



RCI Bulletin

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He was a friend to RCI and he will be missed.

Shagan Was A Man Ahead Of His Time

When death took Michael Shagan on Monday morning at the age of 66, it stilled one of the most articulate and knowledgeable voices in American racing. He was the prime architect of the Interstate Horse Racing Act of 1978, the man who inspired it, drafted it, and wrote most of its provisions.

Depending on when you first met him, your remembrance of Mike would differ.

If you knew him in 1960, your recollection would be of the flaming young liberal who founded the "Kennedy for President" booth at Loeb Student Center at New York University. That is when a pretty young coed named Rena met him, became secretary of the organization (Mike was president), and arranged for John F. Kennedy to address the NYU student body from the rooftop of the Loeb Center. Mike was fascinated by Rena, a former modern dancer, and married her in 1964. Thirty-four years later, their daughter Jillian graduated from NYU law school, as her father had in 1967. His son, Ethan, is an associate professor of history at Northwestern University.

Mike practiced law for a while, and decided that entertainment, his wife's professional field, was interesting. His particular specialty was horseracing, and when the New York City Off-Track Betting Corp. got underway in 1971, Mike began a 16-year stint as a lawyer and leader of OTB.

In 1977, when serious work began in Washington on the Interstate Horse Racing Act - the law that served as the regulatory framework for simulcasting - he was the dominant voice at the sessions and joined the late Rich Rolapp of the American Horse Council and other racing leaders in putting the bill together.

After he left OTB, Mike joined Ladbroke Racing Corp., and he guided the British bookmaking firm in its American operation as its vice president of business development.

If you knew him from those and later years, he was the man who spoke knowingly, intelligently, and brilliantly on every issue facing racing as it reached its crisis years. He spoke mostly from podiums, but when he was not a

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formal invited speaker, he spoke from the floor, rising to lend his knowledge on the thorny problems that confused, and still confuse, many in the industry: off-track betting, simulcasting, rebates, and taxation.

While he became known throughout the sport for those appearances, he and Rena were supporting other causes unknown to most in racing.

She formed her own company, Rena Shagan Associates, and for 30 years she has been an internationally known agent and representative for dance, theater, and musical artists worldwide. I saw her here in Tucson a decade or so ago, where she brought a fierce-looking group from the other side of the world for a performance of native music I never heard before or since.

When the Helen and Martin Kimmel Center for University Life was built at NYU, Mike and Rena thought it appropriate, since NYU had provided the beginning of their life together and represented their dedication to the performing arts, to provide a gift to the center. The box office in the Skirball Center for Performing Arts was named in their honor.

Even after a stroke and cancer struck him down, Mike showed up at racing conferences across the land. A walker did not slow his speech or his thoughts, and he rose, as usual, to explain, criticize, or correct points made from the rostrum or the floor. When he spoke, all listened, recognizing the wisdom and vast knowledge of the speaker.

During the formative and frequently rancorous meetings that led to the formulation of the Interstate Horse Racing Act, Shagan was representing New York OTB's interest. I was there, and he did it cogently and convincingly. It was clear, then and even more in retrospect, that he realized exactly where racing was headed.

This was years before simulcasting, but not years before Shagan realized that it was coming. The horse racing act is a work of compromise and give-and-take, as is most legislation, but it carried, and still carries, the strong imprint that Shagan placed upon it.

The fact that it governs relationships between horsemen and racetrack management today, 29 years after its passage by the U.S. Congress, and that it is the platform on which horse racing's exemption from the federal Internet gambling ban last year was based, is perhaps the most eloquent eulogy that can be delivered for Mike Shagan.

He was a man before his time, a mover and shaker in American racing. His participation has been missed in recent years because of his illness, but his contributions remain bright and shining, and his foresight and prescience about where racing was headed made him a clairvoyant in a game in which there are few. *Source: HTA Newsletter/DRF/Stan Bergstein*

Claiming Crown Offered To Youbet, TVG

TrackNet Media, the simulcast marketing partnership between Churchill Downs Inc. and Magna Entertainment Corp., has offered to sell the rights to the seven-race Claiming Crown on Aug. 4 to Television Games Network and Youbet.com, officials of TrackNet and the account-wagering companies said on Wednesday.

If accepted, the offer would give customers of all of the major account-wagering companies the ability to wager on the Claiming Crown, which is being held this year for the first time at Ellis Park in western Kentucky. Since

TrackNet was formed earlier this year, the number of signals available on many account-wagering operations - including Youbet.com - has been drastically reduced because of the inability of TrackNet and TVG to reach an agreement to sell the signals each controls to each other.

Scott Daruty, the chief executive officer of TrackNet, said the company decided to sell the signal to TVG and Youbet after a panel discussion regarding the account-wagering market last week at the National Horsemen's Benevolent and Protective Association's annual convention. Daruty appeared on the panel with representatives of TVG, Youbet, and the horsemen's association.

"The horsemen were very passionate in their request that we do this," Daruty said. "We wanted to show our good faith to them."

