the Association of Racing Commissioners International annual convention April 24, with attendees bemoaning the negative attention caused by the ongoing situation.

Michigan Racing Commissioner Christine White got the debate rolling when she told fellow regulators that she still hadn't heard any of the details of the investigation on 10 jockeys who were banned in December from Calder Race Course, Philadelphia Park, and Tampa Bay Downs.

A Thoroughbred Racing and Protective Bureau investigation is said to center on wagers made on a race at Michigan's Great Lakes Downs in 2006. Officials have offered no information on the jockey bans.

“I've had numerous conversations with Magna (Entertainment Corp.) and they have not released any information to me,” White said of discussions with the operator of Great Lakes Downs.

“I wouldn't call them heated, but they have been intense discussions,” White told committee attendees that also included Jockey's Guild national manager Dwight Manley, among others.

Manley, who has been vocal about the lack of due process given to the riders, repeatedly questioned the TRPB's handling of the investigation.

“I've never seen anything like this,” he said to a panel that included White and respective RCI president Ed Martin and executive vice-president Paul Bowlinger. “I'm not blaming the racing commissioners, at least not yet, but either there is something there or there isn't.”

Martin said the investigation “wasn't racing's finest hour,” but called for increased dialogue between all involved.

“We would hope that a conclusion would be reached sooner than later,” he said. “It would be helpful to everyone. I think we are all trying to get to the same place. But if you are going to start ejecting in a high-profile way, you have to know that you are going to attract a lot of interest.”

Minnesota Racing Commission deputy director Mary Manney said her state was facing a tough call on whether to license one of the involved riders -- presumably multiple-leading rider Derek Bell -- before Canterbury Park's meet starts May 5.

“We are in a situation where one of the jockeys has been the leading rider at Canterbury for four years, and we still can't get any information on what is going on,” she told the panel. “Our statutes say we have to license him. We have a little more than a week before our meet starts, and we have a tough decision to make on whether he will or not.”

Bell and some other of the riders, including Terry Houghton and Rene Douglas, have been cleared by some

tracks to ride.

The committee meeting was part of the week-long RCI convention, which is being held at Snake River Lodge in Jackson Hole, Wyo. *Source: The Bloodhorse*

## **Regulators Consider Anabolic Steroid Limits**

A model rule that limits anabolic steroid use to four approved substances was unanimously passed in a committee hearing of the Racing Commissioners International annual conference April 23, highlighting the opening-day morning session of the annual conference of North American regulators in Jackson Hole, Wyo.

The model rule, which will now be sent to the April 24 RCI board of directors meeting for disposition, recommends that regulators push for legislation that would allow for limited sample levels of only four anabolic steroids—stanozolol (Winstrol), boldenone, nandrolone, and testosterone.

Under the rule's guidelines, all other anabolic steroids would be prohibited. Presently, only Iowa has rules in place for the testing of anabolic steroids in North America, while Europe has been testing for years.

"Historically, in North America, anabolics have not been regulated," said Dr. Scot Waterman, director of the Racing Medication and Testing Consortium. "Internationally, they have spent a lot of time investigating steroids, and now they are banned. North America is different from the rest of the world."

Waterman, who works with the RCI's Drug Testing Standards and Practices Committee which passed the rule, said he has seen steroids go from being almost a non-issue four years ago to a current hot-button topic in horse racing.

"It used to be a once-in-a-blue-moon type of scenario, kind of a shot in the arm for the horse," said Waterman of anabolic steroid use.

Now, Waterman said, horses are being found with multiple anabolics in their systems, based on various post-race samples and analyzed data from veterinary bills supplied by the Thoroughbred Owners and Breeders Association.

"We think the rule will eliminate regimented usage of steroids in the sport," Waterman added. "This is a huge change from status quo. It will be a huge departure from how things are done now."

The rule also contained language that would allow for approved anabolics to be used in horses that were recovering from illness and/or injury, but levels would have to be below the suggested thresholds before the horse could be removed from a veterinarian's restricted list.

