

# Golden State's Racing Issues Addressed At TOC Summit



Guest Forum

by MARCIE HEACOX

Owners, trainers and other industry leaders discussed major issues confronting California horse racing at the first Thoroughbred Owners of California (TOC) owner-trainer summit at Santa Anita Park on Feb. 13. Event coordinators estimated the attendance at 150 people.

## Satellite Wagering

The first of three topics at the summit was satellite wagering, with five people on the panel—Craig Fravel of the Del Mar Thoroughbred Club, George Haines of Santa Anita, Robert Hartman of Golden Gate Fields, Chris Korby of the California Authority of Racing Fairs (CARF) and Tom Varela of Southern California Off-Track Wagering Inc. (SCOTWInc.).

TOC Executive Vice President Guy Lamothe presented information on the state's rapidly declining satellite wagering system. SCOTWInc. and its Northern California counterpart NCOTWInc. were built on state-owned land in the late 1980s.

According to the presentation, nearly 80 percent of satellite wagering income is returned to winning bettors. The remainder is distributed to tracks, purse funds, breeders' awards, stabling, vanning, workers' compensation and research. From 2008 to

2009, revenue declined 25.6 percent in the north and 14.7 percent in the south.

Lamothe said Account Deposit Wagering (ADW) has emerged as the biggest threat to OTW as handle has migrated from physical "brick and mortar" locations to telephones and the Internet. Other emergent sources of competition are Indian casinos, poker, traffic congestion and a general increase in entertainment options. "We've seen greater competition for the consumer's leisure time and dollar," said Lamothe. "There's really a premium on experience and convenience."

Lamothe presented several possible solutions to amend the satellite network. One idea is to develop the mini-satellite network in casinos and sports/entertainment venues. Since mini-satellites were approved in 2007, only one has been created, at Commerce Casino.

The mini-satellite system has a major bump in the road, though. Laws stipulate that no OTW facility can be within a 20-mile radius of any live racetrack. This has presented a problem



Craig Fravel

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## Guest Forum Cont'd.

in the Bay Area where nearby Golden Gate and the defunct Bay Meadows Racecourse encompass nearby cities. "San Francisco for the last two years has been the bane of my existence," Hartman said. "We spent weeks knocking on doors for (mini-satellite) locations."

To reduce this problem, Lamothe proposed reducing the 20-mile restriction. His other proposals include changing the OTW cost structure, improving current facilities, introducing new technology and integrating ADW into OTW.

### Racing Calendar

As OTW has decreased, so too has the horse inventory. John Harris of the California Horse Racing Board (CHRB), Tom Robbins of Del Mar and John Sadler of the California Thoroughbred Trainers (CTT) discussed how to address the horse shortage by changing the racing calendar.

According to statistics presented at the summit, the total racehorse population was 4,065 at the beginning of 2007. This year it sits at 2,832 horses. The population has decreased by 1,048 horses from Jan. 1, 2009 to Jan. 1, 2010 alone.

Panelists and audience members speculated that the decrease in field sizes stems from multiple sources, including migration to tracks with slot machines and a drop in the number of California-breds.

In this state Harris described as an island, most locally bred horses remain here to race. Robbins, the Racing Secretary at Del Mar, said, "50 percent of our starters are Cal-breds."

The Jockey Club statistics show a 15.8 percent decline in the size of California foal crops from 1999 to 2008. In comparison, the national decline was 7.6 percent. In 2000, 5,593 mares were bred in California, but only 3,077 were bred in 2009. There are also fewer stallions—224 compared to 430 in 2000.

The panel discussed two possible solutions—decreasing racing dates and/or bigger gaps between race meets. The more popular option among panel speakers was the former, which has already proven successful.

Hollywood Park saw average field size increase from 7.31 to 8.20 when the race week was reduced from five days to four days during the 2009 Spring/Summer meet. Average daily handle increased 19.9 percent. Del Mar also cut their race week at their 2009 meet. "We were able to keep our field size consistent," Robbins said. "By doing what we did we kept individual purses at a higher level than if it was six days a week."

Though the big gap option has not been tested, no panelists supported the idea. "I'd hate to see us go to nine days between meets. I think maybe there's a happy medium of three, four, five days between meets. We can't just put [the horses] in the refrigerator and come back in five days and pull them out," Harris said, noting that a big break will put a lot of people out of work for an extended period of time.

### Synthetic Surfaces

Madeline Auerbach, vice chair of the TOC, introduced the concluding synthetic surfaces panel saying, "I have never seen an issue in any business I've been involved in that has brought more emotions from various sides."

The seven-member panel began with slideshow presentations from Drs. Lucy Anthenill and Francisco Uzal of the California Animal Health and Food Safety Laboratory System (CAHFS) based at University of California, Davis. Their research showed a decline in front sesamoid injuries since synthetics were installed, but an increase in certain hind end injuries.

Dr. Rick Arthur, Equine Medical Director at UC Davis and advisor to the CHRB, presented statistics showing an average of 3.05 fatalities per 1000 starters on dirt, but 1.93 with synthetics.



Dr. Rick Arthur

However, Arthur noted that the decline in fatal injuries may not be solely due to a surface change. "Ninety to ninety-five percent of all racing and training fatalities have pre-existing pathology at the site of their fatal injury. Those horses were injured before they went out there," Arthur said. "Track surface is only one factor."

Trainer Darrell Vienna suggested that the decrease in breakdowns may be due to veterinarians' increased pre-race scrutiny. "Racing fatalities are decreasing, but training fatalities are remaining the same if not increasing. I believe one of the main reasons... is because of the inspection policy," Vienna said. "Let's not jump to the conclusion that synthetics are better or worse."

Sadler said 70 percent of CTT members want Santa Anita to install a new, improved dirt surface. He said his horses have had more injuries on synthetic surfaces than on dirt, especially high suspensory, pelvic and hind leg injuries.

Trainer John Shirreffs also expressed his displeasure with synthetic surfaces. "As the horses were getting fitter, they were losing a certain amount of strength," Shirreffs said. "You can't pick up the early warning signs of impending injury, not only injury, but decline in a horse's general condition."

Fravel said the heavy traffic Southern California tracks endure may be one reason the synthetic surfaces, and racing surfaces in general, have problems. "There are 1,800 horses going over the main track here in Southern California," Fravel said. "The tracks are under enormous pressure."



John Shirreffs

Owner Cory Wellman said the statistics presented by the panel didn't encompass the entire issue. "We should keep information on how many horses leave the track for farms and never come back," she said, noting that several of her own horses have suffered

injuries on synthetic surfaces.

Owner Jerry Moss, sitting in the audience, said he wondered how horses feel growing up and training on dirt then having to adapt to the synthetic surface when they go to the track. He also expressed his desire that Santa Anita install a new dirt surface, hoping that it may bring the Breeders' Cup World Championships back more often. 🐾