Last year, the Claiming Crown was not shown on TVG for the first time in its eight-year history. Handle on the event's races dropped 50 percent.

Remi Bellocq, the executive director of the national horsemen's association, said on Wednesday that TVG approached the horsemen's group on Monday about donating any profits from the signal to the Claiming Crown, which is a nonprofit owned by the horsemen's group and the Thoroughbred Owners and Breeders Association. Youbet.com has also said that it will donate any profits from the signal to the Claiming Crown, Bellocq said.

John Hindman, a TVG official, declined to comment on the offer by TrackNet. Hud Englehart, a spokesman for Youbet.com, said the company planned to pay TrackNet for the signal and to donate its profits to Claiming Crown, though he said he did not believe a contract had been signed yet.

Daruty said that TrackNet was offering the signal at the same rate charged to account-wagering operations owned by Churchill and Magna, but that he was unsure if the contracts had been sent out. *Source: The Daily Racing Form*

Saratoga Meet Showing Attendance, Handle Increases

Attendance and handle showed double-digit increases during the opening week of Saratoga Race Course's summer meeting.

On-track handle rose 20%, total handle jumped 13%, and attendance increased 14% during the first six days of the 2007 meeting.

Total attendance through the first six days was 169,134, up from 148,279 in 2006, for a daily average of 28,189 compared to 24,713 last year.

On-track handle rose to \$21,080,631, up \$3,542,594 from last year. Total handle increased from \$88,774,948 last year to \$100,293,710 for a daily average of \$16,715,618.

The Whitney Handicap (G1), traditionally run on the second Saturday of the meeting, was switched to the first Saturday this year to accommodate the Breeders' Cup Challenge. On-track handle and total handle increased on Whitney Day this year compared to 2006.

"Opening week exceeded all of our expectations," New York Racing Association President Charles Hayward said. "We had a strong opening day, a very successful sunset racing day on Friday, and the Breeders' Cup

Challenge on Saturday was a spectacular day of racing with a record-breaking all-source handle for non-Travers [Stakes (G1)] day.

“The purse increase has resulted in increased field sizes and the weather has cooperated with no races taken off the turf. I would like to thank the owners, trainers, jockeys, and racing fans for their participation in the greatest race meeting in the country.” *Source: Thoroughbred Times*

Consortium Receives \$300,000 In Contributions

The New York Racing Association and the United States Trotting Association each have contributed \$100,000 to the Racing Medication and Testing Consortium to aid in the group’s 2007 fund-raising efforts.

The Delaware Thoroughbred Horsemen’s Association and the Hambletonian Society each contributed \$50,000, the RMTC announced on Thursday.

The purpose of the consortium is to develop, promote, and coordinate policies, research, and educational programs to ensure the fairness and integrity of racing as well as the health and welfare of racehorses and participants.

“We believe in the mission of the RMTC, and we will do whatever it takes to ensure the integrity of our races,” NYRA President Charles Hayward said. “I think our \$100,000 contribution to the RMTC is proof of that.”

The RMTC initially was funded by \$2.5-million from three-year commitments from industry organizations, tracks, and horsemen’s groups from 2003-‘05. The organization’s current funding formula requests that horsemen’s groups and racetracks contribute according to a funding formula based on \$1.25 per start this year in the first step of a graduated scale that will increase each year.

“With the many challenges facing horse racing, the Standardbred industry recognizes that there is no issue more important, especially to owners and breeders, than a comprehensive and nationally uniform medication program for testing, rules, and penalties,” said Hambletonian Society President Tom Chartes, who also serves as the RMTC’s treasurer. “The RMTC is an opportunity to meet that challenge and deserves the support of all horsemen, tracks, and industry organizations, large and small.” *Source: Thoroughbred Times*

Padua Stables To Relocate To Kentucky

Satish and Anne Sanan’s Padua Stables will relocate its operations in Summerfield, Florida, to Kentucky over the course of the next year in order to concentrate efforts on racing homebreds, Satish Sanan announced on Friday.

The new operation will focus on Padua’s broodmares, which the Sanans believe will allow Padua to continue its success as a private breed-to-race operation. Padua hopes to retire future stallions to various prominent stud farms in Kentucky and Florida. That plan will enable Padua to focus on its main objective of a dedicated horse racing operation.

The 750-acre Florida farm stood Delaware Township, Pico Central (Brz), Proud Accolade, and Snow Ridge in 2007, but a press release did not mention future plans for those stallions or Padua’s new location in Kentucky.

“It is very easy in this business to become sidetracked,” Satish Sanan said. “My main goal in this business has been to win high-end races. I am as committed to this sport as I have ever been, and by refocusing our efforts Padua will be reenergized.”

The Sanan family entered the United States Thoroughbred business in 1997 and in '98 established Padua Stables (previously Silverleaf Farms) in Summerfield.

In addition to its stallion station, the farm includes a training center, and is home to a broodmare band of more than 100 mares.

Padua, which has been a prominent participant at major public auctions as a buyer since 1997, has campaigned an undefeated Eclipse Award winner and three Breeders' Cup winners.

