



# RCI BULLETIN

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### **Regulators Seek A National Rules Partnership**

North American regulators are exploring the possibility of creating an interstate partnership that would allow state racing commissions to cooperate on the adoption of model rules, according to officials involved in the process.

The partnership, known as an interstate compact, would create an official umbrella organization for state racing commissions without entailing the consistent involvement of the federal government. Supporters of the concept contend that wide participation by racing states in the partnership would significantly improve the sport's ability to adopt model rules and more rapidly address changes in the regulatory landscape.

The compact concept has already been endorsed by the Association of Racing Commissioners International and The Jockey Club, and representatives from 18 state racing commissions recently participated in a discussion regarding the compact's implementation, according to Ed Martin, the executive director of the RCI.

Martin said that significant progress on the compact has been made over the past 18 months in a series of discussions with racing commissions and legal advisers who have been consulted on drafting the complex legislation that would be necessary to create the organization. At this point, the RCI is working on a draft piece of legislation developed by the New York State Racing and Wagering Board that the association hopes to distribute to interested racing commissions in the next six months.

"We're using the New York bill as a base to work on between now and January," Martin said. "The final draft will be distributed to legislatures as a guide as to what would be needed to participate in the entity."

The compact would work by creating a board made up of representatives of the participating states. The board could vote on the rules that the states are considering for adoption, and if the resolution passes, the rule would be added immediately to the states' books, without additional adoption procedures such as public-comment periods and legislative approval.

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Despite the benefits that are cited by supporters, the effort faces significant hurdles. Racing is currently regulated on a state-by-state basis, by racing commissions that frequently cite their own needs or beliefs when crafting regulations based on even seemingly mundane model rules. Many racing commissions may be reluctant to give up those abilities to serve local constituencies.

Furthermore, state legislatures would need to pass bills authorizing racing commissions to participate in the compact, and many legislatures may chafe at the prospect of ceding their authority to the majority will of a collection of other states.

Supporters, including The Jockey Club's executive director, Dan Fick, contend that the bill drafted by the New York commission protects local authority by allowing individual states to opt out of specific rules that are adopted by the full board. In a letter to John Sabini, the chairman of the New York racing board, Fick called the compact a "win-win" for racing.

"The states will still license racing associations, grant race dates, supervise the running of the races, enforce the rules, ensure integrity and other important issues on the local level," Fick wrote. "The win-win will be that the horsemen, racing fans, and the betting public have the potential for uniform regulation across state lines."

*Source: Daily Racing Form*

### **RCI To Modify NSAID Drug Rule**

The Board of Directors of Racing Commissioners International (RCI) has begun a process that will result in a modification of current policy toward the use of non-steroidal anti-inflammatory drugs (NSAIDs). RCI Model rules and most racing jurisdictions prohibit the use of NSAIDs within twenty four hours of a race.

Based upon a presentation by Dr. Tom David the Equine Medical Director of the Louisiana Racing Commission and Chair of the RCI Regulatory Veterinarian Committee, which also participates with and advises the AAEP, the regulators plan to address the issue later this year after seeking input from all segments of the industry.

"In furtherance of our concern for the health of our equine athletes, RCI strongly supports pre-race veterinary examinations and has received a recommendation indicating that the current policy toward NSAIDs may be too liberal and needs revision in order to ensure that the best possible pre-race exams can be performed," RCI President Ed Martin said.

"We do not seek to interfere in medical decisions by veterinarians as to what an appropriate medication regime should be for any horse, but we do need to safeguard the horse, its owners, and the fans from those instances where a medication is used to hide an infirmity that otherwise would exclude a horse from competition. There appears a consensus to modify the current rule and over the next few months we will seek comments on what that modification should be, whether the restriction should move to 48 hours, 72 hours, or longer," he said.

RCI is a member of the Racing Medication and Testing Consortium which strives to develop an industry consensus on medication issues based upon current and past scientific research. RCI member regulators are not bound by RMTTC recommendations, which are considered along with those from other industry organizations, experts and individuals.

RCI has notified the RMTTC that a modification of the NSAID rule will occur in December when the Model Rules Committee and RCI Board meet next in Tucson, Arizona. The RMTTC has been requested to provide input prior to that meeting.

“We are under no illusion that a change of this magnitude will be controversial for some, but there is a general belief that a reform of this rule is necessary and we would like this to be a priority going forward,” Martin said. *Source: RCI Press Release*

## **Breeders' Cup Officials Strengthen Drug Policy**

The organizers of the Breeders' Cup will give a one-year ban from the meeting to any trainer who has a runner test positive for a Class 1 or Class 2 drug at this year's end-of-season championships, they have announced.

Any trainer who violates the policy - which covers opiates, amphetamines, stimulants, depressants, blood-doping substances and powerful painkillers - three times will face a lifetime ban.

The action is a step up from a rule passed a year ago that would allow Breeders' Cup Ltd to issue a one-year ban to any trainer who had a horse test above the acceptable level for anabolic steroids.

"The establishment of these new regulations strengthens our number one priority of preserving the integrity of our competition and protecting the welfare of our athletes," said Cup president Greg Avioli.

No horse has tested positive for a Class 1 or Class 2 drug in the 25-year history of the event. Wait A While, third in the Filly and Mare Turf last year at Santa Anita, tested positive for procaine, a Class 3 drug.

Her trainer Todd Pletcher has said that Wait A While was administered procaine some 18 days prior to the race, four days within state guidelines regarding the medication that recommend administration of the drug at least 14 days before a race. Pletcher is awaiting a ruling by the stewards regarding the penalty for the infraction, one that could come in October or November. *Source: Racingpost.com*

## **Internet Betting Legalized For Illinois Residents**

Illinois Governor Pat Quinn has signed a bill legalizing Internet betting on horse racing in the state.

