

Win-Win Situations



From The Executive Corner

by DOUG BURGE

The current purses and racing opportunities for California-breds, as evidenced at the nearly concluded Del Mar Thoroughbred Club meet, provide a return as high as any in recent history. Restricted maiden purses are \$75,000, restricted first condition allowance races are nearly \$80,000 and the first condition open allowance races with the Cal-bred owners' bonus total over \$100,000. Couple this with \$1.2 million in Golden State Series stakes purses, and Del Mar provided the greatest purses for Cal-breds in their 76-year history.

Although restricted purses do drop some at the other Southern California race meets, due to handle generation, the opportunities and return are still extremely lucrative. With the addition of the Maiden Bonus Program, and the breeder, stallion and owner awards, the earning potential for Cal-bred/California-sired foals has risen considerably.

To put that in perspective, in 2003 there were 3,867 California foals with roughly \$30 million available in restricted purses and incentive awards. This yields \$7,758 per foal in potential return. In 2012, there were 1,624 California foals with \$30 million still available in purses and incentives, which provides a per foal potential return of \$18,473. This is nearly two and a half times the per foal return 10 years ago (see chart below).

This is a major selling point of the Cal-bred program and has gotten the attention of owners, breeders and stallion owners across both the state and country. The justification for investing in the state-bred program continues to improve and has yielded not only stability in the produc-

tion of foals, but new quality bloodstock with grade I-winning stallions and marketable mares coming to the state. In fact, over a half dozen grade I winners recently retired to stand their first year at stud in California, including Eclipse Award winner Acclamation.

In Northern California, where Cal-breds make up over 60 percent of the fields, the 30 percent owners bonus in open company, \$10,000 maiden bonus, and the ability to run in the same allowance condition twice, provides lucrative enhancements to the overnight purses. The California Thoroughbred Breeders Association (CTBA) is still striving to provide more restricted opportunities in the north, with a goal of expanding the Golden State Series races.

On another note, the recently concluded Northern California Sale, held in Pleasanton, yielded mixed results. With the significant increases experienced at the 2012 sale, coupled with all the benefits associated with Cal-bred ownership as described above, expectations were high for the 2013 sale. While the average of \$6,010 was down from \$7,653 a year ago, the median price of \$4,000 remained identical. On a positive note, only 16 of the 89 yearlings who went through the ring were listed as RNA (18 percent), as compared to 26 of 95 a year ago (27 percent). This low buyback rate translates into more breeders/consignors selling their young horses, which is the service that the CTBA strives to provide the northern membership. The CTBA's Sales Committee will continue to review all aspects of this venue, and continue to provide a market place and outlet for our Northern California breeders. 🐾

FOAL CROP vs EARNING POTENTIAL			
YEAR	LIVE FOALS	TOTAL INCENTIVE/RACING	RETURN PER FOAL
2003	3,867	\$30 Million	\$7,758
2012	1,624	\$30 Million	\$18,473