An audience member asked if the guidelines would apply to sale horses as well, and Waterman said it would, noting that perceived abuse in the auction industry was a driving factor in the committee's focus on anabolic steroids.

"I've heard too many stories about the 'incredibly shrinking horse,' " he said.

Also passed in the general member meeting were model rules that include an overhaul of RCI's chapter on pari-mutuel wagering, specifically to deal with updated language on wagering security and revisions to "Pick"

types of wager (such as Pick-3, Pick-4, etc.), as well as minor rule revisions on medical personnel and split-sample testing, among others.

The rules on Pick wagering provide guidelines that include making a race a “no contest” event if surfaces are changed (such as turf to dirt) following the close of wagering. In the case of Pick-3 wagering, additional language was offered that would allow for scaled consolation pools to be distributed to those bettors who saw their horses scratched out of the second and/or third legs.

The medical personnel language asks for at least one member of a track’s medical team be either a paramedic or nurse practitioner. The split-sample language was modified to change the time period from 48 hours to three business days for samples to be submitted to laboratories.

The passed model rules, which were more than two years in the making, according to RCI chairman of model rules Dennis Oelschlager, will be taken back to the states and jurisdictions of the respective regulators, where efforts to enact them into regulatory law will begin.

“It’s a strong call for uniformity,” said Paul Bowlinger, RCI executive vice president. “We come together to agree on the best standards and practices, but they still must go through legislation.”

The RCI annual convention, the 73rd straight year of such a gathering by regulators, is scheduled to run through April 27 at the Snake River Lodge in Jackson. RCI members include 38 states and nine neighboring territories or countries, according to the organization’s Web-site. *Source: The Bloodhorse*

## **2005 American Horse Council Economic Impact Study Of The U.S. Horse Industry**

Valuable information from American Horse Council’s Economic Impact Study can be found at the following link

Not only does the study provide national economic impact information and statistics, but there is an accurate estimate of the horse population in each state. In addition, several commissions don’t know there was an economic impact study done for their state. Individual state studies were done for California, Colorado, Florida, Indiana, Kentucky, Louisiana, Maryland, Missouri, New Jersey, New Mexico, New York, Ohio, Oklahoma, Texas & Wyoming . The web address for more information and ordering is: <http://horsecouncil.org/economics.html>. The cost is \$60 for the national study plus \$4 shipping & handling, and \$35 for individual states plus \$4 shipping & handling, or \$85 for both and \$4 shipping and handling.

The racing commissions might also be interested in the AHC Directory of Horse Industry Organizations: <http://horsecouncil.org/publications.html>.

It is \$25 or free with most membership levels: <http://horsecouncil.org/membership.html> Source: Dan Fick, Executive Vice President & Executive Director The Jockey Club

## **The RCI Continuing Education And Training Committee**

The RCI Continuing Education and Training Committee announces two separate conferences to run concurrently on June 21 and 22<sup>nd</sup> in Minneapolis , Minnesota .

First - we are reviving the annual **Pari-Mutuel Auditors Conference & Training**. This group, which has not formally met since 2001, plays a pivotal and important role. Much is happening on the wagering security front and the regulatory pari-mutuel auditors have a leadership role to play. In addition, new personnel in this area can benefit greatly by attending this seminar and learning from colleagues. The formal agenda will be forthcoming. Two days of intense discussion on common issues as well as an explanation of the RCI Integrity Services wagering monitoring system will occur. Auditors will have the opportunity to brainstorm how they want the newly developed pattern analysis/fraud detection software, MonitorPlus, to be configured to meet their needs.

Secondly – the successful discussion for new commissioners that occurred during the 2006 RCI annual meeting in New Mexico has been expanded to meet a need for a more thorough and in-depth training session. This will be our first **New Commissioner/Executive Staff Training Seminar**. Sometimes new commissioners and staff come from the racing industry and do not fully understand the government process --- and sometimes new commissioners and staff may understand government or business but may not have been exposed to all aspects of the racing industry. This seminar is designed to benefit all. There is no such thing as a stupid question. We anticipate, thanks to the Minnesota Racing Commission, to have part of this training done at the track.