“We’re getting everything in the pipeline to get it up and going,” Illinois Racing Board spokesman Mickey Ezzo said Wednesday. “We are in the process of writing the rules and preparing an application for the advance deposit wagering companies such as [Television Games Network], Youbet[.com Inc.] and TwinSpires.”

Although the rule-making process is on the fast track, Ezzo was unsure of the exact time in which Illinois horseplayers will be able to go to their computers to make wagers on horse racing.

“We’ll probably do emergency rules, which will be effective immediately, and then we’ll get the applications to the applicants,” Ezzo said. “I think the rules will be approved on an emergency basis because normally it takes 90 to 120 days.

“It will be similar to the way we get applications from racetracks at the [annual] dates hearings. The [account wagering] companies will have to fill out a pretty extensive application. *Source: Thoroughbred Times*

## Round Table Focuses On Medication, Equine Welfare

The ongoing push toward the implementation of uniform medication practices and recently resurgent call to improve the health and welfare of the racehorse were among the central themes pushed by presenters at the Jockey Club's 57th annual Round Table and Matters Pertaining to Racing on August 23 at the Gideon Putnam Report and Spa in Saratoga Springs, New York.

The Round Table was divided into those two segments that, on the surface, seem to be relatively distinct but, in reality, are very related issues for the industry from a perception and public relations standpoint.

The common theme throughout, whether the topic was racehorse adoption and rehabilitation programs, racing surface safety, or uniform medication standards, was all about that perception—specifically how the public views the American racing industry.

“Keep that word perceived in mind,” said *Daily Racing Form* Chairman and Publisher Steve Crist during his remarks titled “The View from Bettors, the Public, and the Media” that came toward the end of the two-hour meeting. “There is a huge difference between perception and reality and, in fact, that difference is crucial to this issue.”

Many of the differences in reality and perception were outlined by the event's speakers.

Thoroughbred Retirement Foundation Executive Director Diana Pikulski told the group that “reality is a Thoroughbred industry made up largely of owners with only modest resources” when discussing how ex-racehorses might find their way to slaughterhouses in Mexico and Canada.

Joe Gorajec, executive director of the Indiana Horse Racing Commission, said the public's frustration by the lack of uniformity over drug rules was “justified.”

Overall, medication issues stood out as clearly at the 2009 Round Table as they have in many recent editions, although one of the industry's leaders on the issue, Jockey Club Chairman Ogden Mills “Dinny” Phipps, was not in attendance to lead the charge.

Jockey Club Vice Chairman William S. Farish, owner of Lane's End in Versailles, Kentucky, led the proceedings as Phipps continued to recover from surgery earlier this summer.

Despite Phipps' absence, his theme of continued vigilance on behalf of the industry to work on “integrity issues, or even the perception of integrity issues” continued to resonate. *Source: Thoroughbred Times*

## NJ Sports Authority: Tracks Need Slots

The state authority operating Monmouth Park is reeling from sharp downturns in gambling on horse races, with a \$10 million loss expected at the Oceanport track this year, officials said.

Yet the New Jersey Sports Authority's recovery remains pegged to horse racing, which is said to have roles in providing some 13,000 equine industry jobs in the state and in supporting 176,000 acres of operating farmland, according to a Rutgers Equine Science Center report.

Horse industry officials and lobbyists have argued that the economic benefits of racing justify adding slots gambling to racetracks to bolster revenues, which in turn would prop up the authority.

The proposal is staunchly opposed by Atlantic City casino officials. They claim it would create unfair competition.

Dennis R. Robinson, the sports authority's chief executive officer, said the authority — created in 1971 to oversee the Meadowlands Sports Complex — has in recent years sponsored \$4 billion in private construction but will be hamstrung financially if a replacement for formerly robust horse racing returns isn't found.

"We're at a crossroads right now. We need a long-term (revenue) solution," Robinson said. "Continuing what we're doing today doesn't work. It's that simple."

Atlantic City's casinos would likely share in proceeds if slots were placed at racetracks but casino officials say they want to protect their core business.

Joseph A. Corbo Jr., president of the Casino Association of New Jersey, said such a change may not be a "reasonable (solution) to help horse racing become a viable industry again."

Corbo said state officials should first "examine horse racing's current business model, and not rely solely on the equivalent of a public subsidy to a business model that started to decline years ago."

Corbo said the casino business supports 60,000 "direct and indirect" jobs, generating tax receipts and consuming goods and services that dwarf what the horse racing industry provides.

"It is without question that the economic impact of New Jersey's casino industry to the state far exceeds those (impacts) of the entire equine industry," Corbo said.

### **Casinos take big hit**

Atlantic City's casinos have been hurt by competition in neighboring states and were especially hit hard when Pennsylvania's first gaming began operating in the fall of 2006.

For the first six months of this year, the gaming revenue in Atlantic City was down 15.3 percent from the same period in 2008, according to state regulators.

State Sen. Jennifer Beck, R-Monmouth, said the racing and casino industries need to band together to stay competitive at a time when more gambling is being offered in other states.

Beck said casinos should consider endorsing slots at the racetracks.

"Pennsylvania came online with gambling a couple of years ago, New York is pushing new venues and Delaware is adding sports betting in the fall," Beck said. "The reality is we have enormous competition. If we don't react and start to compete, we're going to lose revenue to other states."

The Legislature's leading Democrat, Senate President Richard J. Codey, D-Essex, has also called for stronger consideration of slots gambling at the racetracks.

Beck and Codey made a bipartisan call last year for Gov. Jon S. Corzine to convene a promised panel of experts to study the long-term stability and funding of the horse racing industry. The panel was then formed and has had two meetings, but final recommendations aren't due until 2010.

### **Nationwide downturn**

The authority purchased Monmouth Park for \$40 million in 1985. There's been a dramatic dropoff in betting on horse races in this decade. Through the first seven months of this year, betting has declined nationally 10.9 percent compared with the first seven months of last year, according to figures released by Equibase, an industry association.