Undefeated Vindication won the 2002 Breeders' Cup Juvenile (G1) and was voted that year's Eclipse Award champion two-year-old male. Cajun Beat won the 2003 Breeders' Cup Sprint (G1) and Cash Run won the 1999 Breeders' Cup Juvenile Fillies (G1). *Source: Thoroughbred Times*

TVG's Handle Up For Quarter

Wagering through Television Games Network's account-wagering operation rose 5 percent in the second quarter compared to the same period last year, according to figures released by the company Friday.

Total handle was a record \$125 million in the second quarter, a period in which all three Triple Crown races were conducted. This year, for the first time in its history, TVG was unable to take bets on the Kentucky Derby because of a lack of an agreement with a company part-owned by Churchill Downs, but the network was one of only two major account-wagering operations that were able to take bets on the Belmont Stakes, the third leg of the Triple Crown.

The lack of agreement with the Churchill company, TrackNet Media, which is co-owned by Magna Entertainment Corp., also resulted in several other track signals being absent from TVG in the quarter, including Churchill's spring meet.

TVG responded by focusing on the races for several of its marquee track partners, and wagering increased on the Keeneland signal by 37 percent, on the Belmont Park signal by 36 percent, and on the Hollywood Park signal by 35 percent, TVG said. *Source: The Daily Racing Form*

Ohio State Fair Stakes Begin At Scioto

The 2-year-old trotting filly Carly's Crown kicked off the first of four nights of Ohio State Fair Stakes in rousing fashion, dominating the first race on Wednesday's (August 1) card with an 11-3/4 length romp in 1:59 in her division of the \$26,200 Ohio Fairs Trot.

The Ohio State Fair Stakes, for Ohio-bred 2- and 3-year-olds of both sexes and gaits, is worth a total of \$675,000 and will be contested nightly through Saturday at Scioto Downs.

Carly's Crown, a daughter of Corleone, was winning her third of four starts, with all three prior starts coming in Sires Stake action. Wednesday's victory lowered her lifetime best by nearly two seconds. She's owned by Jarbo

Enterprises of Gadsden, Alabama, is trained by William Jarbo, and had regular pilot Chris Page aboard for the win.

Norma's Rose, a Master Lavec filly, took the second division in 2:00.3 by 1-1/4 lengths for trainer Scott Cox and driver Aaron Merriman. It was the second win in four starts for Norma's Rose, who is owned by Jack Tramonte of Wadsworth, Ohio. She also improved greatly on her lifemark, which was previously 2:04.3.

She's Not Red had a 4-1/2 length margin of victory in the final freshman division, stopping the timer in 1:59.2 for her third win in four starts. Her lone miscue came in her last out at Raceway when she went offstride at the start. Ray Paver drove for trainer Scott Mogan, who co-owns the Emile Angus miss with Ron Anderson, Sandra Burns and William Johnson II. Like the other freshman winners, it was a new lifetime best.

The 3-year-old trotting fillies also went in three Pride of Ohio divisions on Wednesday. Beehomeontime scored a nose victory over E Pegasus in the first \$22,850 division to post her third consecutive win for trainer and breeder James Mulinix, who co-owns with John Willis. James Dailey drove the daughter of Big Victory to the 1:57.2 win.

B V's Sister, another daughter of Big Victory, kept her 2007 record perfect as she notched her fifth win of the year in the second division. Her time of 1:57.1 was a new lifetime best. Driver Brett Miller put her right on the lead and she won by 2-3/4 lengths for trainer Virgil Morgan, Jr. and owner Barnett Zimmerman LLC.

Winnie The Who took the final division by a length in a new best 1:57.2 with Bob Harper aboard for trainer Mickey Burke. The Emile Angus filly is now four for eight this season for owners Howard Taylor, Robert Feldman and Abraham Basen. *Source: USTA Newsroom*

Fighting To Keep NYRA Viable

It has been three years since Charles Hayward resigned as president and CEO of Daily Racing Form and 32 months since he took over as president of the New York Racing Association. Hayward, who later took on the title as CEO, has had to guide NYRA through a most difficult period that included a deferred prosecution after NYRA was charged with conspiracy to commit tax fraud.

During his tenure, NYRA has sued the state and former New York Gov. George Pataki, declared bankruptcy, and unsuccessfully negotiated with the state to get a slot machine parlor at Aqueduct off the ground. The past year has been spent formulating NYRA's bid to win the right from the state to retain the franchise to run racing at Aqueduct, Belmont, and Saratoga past this year, when the current franchise expires.

On the eve of the 139th Saratoga season, which begins Wednesday, Hayward sat down with Daily Racing Form's David Grening to discuss the meet at hand and the future of the NYRA.

Daily Racing Form: For a long time it was a widely held belief that this could be the last Saratoga meet conducted by NYRA. Now there is a strong belief that NYRA will be able to retain the franchise to run racing at Aqueduct, Belmont, and Saratoga for the next 20 years. What do you believe?