Both events will be based at the Burnside Holiday Inn, just outside of Minneapolis , MN and near the racing at Canterbury Park .

Anticipated room rate is \$79 per night. There will be a modest registration fee (TBD) to defray the cost of food. We anticipate that participants will arrive Wednesday evening June 20<sup>th</sup> and depart late Friday the 22<sup>nd</sup> or Saturday morning the 23<sup>rd</sup>.

More detailed information, including the number to call for hotel reservations and how to register, will be forthcoming.

### **Legislation Aimed At Adequate Jockey Insurance Introduced In Congress**

United States Congressman Ed Whitfield (R-Kentucky) and Bart Stupak (D-Michigan) introduced the Jockeys' Insurance Fairness Act on Thursday, legislation that would provide injury insurance for jockeys, trainers, and backside workers.

The legislation would amend the Interstate Horse Racing Act of 1978 by redirecting at least 50% of the fees horsemen groups receive for approving simulcast racing agreements to state racing authorities. The authorities would be required to use those revenues to offer on-track injury and health insurance for jockeys, exercise workers, trainers, and track workers.

“Horse racing is and will continue to be a very dangerous sport,” Whitfield said. “Instead of turning a blind eye to that reality, we should establish a basic level of injury coverage for workers in the horse racing industry. That’s exactly what this bill is intended to do.”

The bill also includes a federal prohibition against entering horses that have been administered anabolic steroids of any kind into races.

“This proposed legislation is crucial to the nation’s jockeys, who risk their lives in every race in the world’s most dangerous professional sport,” said Dwight Manley, the Jockeys’ Guild’s national manager. “Many

racetracks do not have adequate insurance to cover accidents and injuries, and jockeys and on-track workers are not currently covered by worker's compensation in most states."

The legislation is the latest effort by Whitfield and Stupak, the chairman of the House of Representatives Energy and Commerce Committee's subcommittee on oversight and investigations, to improve health and welfare conditions for workers in the racing industry. Since 2005, the congressman have held three hearings that helped show the Guild's previous management allowed jockeys' catastrophic injury insurance to lapse.

Whitfield hopes Congress gives the bill speedy consideration. Similar legislation, also supported by Whitfield and Stupak, failed to advance out of a House subcommittee during the previous Congressional session.

"I am hopeful that the bipartisan support of this legislation will help move it through Congress and onto the President's desk for his signature," Whitfield said. "This is a common sense approach to ensure that riders, trainers, and workers are covered for accidents that may occur at the tracks, and I urge my colleagues to support this bill." *Source: The Thoroughbred Times*

### **Sales Integrity Task Force Holds First Meeting On Monday**

The Sales Integrity Task Force held its first meeting in Lexington on Monday and among the topics discussed were ownership and medication disclosure at public horse sales in Kentucky and the licensing of consignors and bloodstock agents.

The task force is comprised of three committees—Ownership Disclosure, Licensing of Agents and Consignors, and Medication Disclosure—that were formed to address issues and provide the task force with recommendations.

The committees will begin working immediately and are expected to make preliminary recommendations to the task force regarding each respective area of focus at the next meeting on July 18.

"The task force resolved to bring all facets of the horse sales industry together to reach consensus on what is best for the horse industry in the areas of agent and consignor licensing and ownership and medication disclosure in the horse sales context," said Alex Waldrop, president of the National Thoroughbred Racing Association and the task force's moderator. "All 36 members committed to the process and to proceed as quickly as possible to arrive at a consensus on all issues."

The committees are as follows:

Ownership Disclosure—John Adger, Stonerside Stable; Robert Clay, Three Chimneys Farm; Charles "Redd" Crabtree, Crabtree Farms; Joe Costa, Tattersalls Sales Co.; Bill Farish, Lane's End; Jess Jackson, Stonestreet Farms; Tom Ludt, Vinery; Reiley McDonald, Eaton Sales; Frank Penn, Penn Farm; Dermot Ryan, Ashford Stud; Satish Sanan, Padua Stables; Fred Seitz, trainer; John Sikura, Hill 'n' Dale; and D.G. Van Clief Jr., Fasig-Tipton Co. Organizational Support—Dan Metzger, Thoroughbred Owners and Breeders Association.

