



*From the Executive Corner*

# In Demand

by DOUG BURGE

Entering 2012, two of the main objectives of the California Thoroughbred Breeders Association (CTBA) were to: 1) stabilize the recent decline in the production of foals; and 2) provide an increase in demand for California-breds.

We believe that both of these objectives could be, and have been, met through the lucrative enhancements made to the incentive and racing program. Specifically, the maiden bonus and newly created Golden State Series restricted stakes schedule.

As illustrated in this editorial last month, the number of mares bred in 2012 was within 1.5 percent of the previous year; this after several years of double-digit declines. When you add in the large number of mares who were bred in other states and expected to be brought to California to deliver Cal-breds next year, the 2013 live foal crop should be on par if not exceed this year's crop. As mentioned numerous times previously, with Cal-breds making up over half of the field sizes in the state, we are extremely dependent on our local product. Without the ample production of quality Cal-breds, the horse inventory would be a fraction of what it is today. The entire industry is pleased to see this overall stabilization on the breeding front.

In regards to the second objective, the realization of increased demand at both commercial and private sales, there were many positive signs this year. As you can see from the table below, several Cal-bred yearlings and two-

year-olds sold for six-figures or more at public auctions across the country.

Particularly in California, the demand for locally bred or sired horses has risen significantly. With the increased value through purses and incentives, coupled with a decreased supply, owners and trainers are predominantly targeting quality Cal-breds. For those racing in state, the focus on Cal-breds greatly increases the probability of financial success.

The yearling sales, which were dominated by Cal-breds, saw very favorable results as average and median prices rose considerably in both the north and south. At the Northern California Yearling Sale, the average and median prices were up nearly 50 percent. The Cal-bred sale-topper brought \$55,000, the highest price at that venue since 2006.

In Southern California, at the Barretts October Yearling Sale, yearlings averaged over \$23,000, which resulted in an average increase of over 36 percent and a median increase of nearly 85 percent compared to the previous year. Buyers, as well as sales officials, pointed to the lucrative state-bred opportunities as reasons for the success.

These commercial sales results should bode well for the future and provide breeders with the confidence they need to continue to invest in California.

Happy Holidays.

## Six-Figure California-Bred Sales In 2012 (Yearlings & Two-Year-Olds)

|           |                                   |                                  |              |
|-----------|-----------------------------------|----------------------------------|--------------|
| \$400,000 | ... Unusual Heat—Freedom Dance    | ... Keeneland September Yearling | ... Hip 772  |
| \$155,000 | ... Hard Spun—Two Punch Gal       | ... Keeneland September Yearling | ... Hip 2405 |
| \$150,000 | ... Belong to Me—Move Smartly     | ... Ocala April Two-Year-Old     | ... Hip 762  |
| \$150,000 | ... Bertrando—Telling Stories     | ... Barretts October Yearling    | ... Hip 206  |
| \$130,000 | ... Unusual Heat—Sookloozy        | ... Barretts March Two-Year-Old  | ... Hip 9    |
| \$125,000 | ... Swiss Yodeler—Top of Our Game | ... Barretts May Two-Year-Old    | ... Hip 70   |
| \$120,000 | ... Unusual Heat—Helen's Echo     | ... Barretts October Yearling    | ... Hip 92   |
| \$110,000 | ... Majestic Warrior—Treed Cat    | ... Barretts October Yearling    | ... Hip 216  |
| \$110,000 | ... Unusual Heat—Pleasing         | ... Del Mar Paddock Two-Year-Old | ... Hip 22   |
| \$105,000 | ... Tribal Rule—Holiday Sale      | ... Barretts March Two-Year-Old  | ... Hip 98   |