Charles Hayward: I believe, and you read all the reports right before the Belmont Stakes, that the current administration seems to believe that NYRA's the most qualified to run racing. And I think if you look at the three competitors that would be a logical conclusion. I think also in bankruptcy [court] there are two big, outstanding issues right now, which is the state is still maintaining we don't belong in bankruptcy, and we still

have a claim for a disposition on who owns the land. And I'd like to think that as part of this whole process we could resolve all those issues and NYRA could come out of bankruptcy. That would be good for New York State and good for racing.

Do you believe that a year from now you'll be preparing for the 2008 Saratoga meet?

Yes.

On July 20, Gov. Eliot Spitzer announced that by Sept. 4 he would make a recommendation to the state legislature on who should get the franchise. Is this six-week deadline a good thing?

I think any deadline is a good thing, because there's been such lack of certainty certainly throughout the whole Pataki administration. This statement does not suggest what we heard earlier, which was that NYRA would be the entity that would run racing. But I think Sept. 4 gives us a little less than four months to re-bid some contracts and get a lot of things done. There are a tremendous amount of contracts that are really up in the air right now. It seems to me that [with] this process limited to the existing bidders we can make our changes in our bids and they can evaluate them. As I understand it, the Sept. 4 date is the deadline for turning this over to the legislature. It still has to be approved by both the Senate and Assembly and then the governor. But, yes, anything that puts a deadline on it is very helpful.

Would NYRA consider partnering with any of the other bidders?

That's something we'd have to discuss with our board, but I don't think that it's likely that we will be partnering with the existing three bidders.

DRF: Because?

We want racing to be first and foremost in this new franchise deal. Despite the representations made by the other three bidders, the conclusion I look at when you look at them hard [is] they're more interested in the gaming and the development and, frankly, their presentations back in March reflected that. We still think racing should control this enterprise, and it's not clear to me that that's what the other interested bidders would have.

Do you believe Gov. Spitzer wants racing to be first and foremost as opposed to development?

I don't know. The one time I spoke to Gov. Spitzer - before he was elected - he was very conversant with the number of breeding farms, the number of jobs in the industry, the amount of economic benefit that was provided, particularly upstate. I think taken in its entirety - the racing and the breeding - I think that's very important to him.

Is NYRA willing to relinquish any claim it has to the land the three racetracks sit on to receive a 20-year franchise extension?

The ultimate determination would have to be made by the board. We recognize there has to be a resolution to the land issue for the benefit of racing. There are a number of different ways that that can be done. We would welcome the opportunity either in the context of the bankruptcy court or the franchise to talk to the state about that. I think a new franchise and the resolution of the land claim probably go hand in hand.

If you're unlikely to partner with any of the three existing bidders, are you still seeking a partner to run the casino operation or is NYRA considering taking on that project?

I think one of the options we have is to bring in a partner much like we had with MGM. It was a pure operating agreement. MGM did not have any equity stake in the operation, so I think that's certainly a possibility.

Is closing Aqueduct and turning Belmont into a virtual year-round facility something you see happening eventually? And is winterizing Belmont feasible and how?

The Aqueduct and Belmont situation is very complex. Number one, some people look at the idea of closing Aqueduct as a way to reduce winter racing. I would hope owners, breeders, and NYRA alike know that winter racing is very important to NYRA. As an example, for the whole Aqueduct meet our average purses are around \$350,000, and that ranks 10th in the country. So our program is certainly weaker than the rest of the year, but it's still a pretty strong racing product. Whether it's Aqueduct and Belmont or just Belmont, winter racing is here to stay.

Number two, there is a tremendous amount of duplicative infrastructure. Belmont's like a little city, and as you know it runs all year round. We have 2,200 stalls here, most of our trainers are based here, and we only have 600 stalls at Aqueduct. So for the six months that we're at Aqueduct we're shipping two-thirds of the field nine miles away. That, coupled with the security barn, puts a lot of pressure on the trainers and their help and so forth. I think that there are substantive challenges that would have to be overcome. There are different opinions, but in listening to the different opinions, I do not believe that with the placement of the grandstand that we could race on the current main track in the winter. So we would have to have a second track, which the training track could be a candidate, or another track. But before a determination would be made this is something that really needs to be studied and would be a seven- to 10-year implementation if in fact it was deemed the right thing to do.

Considering NYRA is still in bankruptcy, what is NYRA's financial situation right now, and has NYRA begun putting together a reorganization plan?

There was a date in June when all the claims by those who felt they were creditors of NYRA, and on what basis, had to be in. We're in the process of going through those claims right now. We literally have to go through each claim to determine our view of the validity of them, so that's a fairly lengthy process. There's no question, though, that there is no real viable plan of reorganization until there's some determination as to the franchise. So we would not have a plan of reorganization until we knew what was going on with the franchise.

Despite being in bankruptcy, NYRA recently announced a significant purse increase for the last three weeks of Belmont and all of Saratoga. You mentioned that you hoped this would increase field size and thus increase handle. Was there an increase at Belmont, and is it realistic to believe you could improve upon the \$15.6 million average daily handle from last year at Saratoga?