Licensing of Agents and Consignors—Mike Akers, Dapple Bloodstock; Headley Bell, Nicoma Bloodstock; Reynolds Bell, Reynolds Bell Thoroughbred Services; Bruce Crowe, United Mountain Horse Inc.; Jess Jackson, Stonestreet Farms; Ken Jackson, Kentuckiana Farms/Lexington Selected Sales Co.; Norman Luba, Kentucky Quarter Horse Association; Martha Jane Mulholland, Mulholland Springs; Nick Nicholson, Keeneland Association; Walt Robertson, Fasig-Tipton Co.; Bayne Welker, Mill Ridge Farm; and Jack Wolf, Starlight

Stable. Organizational Support—David Switzer, Kentucky Thoroughbred Association.

Medication Disclosure—James G. Bell, Darley; Wayne Boyd, Western Kentucky Horse Sales; Bill Casner, WinStar Farm; Robert Clay, Three Chimneys Farm; L. William Heiligbrodt, Heiligbrodt Racing Stable; Bill Landes, Hermitage Farm; Denny Nunnelley, Kentucky Quarter Horse Racing Association; Earl Rogers, Kentucky Walking Horse Association; Geoffrey Russell, Keeneland Association; Fred Sarver, American Saddlebred Horse Association; Mark Taylor, Taylor Made Sales Agency; and John Ward, trainer.  
Organizational Support—Patrick Neely, Kentucky Equine Education Project.

The committees will have the support of advisory committees regarding agent and consignor related matters, veterinary issues, and legal affairs. *Source: The Thoroughbred Times*

## **Waldrop Calls For Lower Taxes, Takeout On Thoroughbred Racing**

National Thoroughbred Racing Association President Alex Waldrop believes outdated taxation and takeout laws prevent horse racing from competing with other forms of gambling.

In a speech to the Association of Racing Commissioners International convention on Thursday morning in Jackson Hole, Wyoming, Waldrop urged regulators to consider changes to taxation and takeout in each of their jurisdictions.

Waldrop said many horse racing taxes were passed at a time when the sport was the only legalized form of gambling in many states. With the emergence of lotteries and casinos, horse racing taxation laws have become antiquated.

“Initially, we were taxed like a monopoly, and I can understand that,” Waldrop said. “But now, we need to be taxed like casinos.”

Waldrop said tracks’ revenue should be taxed, not total handle. He said such a plan would more closely follow taxation laws applied to casinos.

States that mandate takeout levels also were targeted by Waldrop, who called for an end to mandated takeout rates.

“They originally set them to protect the consumer, but those days are long gone,” Waldrop explained. “Casinos work at rates of about 5%, but racing is stuck in the 20% to 25% takeout range. Tracks have to have the ability to lower their takeouts. They have to be able to compete.”

Waldrop commended the racing commissioners for their actions this year and in recent years to strengthen equine drug and steroid rules, improve safety, and improve integrity. He said in economic areas, however, the sport needs deregulation.

For instance, Waldrop said tracks that develop new wagering ideas need to have the freedom to quickly put those ideas in place.

Waldrop acknowledged that some of the taxation and takeout rules are made at the legislative level but he encouraged racing commissions to make changes when they can, or encourage legislators to make changes.

“Economic deregulation would be the best thing you can do for this business in the coming years,” Waldrop said. *Source: The Thoroughbred Times*

## **Derby Handle Takes Dip; First Decline In 16 Years**

All-sources wagering on Saturday's Kentucky Derby at Churchill Downs and its undercard declined for the first time in 16 years, according to figures released by the racetrack.

Though the declines were marginal, down 0.1 percent on the Derby and 4.1 percent on the card, wagering on the Derby and its undercard has grown astronomically over the past decade and a half, fueled by a large rise in the number of wagering outlets and the emergence of account wagering. In many of those years, growth compared to the previous year was in the double digits.