But Robinson said more than 37,000 people attended the annual running of the Haskell Invitational at Monmouth Park last Sunday, despite poor weather, a sign that the sport still has its following.

"Our attendance is basically the same but people are betting less," Robinson said. "They're spending less. That's true for every industry in this economy."

The authority also operates a second racetrack, an NFL football stadium and an indoor entertainment arena. Its other holdings include a profitable off-track wagering business.

Robinson said private investment is transforming the Meadowlands Sports Complex, East Rutherford, into what will be a "destination for years to come, not just a place that has events."

Construction is ongoing for a new football stadium, paid for by the Giants and Jets, and Meadowlands Xanadu, a massive retail center.

The new stadium and retail center will generate over \$100 million in new annual sales and income tax revenues, Robinson said.

### **New revenue, old debt**

If direct revenue is enhanced, Robinson said, a portion could go to paying off the \$56 million annually owed to service bonds — debts that have been taken over by the state — from past construction projects and maintenance at the Meadowlands Sports Complex and for off-site projects, such as construction of the Wildwood Convention Center and a 1992 Rutgers Stadium renovation.

"This agency over the years has been called upon to take over major redevelopment projects across the state and every one of them has been successful," Robinson said.

The Rutgers study estimates a \$4 billion value for the state's equine industry.

"There should exist in New Jersey a partnership between the casino and horse racing industries to enable both to remain sustainable as competition for the gaming dollar continues to escalate," stated the report, which was led by Karyn Malinowski, director of the Equine Science Center at Rutgers. *Source: DailyRecord.com*

## **Phase 1 Of Georgian Slots Complete**

Phase One of the expansion of OLG Slots at Georgian Downs is complete -- a redevelopment project that created 90 new full and part-time jobs and brings increased economic benefit to the Town of Innisfil.

"Since the opening of Slots at Georgian Downs in November 2001, the facility has proved to be one of the busiest gaming floors in North America," said Kelly McDougald, CEO of OLG. "This expanded facility not only gives area residents a more exciting entertainment option, it also puts dollars into the local economy through job creation and increased local procurement of goods and services."

With the completion of Phase One, Georgian Downs now has 802 slot machines. Since opening in 2001, more than \$32 million in direct, new non-tax revenue has been generated for the Town of Innisfil for investment in new infrastructure and other local priorities. The expanded facility, which includes a full-service restaurant and lounge featuring live entertainment, will increase its purchasing from local suppliers by around \$1.3 million a year.

"The Town of Innisfil has enjoyed an outstanding partnership with OLG over the past eight years and we congratulate them on the completion of this significant expansion project," said mayor Brian Jackson. "We welcome the new jobs and the ongoing revenue that will continue to support municipal investment in infrastructure projects like roads, trails and facilities."

OLG worked in partnership with Georgian Downs owner Great Canadian Gaming Corporation to plan and fund the redevelopment projects. The \$76 million undertaking has and will continue to generate both short and long term job opportunities. OLG is Innisfil's largest employer, and the expansion will see the facility's payroll grow by more than \$3 million to approximately \$12.7 million annually.

"On behalf of Ross McLeod, Great Canadian's Chairman and CEO, and all Great Canadian's employees, I'm thrilled at the completion of this first component of Georgian Downs' expansion," said Howard Blank, vice president of Great Canadian Gaming Corporation. "This property's popularity has only grown since we acquired Georgian Downs in 2005, and we're confident that this upgraded facility will allow it to continue that trend. We're also very excited about our future in this province. The success of Georgian Downs is something Ontario should be proud of."

Phase Two of the expansion project will be completed in spring 2010 and involves the addition of 198 more slot machines, bringing the total to 1,000.

As part of the OLG Responsible Gaming Program, once finished, the redeveloped facility will also include a Responsible Gaming Resource Centre (RGRC) kiosk, one of 28 full and self-service RGRCs to be fully operational by 2010. RGRCs provide OLG customers with essential information about the risks of problem gambling, tips on recognizing warning signs, and links to treatment or counseling services. *Source: Standardbred Canada*

## **Jockeys Crack The Whip: We'll Keep Breaking New Rule**

On a day Corey Brown and Jim Cassidy were cited for breaches of the controversial new whip rules other jockeys warned the restrictions would be ignored unless transgressors' mounts were disqualified.

"The only thing that is going to make jockeys on a whole really take notice of the rules is if the horses that a breach occurs on are disqualified," said Peter Robl, the retained rider for the powerful Patinack Farm operation, owned by Nathan Tinkler.

Robl will ride Patinack runner Porsched in Saturday's \$1 million Golden Rose at Rosehill, in which Tinkler also has Warwick Stakes winner Trusting set to start, with Nash Rawiller in the saddle.

At the moment, the most severe penalty stewards can impose on transgressors is a fine equal to the loss of the riding fee and the jockey's 5 per cent of the winning prizemoney, and suspension.

"I'll be doing everything I can to win the Golden Rose and if that means hitting more than the allowable three strides in succession, then I'll be doing it," Robl said. "You won't find any other rider that won't do it in a million-dollar race when you are neck and neck with other horses."

Brown was charged yesterday for striking Megem's Boy, the winner of the Dr Grace Handicap, on seven successive strides.

He pleaded guilty and after having had two previous brushes with Racing NSW stewards over the rules, which came in on August 1, was fined his riding fee and 5 per cent of the \$17,550 first prizemoney.

"I felt Hugh Bowman coming on my inside and Tye Angland on the outside and I forgot all about it," Brown told stewards.

"It's a natural thing [to keep using the whip]. I've been riding like it for 17 years."

Brown, on The Fangsta, was edged out of the Might And Power Handicap by the winner Kossack, which was ridden by apprentice Mitchell Beadman.

Stewards cautioned Beadman over his use of the whip but no action was taken.