We didn't anticipate significant field increases at Belmont, because we announced it on a Friday, we took entries the next day for the Fourth of July. We just didn't want there to be a big gap and have people hold their horses out of races.

The economic justification for the purse increase . . . is that we looked at purses we paid per day, we looked at the monies that had been earned, and we basically had discussions with the new [New York Thoroughbred Horsemen's Association] management and we told them it was our goal to pay out in total purses the amount of

money that had been earned for purses in 2007. Just on a year-on-year basis through the first four months at Aqueduct, we were \$2 million below what we paid the prior year.

We felt we needed to increase purses somewhere in the neighborhood of \$4 million to \$5 million in looking at our projections. If you add up the projected increases of the purses for Belmont and the increases at Saratoga, that comes to about \$4.3 million. If this increases wagering, it's also going to increase our purse liability, so sometime around the second and third week of August we'll go back and look at how we did at Belmont.

We didn't increase purses speculating that we were going to get all that money back in handle. We increased purses because we want to make sure we pay out dollar for dollar all the purses earned in 2007.

Besides the purses, what changes are in store for horsemen and fans at this year's Saratoga meet?

We've made some capital improvements. We spent about \$1.2 million in upgrading the clubhouse floor and the copper roof on the clubhouse and grandstand. We've redone five barns at Oklahoma. The interesting thing about that is if I took you around Oklahoma and showed you 20 barns, you wouldn't be able to tell me which five barns had been replaced because we had a historical architectural consultant come in. I think there's just been a better plan to prepare, whether it's flowers or whether it's painting. With all the concerns about NYRA's financial problems, there have been discussions about the buildings being in less than good care, and that's just not the case. . . . I think the place looks great.

Racing-wise, we had an unprecedented demand for stalls. We took a little bit of a calculated risk moving the Whitney from the second Saturday to the opening Saturday as part of the Breeders' Cup Challenge series, but that looks like it's going to be a heck of a race. I think we could have as many as 10 to 12 horses with all the credible horses. We're certainly going to get off with a big bang.

This is the third year of the security barns. Do you believe they have achieved your desired objectives and are they here to stay, or, if given a franchise extension, would NYRA look for other, less cumbersome ways to stop potential cheating?

I think our goal of the security barns was to take control of the Lasix and keep the private practitioners out of the stalls on race day. I think we accomplished that, but it's come at great expense to NYRA and at great expense to the trainers. I think the longer-term solution is an investment in testing protocols and to increasing the financing associated with that. We just upped our contribution to the Racing and Testing Medication Consortium to \$100,000 from \$25,000 last year, and I think pushing hard on the implementation of getting anabolic steroids out of horses on race day is very important.

I think longer-term, the \$750,000 that we spent on the security barn and the commensurate amount of money that the trainers have to spend on additional help could be better spent on aggressive testing procedures. I'm very glad that we did it, I think it's been beneficial, but the longer-term solution is to have less tolerance of race-day medications.

Bill Nader had sort of become the face of NYRA during the Saratoga meet, which obviously receives more media attention than do the downstate meets. How will NYRA compensate for his absence?

Bill was unique in his racing knowledge, his enthusiasm, and his ability to convey both. John Lee has really stepped up in some ways and will be talking to the media more regularly. There are other things that Bill did, for example, talking about the giveaways. The fellow that's now responsible for that, Mike Romano, is probably

going to take over that role. And I'll probably have to make a struggling attempt to fill some of Mr. Nader's shoes. But he's going to be there for a week, so we might press him into service.

What have been the initial impressions of Internet wagering, which NYRA began offering in May?

The functionality I think has been strong. We're struggling, as I think a lot of account [wagering companies] are struggling, with the funding because of the crackdown on financial institutions like PayPal and other people due to the Internet wagering restrictions that the federal government has placed on it. Also, my belief when we launched this was anyone that wanted an Internet account, whether a New York resident or not, had an Internet account. But we're going to be aggressively promoting it at Saratoga. We're going to have some new promotional incentives in the rewards program for people. We are, for New York residents, the only Internet provider where you can get both TVG content and TrackNet media content. You don't have to have two accounts to do that.

Gate scratches have sort of been an epidemic around here for almost a year. What steps has NYRA made to try and curtail that. Secondly, in some situations like when a favorite gets scratched, should not the horses be backed out and bettors be given an opportunity to change their wagers?

There are two kinds of gate scratches that we keep track of. One is vet scratches at the gate, and the other ones are what we call trauma scratches, which is a result of some activity in the gate where a horse gets hurt. Total gate scratches were up like 40 percent, half of them were vet scratches, half of them were trauma scratches. One of the things that we've done - which I believe has helped, and therefore I think the numbers will come down this year - is that we created a new position called Racing Administrator Manager and hired Bruce Johnstone, a former trainer. He's in charge of the gate crew in the morning, he's in charge of the gate crew in the afternoon, he's in charge of the jockey valets. We've been more attentive to workouts in the morning. We had a fair amount of turnover in the gate crew, guys that are retired or moved on. We've hired some people that have some experience, so we think we have a stronger group than we've had. I think we've gotten better.