The wagering figures were being watched closely by many racing officials this year because of the blackout of the Derby card on two popular account-wagering services, [Youbet.com](http://Youbet.com) and Television Games Network. It was the first time that the two networks had been unable to carry the race.

All-sources wagering on the Derby itself was \$118,317,714, a dip of only \$109,160 compared with the record of \$118,426,874 established last year. All-sources wagering on the 12-race card was \$168,018,982, a decline of 4.1 percent from last year's record total of \$175,129,090.

Wagering on the Derby was up 13.6 percent last year compared with 2005.

The all-sources whole-card decline was mostly attributable to a 4.5 percent drop in out-of-state wagering on the card, as ontrack handle was down only 1.6 percent. Though Churchill officials declined to break out account-wagering figures, the totals from account wagering are included in the out-of-state numbers.

Steve Sexton, the president of Churchill, attributed the declines to small field sizes in three of the races on the card. The first and fifth races both had six-horse fields, while the sixth race had a five-horse field.

Attendance on a warm but overcast day was reported as 156,635, a 0.6 percent decline from last year's figure of 157,536. The attendance figure was the third-highest in Derby history.

The Derby itself had a full field of 20 horses and a tepid favorite in Street Sense, who was 9-2, two factors that tend to support strong betting. The Derby is also famous for its sometimes astounding exotic prices, leading to strong wagering totals in the exacta, trifecta, and superfecta pools.

Though exotic wagering was once again strong, the Derby produced prices that were less than life-changing, with the exception of the superfecta. The exacta, with Street Sense on top and the 10-1 Hard Spun on bottom, paid \$101.80 for a \$2 bet. The trifecta, with the race's second choice, the 5-1 Curlin, on bottom, paid \$440 for a \$2 bet. The \$2 superfecta, with the 29-1 Imawildandcrazyguy on bottom, paid \$29,046.40.

A double linking Friday's Kentucky Oaks to the Derby paid \$23.80. Rags to Riches, the favorite, won the Oaks.

The Oaks was also blacked out on [Youbet.com](http://Youbet.com) and TVG, both of which failed to come to terms with Churchill Downs's new partnership with Magna Entertainment Corp., TrackNet Media, on an agreement to carry the Derby. In order to wager on the Derby, bettors who are regular customers of Youbet and TVG had to either

open an account with a competing service - which could have included Churchill's newly launched account-wagering platform, [twinspires.com](http://twinspires.com) - or travel to a simulcast location.

On a conference call two weeks ago, Gary Sproule, the chief financial officer of [Youbet.com](http://Youbet.com), said that [Youbet.com](http://Youbet.com), TVG, and Youbet's offshore rebate shop, International Racing Group, accounted for 7 percent of all wagering on the Derby card in 2006. International Racing Group was also blacked out of the Derby this year.

The overnight television rating for the broadcast on NBC was an 8.3, up 12 percent from last year's broadcast, according to figures released by NBC on Sunday.

The rating this year was tied for the highest Derby rating since 1992. In 2001, 2002, and 2004, the overnight rating for the broadcast was also an 8.3.

Overnight television ratings measure the number of estimated viewers in large U.S. markets, as determined by the broadcast research company Nielsen Media Research. Each overnight rating point is equivalent to approximately 667,000 households.

The broadcast, from 5 to 6:30 p.m., had a share of 18. Share measures the percentage of televisions in use that were tuned to the broadcast.

Final television ratings were to be available on Tuesday, according to NBC. *Source: The Daily Racing Forum*

### **NGA Auction Sets Spring Meet New Record**

The NGA Racing Stock Auction set a new Spring Meet record high as 169 racing Greyhounds sold in the ring for \$1,572,450. Topping the sales was the NGA's new track record holder KB's Sifter who sold for \$46,000. Ken Beihle sold Sifter to Cary Alsobrook after the pup set the track record running 29.57 in the first round of the Spring Meet.

Shifter (Dodgem By Design-KB's Young Gun) ran into traffic in the final and finished out of the money.