Brown was also nosed out of the Silver Shadow Stakes at Randwick on Saturday when his mount Melito was beaten by Deer Valley, which apprentice Daniel Ganderton rode to victory before pleading guilty to deliberately overusing the whip. Ganderton was fined his riding fee, winning percentage and suspended for six meetings but has appealed against the severity of the penalty.

"You do the right thing, which I did on Melito and The Fangsta, and you get beat," Brown said. "You win a race on Megem's Boy and you are in trouble. "It's a fine line." *Source: The Sydney Morning Herald*

## **Magna Entertainment Wins Leave to Sell Oklahoma Track**

Magna Entertainment Corp., the bankrupt horse-racing company controlled by billionaire Frank Stronach, won court permission to auction off its Remington Park track in Oklahoma for at least \$80.3 million.

Global Gaming RP agreed to act as the so-called stalking horse bidder with an initial offer of \$80.3 million, Magna attorney Brian Rosen said today in U.S. Bankruptcy Court in Wilmington, Delaware. Global Gaming is part of the Chickasaw Nation, an American Indian tribe that operates casinos in Oklahoma, said William Ford, Magna's general counsel.

Global Gaming has made the highest and best offer so far, Magna said in court papers. Other bids are due Sept. 4. The auction will be conducted Sept. 8.

Magna, based in Aurora, Ontario, sought bankruptcy protection in Delaware in March, listing assets of more than \$1 billion and debt of \$958.6 million as of Dec. 31. Since then it has been selling its smaller tracks.

The company's primary tracks include Pimlico Race Course in Baltimore, Santa Anita Park in California and Gulfstream Park in Hallandale, Florida.

The company's parent, MI Developments Inc., also announced today that it was increasing the size of the bankruptcy loan that Magna Entertainment is using to fund its reorganization. MI Developments, also controlled by Stronach, owns the majority of Magna Entertainment's equity.

The new loan will grow to a maximum of \$66.4 million, making \$28 million more available to Magna Entertainment, MI Developments said today in a statement.

The company also won permission to sell nearly 500 acres of land in Florida for \$8 million, one year after another bidder withdrew a \$16.5 million offer.

The case is *In re Magna Entertainment Corp.*, 09-10720, U.S. Bankruptcy Court, District of Delaware (Wilmington). *Source: Bloomberg.com*

### **Calder Granted Operating License For Card Room**

Calder Race Course was granted an operating license for a card room on Friday.

The permit was signed by Joe Dillmore, the interim director of the State of Florida Department of Business and Professional Regulation, Division of Pari-Mutuel Wagering.

Calder, which received a license to operate slot machines on July 10, is in the process of building the Studz Poker Club and a 104,000-square foot casino facility. The poker club is slated to open in late October, while the casino is set for a January 2010 grand opening. *Source: Thoroughbred Times*

### **Shapiro Pleads No Contest In Vandalism Case**

Former California Horse Racing Board Chairman Richard B. Shapiro has pleaded no contest to charges he vandalized a car on April 24 in the parking lot of Hollywood Park.

The original felony vandalism charge was reduced to misdemeanor malicious mischief with the plea. Shapiro was ordered to pay the vehicle's owner, California-based horse owner-breeder Jerry Jamgotchian, \$6,733.22 for scratching Jamgotchian's 2008 Jaguar XJ with a metal object.

Shapiro received 36 months summary probation and must pay a \$100 fine (plus additional costs) in lieu of three days of public service removing graffiti.

The judge also ruled Shapiro must pay any future civil judgment against him related to the case as a condition of his probation. Jamgotchian, a longtime critic and agitator of Shapiro's, has filed a civil suit.

Jamgotchian requested Shapiro write a letter of apology and attend anger management classes, but the judge settled for a handshake between Shapiro and the victim.

“I don’t think it’s necessary that I give this gentleman any type of anger management classes,” said Superior Court Judge John R. Johnson. “I think given the fact he was willing to shake hands and that because of his age, I’m sure that he knows how to conduct himself and get a grip on his feelings so we don’t have another incident like this one.”

Shapiro resigned as chairman of the CHRB last December and has been working as an industry consultant. Jamgotchian is seeking to banish Shapiro from California’s racetracks.

Around the same time Shapiro resigned from the CHRB, he admitted losing millions of dollars to Bernie Madoff’s Ponzi scheme, one of the largest investment fraud cases in history. *Source: Thoroughbred Times*

## **Betting, Attendance Run High In Del Mar Track’s 70th Year**

As the Del Mar Thoroughbred Club’s 70th race meet heads to the finish line, attendance figures and the betting handle are outdistancing last year’s numbers.

At the end of the first four weeks of the race meet Aug. 16, with 20 of 37 days on the books, on-track attendance was 11.8 percent ahead of the same period last year, while the on-track handle — amount of money wagered — was up 12.8 percent.

The average daily gate count stood at 18,607, up from 16,645 last year, and the on-track handle averaged \$2.4 million a day versus \$2.1 million at the end of four weeks last year. Altogether, on-track and off-track wagering were up 0.2 percent — a photo finish.

“This is a two-part business,” said Joe Harper, president and general manager of the Thoroughbred Club, which operates the track. “Our main thrust is getting people on this racetrack. They’re more profitable to us when they’re betting on the track, and you do this with good marketing and putting on a good show.”

The Thoroughbred Club eliminated Monday racing, when the track turnout was traditionally sluggish — except for Labor Day — and cut back to a five-day-a-week schedule. (The track traditionally has been dark on Tuesdays.)

It also added one race each on Wednesdays, Fridays and Sundays, all of which were well-received and helped to rein in operating costs.

“The Monday races were taking money out of purses from other days,” said spokesman Mac McBride. Through the first 20 days of racing, the track had paid horse owners \$8.9 million in cash prizes or purses.