To your second point, I think it's in the hands of the stewards whether you back horses out or not. Those were 2-year-olds [on July 18 when 4-5 favorite Constance was scratched], and once one horse gets squirmy in the gate then another horse starts. The argument cuts both ways. Sure, from a business standpoint we would have loved to back them out, gotten more of that handle back through the mutuel pools. On the other hand, if you've got to back out these 2-year-olds and they're more skittish and got to put them back in again, are you increasing the opportunity that a horse is going to be left at the gate or become more skittish?

When we sat down in this same forum after you first took the job in November 2004, some things you mentioned as your goals were to return the business to profitability, reach out and be more collaborative with other industry stakeholders, create a statewide racing channel, and do a better job engaging the fans. Do you feel you've made progress in any of these areas?

The statewide racing channel isn't going to get fixed until we fix the OTB issue. There's no incentive for us to have people stay at home and wager on our races, because we only get 25 percent of an OTB wager as opposed to what we get wagered on track, so that one goes away. I think we started to make some significant progress in terms of the fan experience. I think the Internet wagering was a big step, and I think from a functional standpoint we've done that well. We hired Gavin Landry, whose specific job is director of sales and market development. He just started in early July, but he's going to be in charge of database development for our fans, our owners, our trainers, and communicate more regularly in using technology, which historically NYRA has been very poor at.

Getting back to profitability is really a function of fixing the OTB issue. We had a great June, but again, on every OTB bet we can make as little as 1.25 percent versus the 10 percent we make ontrack. Until the simulcasting, account wagering, and OTB pricing can be fixed - and I think we can fix it over time - that's the biggest impediment to getting profitable.

One thing that was quite divisive was [the New York Thoroughbred Horsemen's Association's] endorsement of Empire, which I don't think ever was anything more than the endorsement of the executive board. But I think that put trainers in a difficult spot. We've started our own trainer's advisory council and had one meeting, which was extremely beneficial, and we're probably going to meet again the first or second week of Saratoga. We have had a couple of meetings with the new management of NYTHA, and I think we're making some positive strides there. We've had a generally good relationship with the breeders. And again, the Bruce Johnstone position gives us a communication vehicle with the trainers that they didn't have before.

You recently got into the horse-ownership business, unleashing a good-looking 2-year-old filly According to Plan. Will she run in the Schuylerville, and how many others are you involved with?

Barclay Tagg said she's doing well. She's entered in the Schuylerville, which by the way looks like a really strong race. We're excited about that. She should get better as she goes longer. But to win at first asking and the way she did it was very exciting. We have I think a total of six horses in that partnership that was put together by Alan Quartucci and called North Shore Racing, and we're probably going to buy one more. We're hoping to see one or two others in the partnership at Saratoga.

Is it a good distraction for you from the day-to-day, hour-to-hour business of trying to operate this place?

It's a nice distraction because Steve Duncker, our chairman, [is] involved, some of his friends - Danny Meyer, a friend of Steve's from St. Louis who is in the restaurant business and a good friend of my wife's. It gives you another reason to smile, which is always helpful. *Source: The Daily Racing Form*

Reddam, Ramsey Reach Out-Of-Court Settlement

Prominent owners J. Paul Reddam and Ken Ramsey have reached a settlement in their civil lawsuit regarding the \$600,000 private purchase of Big Picture, a now five-year-old Pioneering horse Reddam bought from Ramsey in 2005.

Reddam filed suit against Ramsey and trainer Dale Romans, accusing them of selling an injured horse and concealing his condition through the use of painkillers.

The case was slated to go to trial in Orange County Superior Court in California on Monday.

“It has been settled,” Reddam said on Wednesday afternoon. “The parties have resolved the issue amicably. Big Picture is turned out and is going to end up being a riding horse for somebody.”

Ramsay bought Big Picture, who is out of the Broad Brush mare Brush Back, for \$20,000 at the 2003 Keeneland September yearling sale. Trained by Romans, Big Picture won his career debut by nine lengths in 6 ½-furlong maiden special weight race at Churchill Downs on June 25, 2005.

The private sale came together a few days later, and Reddam's veterinarian cleared the horse. The colt appeared sore after arriving at the Southern California barn of trainer Doug O'Neill, who trained for Reddam, according to the lawsuit.

Blood samples taken shortly after the horse arrived in California indicated the presence of phenylbutazone (Bute) and flunixin (Banamine), two anti-inflammatory medications legal in Kentucky.

Big Picture did not start again until February 19 this year when he finished last of four in an allowance race at Santa Anita Park. He won a \$25,000 claiming race at Hollywood Park by seven lengths on June 20, but he was vanned off after the race.

"He's got chronic problems," Reddam said. "He went in for a tag and ran off, but he didn't come out of it too well with his ankle."

Big Picture won two of five starts and earned \$53,455. Ramsey and his wife, Sarah, won an Eclipse Award as outstanding owner in 2004, the same year their Kitten's Joy was named champion turf male.

Ramsey could not be reached for comment. *Source: Thoroughbred Times*

PA Fair Racing In Clearfield County

The Pennsylvania County Fair Racing Circuit moved into Clearfield County this week, with four days of racing.