The old record of \$1,402,300 was set in the Spring of 2006. The record high is \$1,636,600 set in the fall of 2000.

Two Greyhounds ran both first round and second rounds times under 30 seconds, another meet first. Splendid Trent (Trent Lee-Soft Melody) ran 29.89 in Round One and won the Final in 29.91. Everytime Enterprises sold Splendid to Joe Douglas for \$41,000.

Powers Dream (Fortified Power-Twisting Dream) won her opening round in 29.99 and came back and won the Final in 29.92. Mavis Olson sold Powers Dream to Sharon Williams in the Auction for \$39,000.

James Potter's Xtra Cash (Rooftop Xtra-KL's Tilly) ran the fastest time of the Finals winning the August/September Three stake in 29.65. Cash sold in the Auction to Williams for \$40,000.

In the Brood Stock Auction, 22 females sold for \$64,000. Two females sold for \$5,500. Flying Queen Mary (Kiowa Sweet Trey-Flying Rimes), consigned by Vince Berland, sold to Darrell Freese for \$5,000. Happy Ruckus (Flying Penske-Shade Of Ruckus), consigned by Flying Eagles Kennel, sold to C. Don Godby for \$5,500. *Source: Greyhound Daily News*

## Plenty Of Horse Sense But Not Enough Dollars

Ryan and Aaron Hall came home from school Friday, baseball gloves and a baseball in their hands and Texas Longhorn caps on their heads. They threw the ball to each other briefly before heading to the long narrow barn that once housed chickens but now is home to 17 standardbred horses.

The brothers check on Steamroller, a 6-year-old pacer they own together. Steamroller's stablemates poke their heads from adjacent stalls. A broodmare kicks at her door, asking for attention.

Ryan picks up a brush. The afternoon ritual of a horse barn is about to begin.

"I can't chase them away," said Craig Hall, nodding at his sons. The thought pleases him. It worries him, too. Ryan, 17, has started driving and wants to become a harness racing trainer, just like his father. Aaron, 13, usually finds his way to the announcer's booth at Scarborough Downs while his father and brother are in the paddock. His head is crammed with racing history.

"I'd like to be an announcer," he said. "I could do that."

Ryan and Aaron are the future of harness racing. But as their father looks at the faces in the paddock and barns at Scarborough Downs, he sees so little youth.

"The younger generation is not here," said Craig Hall. "That worries me."

I met Hall three years ago. I needed a place to store a sports car for the winter and he was advertising his barn. The large blue sign beside the River Road with Craig Hall Stable in big letters seemed new. Most everything else on his 50 acres near the banks of the Kennebec River seemed old.

"I've got room for 20 cars," he said. "The money helps."

His five or six pacers made 120 starts on Maine tracks last season. They won 17 times. Craig Hall Stable earned \$35,021.20 in purse money. For perspective, Valerie Grondin of Corinna heads the list of trainers on the Maine Harness Racing website with \$525,287.24 earned in 421 starts. She had 120 winners.

Grondin is one of the exceptions. You might say Hall is the norm.

"Do I pay myself? No."

But training horses has been his job and his life. For 27 years. He is 45 years old and spent his retirement money on a new tractor to help tend his fields and the new, one-third mile training oval he built behind his barn. Ask him if he has any toys and he thinks. A 14-foot fishing boat. An old Suzuki motorcycle he hasn't ridden in years. His horses.

More stalls in his barn are occupied this year, thanks in large measure to revenue funneled from the slot machines in Bangor. Purses at Maine tracks improved. "It made sense to start owning race horses again," said Hall. He added Airborne Ranger, a 9-year-old, to his stable. Paid \$1,800 and got back \$23,000 with work, TLC, and maybe a little luck.

"We could see the light at the end of the tunnel," said Hall. "But now I don't know."

He's worried because Maine is eyeing the golden goose that is the Bangor slots. Some revenue that was meant for the harness racing industry could be redirected. Hall is a director of the Maine Harness Horseman's Association and spent time in Statehouse hearing rooms this past week.