### **Shortage Of Thoroughbreds**

Yet one of the main reasons Mondays went dark is because of the shortage of Thoroughbred horses in the state.

It sounds ironic, particularly since this year’s meet has gotten off to such a good start. Owning, training and running racehorses is an expensive venture, and the recession has apparently lightened the wallets of those who used to invest in the sport of kings.

“Now everybody’s pulling in their belts, and that’s flowed into Thoroughbred racing,” McBride said.

Part of the reason for the increases in the track’s gate count and betting handle during the first part of the season is a new promotion called “Free and Easy Wednesdays,” when admission, seats and programs are free and drinks and hot dogs go for half-price.

According to Chief Financial Officer Mike Ernst, the Thoroughbred Club evaluates and tries to improve the lineup of promotions every year, from micro-brew festivals and chili cook-offs to concerts. *Source: San Diego Business Journal*

## **Hialeah Racetrack Ownership Case Dismissed**

Millionaire Internet entrepreneur Halsey Minor’s efforts to oust the owner of Hialeah Park racetrack have been rejected by a Miami-Dade Circuit Court judge.

In his dismissal order signed Aug. 8, Judge Thomas Wilson ruled that the case’s legal questions had been decided and upheld by the Third District Court of Appeal in 1986. The Business Journal reported Aug. 7 that the judge indicated during a hearing that he intended to dismiss the suit.

Minor filed suit in February, alleging the city of Hialeah broke its own laws by deeding the racetrack property to owner John Brunetti in 2004. He says he wants to help renew American horse racing by reviving the park. In this case, Brunetti fought back, saying he was the rightful owner.

But in a 1986 case, Brunetti argued he did not owe taxes on the property because the city owned it. In that case, a Miami-Dade County judge ruled Brunetti was the equitable owner.

Minor’s attorney, Stephen Darmody of Shook Hardy & Bacon, argued that the previous case was about taxation, not legal ownership. Darmody has indicated that Minor intends to appeal.

Brunetti’s attorney, Andy Hall, said a dismissal at the circuit court level means his client will prevail.

The lawsuit involves Brunetti’s historic arrangement with the city and his original 1978 lease arrangement. In it, the city agreed to buy the park and lease it back to Brunetti for the cost of the mortgage. He agreed to keep thoroughbred racing at the park through 2008. But, there hasn’t been any racing since 2001. The city formally deeded the property to Brunetti in 2004.

The 1978 lease envisioned Brunetti assuming control of the property again. But, Minor’s suit alleges that the city should not have deeded the property to Brunetti without holding a public vote because Brunetti and his company, Hialeah Inc., defaulted on the lease arrangement by not having racing at the park. City officials deny the lawsuit’s allegations. *Source: South Florida Business Journal*

## **Results Plummet At Fasig-Tipton New York**

More horses failed to meet their reserves than were sold, and all major economic indicators dropped in excess of 40% on opening night of the Fasig-Tipton New York-bred preferred yearling sale in Saratoga Springs on Saturday.

Fasig-Tipton Co. reported 48 horses from 105 offered as sold for total sales of \$1,724,500, a 41.7% drop from opening night last year. Average price decreased 43% on year-to-year comparisons to \$35,927, and the median was down 47.1% to \$27,500.

The buy-back rate of 54.3% also was worse than last year's mark of 52.5%.

"For the mid-level and below horses, there's an adjustment taking place. We saw it take place in the breeding stock sales, and the two-year-old sales, and we saw signs of it at the [Fasig-Tipton Kentucky] July [yearling] sale," said Fasig-Tipton President Boyd Browning Jr. "We all kind of hoped there would be some insulation in a state-bred sale like this, but the reality is the economy has had an effect on owners and people who have racing interests here like it has on everyone else."

Anthony Tufaro's Two-Tone Farm purchased the session topper, a filly by freshman sire Roman Ruler for \$115,000. The filly is out of Sovereignoftheseas, a half sister to Grade 1 winner Carson Hollow.

"I liked the way she walked, and the sire has been throwing runners," said Tufaro's trainer, Bruce Levine. "I buy one or two here every year. When there's only 200, it's pretty easy to look at them all. There's a lot of bad ones, and that pushes the prices up on the good ones. But almost every sale is like that."

Barbara and Francis Vanlangendonck's Summerfield consigned the filly as agent for Mr. and Mrs. Jerry Saulerman of Ocala, who pinhooked her for \$19,000 out of the 2008 Keeneland November breeding stock sale.

"When you buy one like that, you don't know if they're going to get big and pretty or not," Francis Vanlangendonck said. "She kept getting prettier and prettier, so I said let's take her up to New York, and see what happens."

Three horses reached the \$100,000-mark, including the session's top-priced colt, a \$100,000 colt by El Corredor purchased by bloodstock agent Buzz Chace. Denali Stud consigned the El Corredor colt, as agent, and led all consignors in total sales with nine sold for \$507,000. *Source: Thoroughbred Times*

### **Turfway Seeks Cut In Funds For Horsemen**

The Kentucky Horsemen's Benevolent and Protective Association claims Turfway Park wants to cut \$700,000 from purses and funding for the horsemen's group.

The dispute leaves the two sides without a purse contract just two weeks before the Florence, Ky. track's fall meet is set to start Sept. 9.

Kentucky HBPA President Rick Hiles said horsemen are seeking the same contract terms that have been in place the last 10 years.

Hiles said the owners and trainers group agreed with Turfway to reduce its winter racing schedule to three days a week during January and February, from its previous five-day schedule.

Turfway President Bob Elliston declined to discuss specifics of the negotiations, saying he hopes a deal can be reached before the meet begins, although no negotiating sessions are currently scheduled.

Without a purse agreement, Turfway's interstate simulcasting revenues could be hurt. Other states' horsemen's groups often block their tracks from taking simulcast bets on the tracks that don't have a contract. Federal law gives horsemen's groups the right to block interstate simulcasting.