On Monday, the highlight of the afternoon was Annabelle Lee's older trotting mare record, as she scored in 2:02.2 for trainer/driver Terry Brown in a Winners Over event. The mile just missed the all-time trotting standard at the half-mile oval.

Tuesday's richest race, the \$2,615 Quaker Stake for freshman trotting colts, was won by Dancen S J, a son of Annies S J. Leased by Robert Hogue, the winner is trained by Robin Green and was driven by John Green to the 2:13.4 win.

On Wednesday, Pennsylvania Sires Stake racing for sophomores took center stage, and the circuit's leading driver, Dave Brickell, extended his dashwinning lead by bringing home five winners.

DVC Dixie Cocktail (Western Hero, 3FP), She's So (Dragon's Lair, 3FP), Hardwood Hanover (SJ's Caviar, 3CT), KT Nickerin Dixie (Sierra Kosmos, 3CT), and JC Mik Mac Jillio (Bedford County , 3FT) all scored for Brickell. The Smicksburg, Pa.-based trainer/driver catch-drove She's So and KT Nickerin Dixie for trainer Ken Weaver. The rest were from his own barn.

Other Wednesday winners were Indiana Hanover (Tagliabue, 3FT), reined by Steve Schoeffel, Keepum Steppin (SJ's Caviar, 3FT) for Joe Offutt, RT Gizmo (RT Giant, 3CT) for Robert Rougeaux, and Broule Hanover (Real Artist, 3CP) and driver Bryce Truitt.

Broule Hanover 's 2:00.3 effort was the day's fastest event.

Racing at Clearfield concludes on Thursday.

For more information, see the PA Harness Racing Commission's Web site, www.agriculture.state.pa.us, or the PA Breeders site, www.standardbredbreederspa.org. The PA Fair horsemen also have a new site, www.pafairharness.com. *Source: USTA Newsroom*

Former Latonia Official William Battaglia Dies

William Battaglia, a former publicity director at Latonia Race Track, died on Tuesday in Milford, Ohio. He was 75.

Battaglia's late brother, John, was the general manager of Latonia, Miles Park, and River Downs during the 1970s.

Battaglia was the uncle of Mike Battaglia, the veteran oddsmaker and announcer for Churchill Downs, Keeneland Race Course, and Turfway Park. *Source: Thoroughbred Times*

Multiple ADW Outlets To Offer Claiming Crown

Account deposit wagering outlets TrackNet Media Group, Television Games Network, and Youbet.com will each offer wagering on the Old National Bank Claiming Crown races on August 4 at Ellis Park.

Under encouragement from the National Horsemen's Benevolent and Protective Association, the three outlets have agreed to a content sharing arrangement that will make the event available to a wider audience.

Also, all three outlets have agreed to donate fees they normally would retain on Claiming Crown race wagers back to Claiming Crown Ltd., which is owned by the National HBPA and the Thoroughbred Owners and Breeders Association.

Eighty-three horses are pre-entered for this year's Claiming Crown, which will offer \$600,000 in purses in seven races. The Claiming Crown is reserved for horses that have started in at least one claiming race this year.

Ellis Park has a distribution agreement with TrackNet Media, which gives the simulcast distributor owned by Churchill Downs Inc. and Magna Entertainment Corp. rights to this year's event. On Tuesday, TrackNet Media offered the wagering and video rights to the event to other outlets. TVG and Youbet.com both agreed to pick up the races.

"Our horsemen in Kentucky and across the country couldn't be happier that TrackNet Media responded to our request to share the Claiming Crown with all commercial advance deposit wagering companies," said National HBPA President Joe Santanna. "I commend both TVG and Youbet.com for stepping up and buying those rights for their customers, and offering to contribute any profits back to Claiming Crown Ltd."

Besides offering wagering on the races, TVG plans to televise the event.

"The Claiming Crown is a special day for horsemen across the country and we believe it is important to do our part to contribute to the future prosperity of the event," said David Nathanson, TVG general manager. *Source: Thoroughbred Times*

Off-Track Betting Outlet Offers Conditional Wagering

Advance deposit wagering site Premier Turf Club is offering its players a chance to play the odds without constantly scanning the tote board.

Thanks to new software, the outlet's Internet site www.premierturfclub.com allows players to not only select horses they like but also set minimum odds at which they would play that horse. At 45 seconds before post time, the program will query the tote and if the win odds for a player's selected horse meet the minimum odds selected, the bet is submitted.

"This feature will revolutionize the way the game is played," said Premier Turf Club Chief Executive Officer Ian Meyers. "Never again will you be forced to accept an underlay price on a horse or dog bet down dramatically from the morning line on bets you sent in hours before the race goes off."

For instance, a player could select a given horse and assign odds of 5-to-1. If at 45 seconds until post time the horse is 4-to-1, the wager will not be entered. If at that time the horse is 6-to-1, the bet will be submitted. Premier Turf Club believes the feature will allow players to punch through all of their conditional bets early in the day and not be forced to spend hours watching for odds changes.