"I don't have to be rich to be happy," said Hall. "I just want to pay my bills. I don't want the wolf at my door." He and his sons planned to watch the Kentucky Derby on television Saturday. They didn't have entries on Saturday's race card at Scarborough Downs. Ryan had to take his SATs at Gardiner High.

Two pacers from Craig Hall Stables will be on today's race card. Ryan Hall will have the reins in his hands. "When you drive, you can feel the horse working, it's responding to you. When you win, it's so gratifying." That's why neither he, his brother nor his father can walk away.

"We're horsemen," said Craig Hall. "We know what we have to do to survive." *Source: MaineToday.com*

### **Derby Ratings Jump 12.2%**

NBC rebounded from last year's Derby telecast with a 12.2% increase in viewers for its 105-minute broadcast of the Kentucky Derby Presented by Yum! Brands (G1) that began at 5 p.m. on May 5, according to overnight ratings from Nielsen Media Research.

Last year's telecast attracted a 7.4 rating, the lowest in the six years that NBC had broadcast the Derby. This year's rating jumped to 8.3—the highest in 15 years and on par with 2001, '02, and '04.

The race portion of the program, which measures the final hour of the telecast and includes the race, earned a 9.8 rating, up 10.1% from the previous year. The pre-race coverage (5-5:45 p.m.) earned a 6.4 rating, up 16.4%

The share, which measures the percentage of viewers watching television tuned to a particular program, was up one point to 18. Each ratings point equals approximately 770,000 households from 55 overnight ratings markets. *Source: The Thoroughbred Times*

### **Job Announcements**

#### **Oregon Racing Commission**

Executive Director position available with the Oregon Racing Commission. Send resume, a list of references, Executive Service Applicant Information Form and cover letter to Twyla Lawson, Executive Recruitments, Department of Administrative Services, 155 Cottage St. U40, Salem, Oregon 97310. Fax 503-378-4596 or email: [executive.recruitments@state.or.us](mailto:executive.recruitments@state.or.us) For more information go to:

<http://www.oregon.gov/DAS/jobs/ES862001.shtml>

## Notes

**THE PARI-MUTUEL RACING MODEL RULES DOCUMENT, AS ADOPTED BY RCI**, is maintained and electronically available at the University of Arizona Race Track Industry Program website [www.ua-rtip.org](http://www.ua-rtip.org)

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## Industry Meetings and Events Calendar

### 2007

#### May

23-25 IMGL Spring Conference – Four Seasons Hotel – Chicago, IL – register online:  
[www.IMGLConference.com](http://www.IMGLConference.com)

#### June

8-10 National Council of Legislators from Gaming States – Rio All-Suite Hotel & Casino  
Las Vegas, NV - Call 518-687-0615 or email [info@nclgs.org](mailto:info@nclgs.org)

21-22 Pari-Mutuel Auditors Conference & Training, Minneapolis, MN - More information,  
including the number to call for hotel reservations and how to register, will be  
forthcoming.

21-22 New Commissioner/Executive Staff Training Seminar, Minneapolis, MN - More  
information, including the number to call for hotel reservations and how to register, will  
be forthcoming.

#### July

26-28 ARCI Summer Board of Directors Meeting – Del Mar, California

#### October

5-8 IFHA Meeting, Paris

### 2008

#### February

17-20 HTA / TRA Joint Annual Meeting, Renaissance Vinoy in St. Petersburg, Florida



## **THANK YOU 2007 RCI ASSOCIATE MEMBERS!**

The RCI salutes and extends our appreciation to the following Racing Organizations who have demonstrated the leadership to become a RCI ASSOCIATE MEMBER in 2007. Their generous and enthusiastic support is Greatly Appreciated.



If you are not yet an RCI Associate Member for 2007 and would like to join leading industry organizations like those above on “Team RCI”, or have any questions regarding RCI and its Associate Membership, please contact RCI at (859) 224-7070 or [support@arci.com](mailto:support@arci.com). Take advantage of great value-added benefits and support the RCI in its work on behalf of racing stakeholders and regulators throughout the entire industry. The time to join and be part of the winning team is NOW!