Elliston has said previously that without expanded gambling at Kentucky tracks, 2010 could be the last year of racing at Turfway. *Source: Courier Journal*

## **Teen Jockey Eclipsing Competition At Del Mar**

Of all the teenagers with summer jobs at the racetrack here, Christian Santiago Reyes is unique.

The 19-year-old from Puerto Rico is the one riding thoroughbreds and having success to the degree that he ranks sixth for wins and eighth for purse earnings for his mounts in the jockey standings. He's the leading apprentice (rookie for racing neophytes) and, with the help of veteran agent Tony Matos, looks like a major candidate for the Eclipse Award as the top newcomer nationally, barring unforeseen circumstances.

Matos is best known for booking mounts for Hall of Fame riders like Angel Cordero Jr. and Laffit Pincay Jr. But he's had apprentices before — Frank Lovato Jr. in an Eclipse Award-winning campaign in 1980 and Corey Nakatani, among others.

“At this point, he (Reyes) ranks with any of them,” Matos said. “I can't say he's the best because they're all very good riders. He's only been here (California) a few months, and he has done well.”

Reyes' grandfather, Efrain, owns a farm in Puerto Rico with horses and cows. At age 12, Christian started working there, with duties including riding and breaking horses that were not yet fully domesticated.

At 14, he took up boxing and had a 3-1 record for four amateur fights. There was a time, Reyes said through Matos' interpretation, when he was dividing his time between the gym for boxing and jockey school.

“I liked both,” Reyes said. But when an instructor at the jockey school praised Reyes for having a lot of ability, he started concentrating on riding. He spent two years in the jockey school and left the ring behind. Starting his professional career in Puerto Rico, Reyes rode 16 races in the first two weeks. Then, while riding a workout, he had a spill that resulted in a broken right arm, which required surgery and the insertion of a metal rod that's still there.

He was sidelined six months while recovering.

From Puerto Rico, Reyes went to Gulfstream Park in Florida. He won on his second mount there and soon came to the attention of trainer Wesley Ward, the Eclipse Award-winning apprentice of 1984.

Ward took Reyes to Kentucky and the youngster divided time between Churchill Downs in Louisville and Keeneland in Lexington. He lived in a tack room, the most basic of quarters in the stable area, at Keeneland while getting on 14 or 15 horses a day combined in morning workouts at Keeneland or afternoon races at Churchill.

He did well enough that an older brother, Victor Santiago, who is an established rider at Monmouth Park in New Jersey, contacted Matos to see if he would consider taking Reyes' book for a California campaign.

“At the beginning, I wasn't sure,” Matos said. “But then I started looking at the films. He was riding a lot of bad horses at Churchill and he was winning with them.”

Matos consulted with his primary client, jockey Victor Espinoza, about taking on a second rider, and Espinoza gave the OK.

Reyes rode his first winner at Hollywood Park in late June and wound up being the top apprentice for the meeting. Through the first 25 days of the 37-day Del Mar meeting, Reyes has 18 wins and purse earnings by his mounts of \$664,652.

“What I liked about him from the films was that he was good out of the gate, he changed sticks (from hand to hand) well and he was aggressive,” Matos said. “I thought for an apprentice he rode extremely well.

“Since he's been here he works out every morning, he (makes weight at) 109 pounds, he's shown he wants to keep learning and improving.”

As high-tech conscious as most of his generation, Reyes studies video of races on his computer, generally from a site called [racereplays.com](http://racereplays.com), emphasizing horses that he will ride.

He also consults with established riders like Mike Smith, Joel Rosario and Espinoza. Reyes recently rode his 40th winner, the point where the weight allowance he receives as an apprentice drops from seven to five pounds. Reyes will maintain apprentice status until May of next year.

The days of living in a tack room are gone. Reyes has a room in a house in Rancho Santa Fe that Matos and his wife are renting for the meeting.

Reyes likes to surf, and takes advantage of Del Mar's proximity to the ocean on Mondays and Tuesdays when there's no afternoon racing.

“I like the climate, I like the people, and I'm grateful to all the trainers who have given me the opportunity to show my ability,” Reyes said of the Del Mar experience. *Source: Union Tribune*

## **North Dakota Horse Chosen For Film**

Cyclone Larry has always lived his life on the fast track. Now the Casselton thoroughbred can hoof it to Hollywood.

Larry, a 3-year-old race horse owned by Heather Benson, the general manager of Fargo's North Dakota Horse Park, recently was chosen in an online equine casting call for the Disney film "Secretariat."

Within a week after Benson sent in Larry's photos and biography, a star was born. "He's got the look, so he's got the part," Benson said. "They were looking for a big, bright chestnut with a good personality."

Larry's taken everything in stride. Benson, on the other hand, felt like she was in the winner's circle.

"I was out of control, I was so happy," Benson said. Secretariat is one of the greatest race horses of modern time. He won horse racing's Triple Crown in 1973, setting track records at the Kentucky Derby and Preakness Stakes, and a world record at the Belmont Stakes. He even ended up on the cover of Time magazine.

Larry was born in the Black Hills of South Dakota, Benson said. She bought him in January. For the movie, she had to sell him to Disney. However, as part of the agreement, she gets him back at the end of filming. Hollywood horse expert Rusty Hendrickson is in charge of the training.

Larry will travel to Kentucky sometime in the next week or two, Benson said. There, he'll join at least three to four other horses that will help play Secretariat. For the next two months, they'll be taught various cues and tricks needed for the movie role. Filming should begin at the end of the year, Benson said.

Larry doesn't have Secretariat's markings, but that's not a worry, he'll have his own makeup artist, she said. Benson says photos of Larry as a teen show him as an awkward, gawky-looking horse, with little hint of movie-star looks. But, he's filled out since. Secretariat was a big, muscular horse, at 16.2 hands high and 1,200 pounds. A hand is a standard unit of measurement that equals 4 inches and often is used to describe the height of horses. Larry is also 16.2 hands high, though his penchant for the feedbag puts him at 1,300 pounds, Benson said.