"You'll never have to wait around again for a specific race to ensure you get a fair price on a runner you want to back," Meyers said. "This will end the cries of, 'If I knew that 6-to-1 morning line horse was going to pay \$30, I would have played him.'"

Meyers said the Fargo, North Dakota-based outlet will continue to offer innovative options for its players.

"It's just another example of how we plan on offering the most cutting edge wagering innovations to as wide a customer base as possible," Meyers said. . *Source: Thoroughbred Times*

1,000th Career Win For Vincent

There were a number of story lines after the completion of racing at Ocean Downs on Wednesday, August 1. A driver posting his 1,000th career win, last year's Horse of the Meet winning her sixth straight Ocean Oval this summer, the first leg of the Hal Belote Memorial Late Closer Series and the competition for top driver continuing as Robinson and Milby log multiple wins.

It was a special night for veteran driver Kim (Kimothy) Vincent. The 47-year-old horseman had the reigns for 5-year-old mare TW Alley and took the 4-5 favorite to her maiden win (\$3.00). For the Seaford, Delaware native, it was his 1,000th victory in a career which began in 1978 and has spanned 24 years of active driving. He was joined in the winner's circle by a large contingency of family and friends.

"I was really happy to do it here. I drove my first race here. The horses name was CB Ace, he was my father's horse," Vincent fondly recalls. "My father (Donald) was a lifetime horseman."

Vincent is racing this summer at Ocean Downs and Chester , but has competed at many tracks as he continues to add to his lifetime career driving earnings of over \$3.5 million.

“I’ve been all over. I’ve been to every race track in the country.”

Vincent has a fondness though for Ocean Downs, now in its 59th year of live racing.

“This has been home to me for many summers. I really enjoy it here.”

He now lives in Felton , Delaware and recalls a special race at the Ocean in 1992 when he had a horse in the ninth and final leg of the prestigious North American Pacing Series for 3- and 4-year-olds.

“I had a horse in there. Actually I trained him. His name was Storm Fella. We had raced him all up and down the Eastern Seaboard, Vernon , Pocono, Yonkers , and the final was here,” he said recalling the final with a \$50,000 purse. “He was good enough to make the final and we got lucky and he raced well, finishing third.”

That race was won by Stylish Cam in an impressive 1:54.2.

Vincent had the most driving wins in his career in 1991 when he had 122 first-place finishers. His highest annual driving earnings were in 1988 when his horses earned over \$523,000. He has also had 95 training wins, although he only trained actively for seven years. Vincent had only two starts and no wins from 1999 through 2005.

“Every once in a while you need a little break and I just took one,” he explained.

He wasted no time getting back to business Wednesday, taking 9-year-old gelding Come Back Cat to a win (\$7.60) only two races later.

Another highlight Wednesday was the sixth straight win this summer at the Ocean for last summer’s Horse of the Meet, Whitesville Tara. The Gary White owned and trained 6-year-old mare’s win came in the opening leg of the Hal Belote Memorial Late Closer Trot Series (\$2.80). Driver W. David Hill knew Hal Belote well.

“We had the same barn together. He was a good man and good horseman, especially when it came to trotters,” Hill recalled.

The Tagliabue mare took her customary spot on the front Wednesday with Hill in the bike and then withstood a strong challenge from Ray Robinson and 8-year-old gelding Contessa’s Victory to win her eighth race this year.

The other division of the Hal Belote Stakes series was won by 5-year-old gelding RT Phobes Giant (\$2.80), driven by Ray “Shorty” Robinson.

Robinson’s driving triple on Wednesday gives him 38 wins for the summer meet, three better than Frank Milby, who stayed close in the driver’s chase with two wins.

Live racing continues a Wednesday, Thursday, Saturday, Sunday format through August 25 with a nightly 7:35 p.m. first post. Parking and admission are free. For more information, call the track at (410) 641-0600. *Source: USTA Newsroom*

Industry Meetings and Events Calendar

2007

August

- 7 Saratoga Institute on Racing and Gaming Law – Gideon Putnam Hotel
Call 518-584-1531 for more information
- 19 The Jockey Club Round Table – Saratoga Springs, NY
- 21 7th Annual NYRA Charity Golf Tournament - Saratoga National, Saratoga, NY
Event Contact - Jenifer Van Deirse, 212-521-5327 - jvandeirse@jockeyclub.com

September

- 27-30 Ontario Racing Commission - Region 8 Meeting
Contact: Diane Simpson @ 416-213-7822

October

- 5-8 IFHA Meeting, Paris
- 26 Breeders' Cup Celebration, Monmouth University, Wilson Hall, West Long Branch, NJ
Event Contact - Nancy C. Kelly. 212-521-5305, nkelly@jockeyclub.com

December

- 3-6 Arizona Symposium – Westin La Paloma – Tucson, AZ
Contact info: 520-621-5660

2008

February

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

March

- 24-28 RCI Annual Meeting and Conference on Racing Integrity - Driskill Hotel , Austin, Texas.
Additional details will be forthcoming.



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. 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!