"He's a small-town country boy," Benson said. "He knows how to train hard and eat well. He would eat everything in this barn, given the chance."

And is she afraid Larry will lose his sunny disposition in a place where everyone is saddled with high expectations? Nay, Benson said. "He just knows that everyone likes him right now," she said. Still, "he's very movie-star-like. He's learning to adjust to life in the limelight." For example, Larry won't just eat an apple. He'll drool on it. But he won't chomp until it is cut up for him. And when it's time to clean up, crank up the hot-water heater, Larry won't go for a cold shower. "He won't stand for it," Benson said.

Larry also has his own Facebook page. It lists his new home as Hollywood, Calif., and his birth date as March 29, 2006. Personal interests are hay, oats and running fast. There is no mention of his marital status or whether there's a special filly in his life. *Source: The Bismarck Tribune*

## **Appeals Court Blocks Delaware's Sports Betting Plan**

A federal appeals court today blocked Delaware's bid to open sports betting Sept 1.

A three-judge panel of the Third Circuit Court of Appeals decided that Delaware's plans violate a 1992 federal ban on sports gambling.

The professional leagues and the NCAA sued Delaware in June, but the case is not scheduled to be heard until December. The leagues asked the court for an emergency injunction to halt the betting.

Delaware is one of four states that had sports gambling prior to a federal ban enacted in 1992. Congress provided exceptions for these states - which include Nevada, Oregon and Montana - permitting them to continue with sports betting already in place.

Delaware had previously conducted multi-game "parlay" bets on football games only, but the scheme was unsuccessful in raising revenue. State officials passed a law in May that allowed them to extend sports gaming to single-game bets on all major league and college games.

The NFL, NBA, NHL, Major League Baseball and the NCAA sued Delaware in June. The leagues argue that single-game betting could lead fans to question the integrity of the games. A missed field goal could cause a fan to think the game was fixed for someone with money riding on it, said Kenneth J. Nachbar, a lawyer representing the leagues.

"The closer you get to single-game betting, the more you affect the integrity of what happens on the field," he said in court.

Andre Bouchard, a lawyer representing Delaware, said people already bet on single games in Las Vegas, and the leagues have been unable to show that it has caused harm.

Bouchard argued that Delaware had a sports lottery in 1976 and should be permitted to use a broader definition in determining what kind of sports gambling it can use.

The justices seemed particularly concerned that the state would go forward with sports betting before the court determined if the practice was legal under federal law.

If the court ruled later this year that Delaware broke the law by allowing people to bet on single games, would the state have to return money to those who lost their wagers?

"[If] Delaware knows it was taking my money in an illegal scheme, I want my money back," said Justice Theodore A. McKee, the presiding judge.

Nachbar said the court should not allow Delaware to have more extensive sports gambling than it had in 1976, saying it violates the spirit of the federal law to limit sports gambling.

The justices agreed.

After nearly two hours of arguments, the justices ruled that Delaware's plans are "not covered by the exemption" under federal law.

Michael Barlow, lead counsel for Delaware Gov. Jack Markell, said he was disappointed in the ruling. The state approved sports gambling as a way to help plug a nearly \$800 million budget deficit.

"Delaware Sports Lottery was invented as an economic development initiative," he said. "We felt it was consistent with federal law." *Source: Philadelphia Business Today*

## **Surface Renovation, Infield Upgrades At Zia**

When the fall racing season begins Sept. 12 at Zia Park, fans will be treated to infield upgrades and horses will race over a completely renovated track.

The Zia Park race meet, one of the few nationally to show increases last year, runs through Dec. 8. Opening weekend racing runs through Sept. 15 at the New Mexico track.

Following opening weekend, a special four-week run of Friday programs will start. They will be on Sept. 18, Sept. 25, Oct. 2, and Oct. 9. First post time for the Friday racing programs will be 3 p.m.

First post time for all other racing programs is 12:15 p.m. There is always free parking and free general admission at Zia Park.

The infield improvements are led by a large Zia Park logo expressed in true southwestern style and a water feature.

The horse-head logo is situated on the southern side of the tote board while the large water feature is behind and continues beyond the northern edge of the tote board. There also have been landscaping upgrades surrounding the tote board.

The racing surface has been renovated under the direction of track surface expert Dennis Moore, who has overseen the construction and renovation of racetracks worldwide.

The Zia Park racing surface had 5,000 cubic yards of new material placed on the one-mile oval. There was a total of \$100,000 spend on the track renovation.

“Our goal is to always provide a racing surface that is safe for the jockeys and the horses,” Moore said. *Source: The Bloodhorse*

## **Racinos Fight For Tax Breaks**

The owners of the casinos at the state's two horse tracks said Monday that lawmakers need to cut their taxes and rewrite the rules under which they launched their gambling ventures, or the racinos may not survive.

Representatives of Indiana Live Casino in Shelbyville and Hoosier Park Racing & Casino in Anderson said state law forces them to turn over far more in taxes and mandatory payments than do the state's 11 riverboat casinos. That's put the racinos at a competitive disadvantage and has caused them to operate with losses since opening last year, the owners said.

Ross Mangano, chairman of the Indiana Live board, urged the Indiana Gaming Study Committee on Monday to change the law and help the racinos thrive. In particular, he said, the racinos should not be forced to pay taxes on revenue they do not get to keep, including the dollars they pay to horsemen's groups to subsidize purses.

“The term bailout has been used,” Mangano said of proposed tax cuts. “It's no bailout.”

The discussion came during the first meeting of the study committee, a legislative group charged with taking a comprehensive look at gambling issues in Indiana, particularly as some neighboring states plan to introduce or expand their wagering presence.

Monday's meeting focused largely on racino issues that plagued lawmakers during legislative discussions earlier this year. The General Assembly in 2007 authorized the two tracks to install up to 2,000 slot machines each — but only if they paid \$250 million licensing fees and invested \$100 million each in new gaming facilities.

The racino law also required the tracks to pay state wagering taxes on a sliding scale, a 3 percent local tax to their host communities, 1 percent to help subsidize the French Lick Resort Casino in Orange County and 15 percent of their gross gambling revenue — the casino's winnings after payouts — to horsemen's groups for purses.

The tracks took the deals and built casinos, although they grumbled even then that the \$250 million fee was too high. *Source: Courier Journal*

## **Tribe Invests In Dog Tracks**

The Poarch Band of Creek Indians has purchased controlling interests of dog racing tracks in Mobile and Pensacola , according to at least one racing official.

While the purchase awaits approval by the National Indian Gaming Association, Eddie Menton, chairman of the Mobile County Racing Commission, said he believed the sale of a 65 percent share of Mobile Greyhound Park to the tribe would be approved without a hitch.

Menton said he did not know for sure how much money was being offered for the Mobile park.

"The track owners came to us and told us they were in negotiations with Poarch Creek Indian Gaming," Menton said Saturday. "Then, on Monday, they told us they had reached a deal. They are in the process of getting approved by the Mobile County Racing Commission.

The prospective controlling partners "feel they are buying a profitable business that they hope they can grow," Menton said.

The tribe also purchased a controlling interest in the Pensacola Greyhound Track. Officials there did not return calls seeking comment Saturday.

Calls to the Poarch Band of Creek Indians' office in Atmore were not returned Saturday, and an operator at the tribe's Wind Creek Casino and Hotel said no one was available to comment.

The tribe owns two other casinos in Alabama — the Riverside Entertainment Center in Wetumpka and the Tallapoosa Entertainment Center in Montgomery.

The Poarch Creeks will not be allowed to install gaming machines at the Mobile track unless the state Legislature changes the law, Menton said.

"You hope the Legislature will approve gaming machines at the tracks," he said. "They've always said they don't want them in Alabama, but they are here now, and they are in Biloxi . It seems like the state should be collecting taxes on that money."

Gov. Bob Riley has been strongly against gambling in Alabama throughout his two terms, and has stirred controversy in recent months with his opposition to so-called bingo machines.

Riley's Task Force on Illegal Gambling has confiscated a number of gambling machines, and he has refused to agree to allow Wind Creek to use Las Vegas-style table games.

The governor's office did not return calls Saturday concerning the racetrack purchase.

Menton noted that the tribe had long been one of the primary opponents of allowing gambling machines at the dog tracks in Mobile and Pensacola. He predicted they would no longer oppose such a move.

"It's impossible for these dog tracks to compete with the casinos," Menton said.

The Mobile track was the brainchild of the late Casey Downing, who served as a state representative for 12 years. He is credited with pushing for the law that allowed the track to be opened. The mechanical rabbit the dogs chase during races was named "Casey" in his honor, according to the Mobile Greyhound Park's Web site.  
*Source: Press Register*

### **Fair Racing At Quinte Cancelled**

After much effort put forth by both the National Capital Region Harness Horse Association and the Quinte Exhibition and Raceway to host what would have been a stellar event of fair harness racing dubbed 'The Mane Event,' to be held September 6 at QER, the NCRHHA board of directors have decided not to proceed with this event at QER.

The investment required for putting on such an event would have far exceeded the returns or any profits that both organizations may have made from the days events including the pari-mutuel wagering.

The NCRHHA was fully committed to supporting this event financially; however the cap of \$20,000 imposed by the Ontario Racing Commission would mean that horses would be racing for little money making it difficult to fill the card to put on such an event.

The NCRHHA stated that it is very sorry to advise its horsepeople of the decision, but that under these economic times it would not be prudent to proceed with the event.

It was the NCRHHA's expectation that the event would have brought the return of many enthusiastic fans and decent horses that would have been racing for purses similar to other area tracks, as well as pari-mutuel wagering.

NCRHHA had hoped to put some of the purse money back into the hands of the horsepeople of Belleville. Unfortunately, the plan did not work out. *Source: Standardbred Canada*

#### **NOTE:**

The December RCI Model Rules Committee and Board of Directors meeting are in the process of being re-scheduled. The new tentative date for the Model Rules meeting is Saturday, December 4, 2009 and the Board of Directors will meet on Sunday, December 5, 2009. Meeting will occur in Tucson, Arizona and will not be in conflict with the ROAP meeting on 12/6 or the RTIP Symposium commencing on 12/7. A hotel room block is being arranged and information will be available shortly.

# ARCI GREYHOUND COMMITTEE MEETING AGENDA

Thursday October 15, 2009

National Greyhound Association Headquarters

Abilene, KS 1:00-5:00 pm

Members of the ARCI Greyhound Committee will convene a continuation of the previous meeting conducted June 23-24 in Austin, Texas. Representatives of the NGA and AGTOA are cordially invited to attend and participate.

## PROPOSED AGENDA

### Part One

1. Call To Order
2. Recognize and introduce participants
3. Review of minutes from previous meeting
4. Review of greyhound model rules adopted at the ARCI meeting in San Diego, California July 30, 2009

### Part Two

#### *Carryover Proposals/Rules Discussions*

1. Microchip Identification
2. National Injury Reporting/Database
3. Emergency Licenses
4. Objections

### Part Three

#### *Industry Standards and Practices*

1. Greyhound Care
2. Kennel Specifications/Operations
3. Race Track Surfaces
4. 100% Retired Greyhound Placement
5. Accurate Industry Information Strategies
6. Establish Task Forces

Adjournment

*Source: Tentative RCI Greyhound Committee Meeting*

## 2009 RCI ASSOCIATE MEMBERS

