



TUESDAY, DECEMBER 8, 2015

45 Ideas in 45 Minutes

MODERATOR:

Joe Harper: President and CEO, Del Mar Thoroughbred Club

SPEAKERS:

Steve Byk: Host, At the Races with Steve Byk, SiriusXM

Darryl Kaplan: Editor, *Trot Magazine*

Steve Koch: Executive Director, NTRA Safety & Integrity Alliance

Peter Rotondo: V.P. Media & Entertainment, Breeders' Cup Limited

Amy Zimmerman: Vice President and Director of Broadcasting, The Stronach Group

Mr. Doug Reed: Good morning everyone. Welcome to Tucson and the beautiful weather we have, the 42nd Annual Symposium on Racing. We welcome you. We thank you for being here.

I want to thank our sponsors. Last night we had a great opening reception thanks to Roberts Communication. We started it off right. I want to thank our breakfast sponsors, Equine Line and Encompass.

We have an exciting session here today sponsored by Sportech Digital. We've got 45 ideas in 45 minutes. Once we kick this thing off, I'm sure it will be rapid fire.

Mr. Harper will tell you more about that when we start things off. An event like this doesn't just happen without a great team.

I do want to recognize a great team, the faculty, Liz Bracken, Wendy Davis, the staff, Denise Pharris, and Betty Prewitt, and then a host of students that help us put this on and coordinate it.

They're up here, and they're excited about their future careers. This event just doesn't happen. I really want to take a moment to thank them because they do all the things that are behind the scenes and put all this on. Please give them a round of applause.

I only have one — well, two actually. We have an audible to call, but two housekeeping notes. We have a new event this year.

Tomorrow's luncheon is something a little different. We've only traditionally had the awards luncheon, which we have today, and I hope all of you can attend that.

We have another luncheon tomorrow. We know how important networking is to our attendees. We hear it constantly in our feedback, and we thank you for your survey feedback.

We've organized another luncheon that is strictly for networking. It's designed for you to meet, hopefully, new people, and make new contacts.

There will be table stands on all the tables in the lunchroom tomorrow with different topics, like account wagering, innovation and technology, international topics, regulation, race tracks, marketing, and social media.

I would recommend — and I've gone to a luncheon like this — that you go to a table with a topic of interest to you.

When I participated in a similar luncheon it was fun because I met everybody at the table, met new people, and because we had an introductory — we had a topic to talk about that we shared. Again, enjoy the luncheon tomorrow.

We have an audible to our program today, too. We will remind you again at the luncheon, but I've gotten word that some guy named Bob Baffert is going to be here. I think I read something about him in the news this year. He's gonna be here.

We're gonna call a little different agenda. Right after the luncheon, if you could come back in here we're gonna have him interviewed.

In fact, one of our speakers up here, Amy Zimmerman, has agreed to do that.

He's gonna talk about his past 12 months and his experience. I think it'll be a delightful break from the usual content. We look forward to that.

We'll announce it again at the luncheon. It'll probably push us back about 15 minutes in our agenda, so as the program — if you just would stay with us we wanted to call that audible.

We've got that opportunity. Probably everything in the afternoon will be about 15 minutes later than printed. We will keep you posted on that.

I'd like to introduce my boss. I know many of you were introduced to him last year, Dr. Andre-Denis Wright is a relatively new member, but he is the director and professor in the school of animal and comparative biomedical sciences and our boss. Please welcome Dr. Wright.

Actually, he asked me to make a — I have a personal information to pass on to all of you and share with you, a personal life change I'm making.

I'm going to technically retire from the university at the end of June, finish out the academic year. I hope not to leave the racing industry, though.

I'm going to hopefully do some consulting, look for part-time jobs.

I actually have nothing permanently arranged, but I'm taking a change in life, if you will. I will be leaving at the end of June, but it's been a great pleasure and I just wanted to share that with everyone here and hear it directly from the horse's mouth.

Dr. Andre-Denis Wright: Good morning everybody. I thought it would be best for Doug to announce that he was retiring rather than me coming up as a boss saying that he won't be back next year.

For our out of town guests, welcome to the great state of Arizona and the beautiful city of Tucson. We're in for lovely weather again today. You might recall, some of you that I met last year, that I'd just been here for three weeks. I moved here from Vermont. I've been here for over a year and we love it. I just wanted to reiterate what Doug said.

Thank you very much to our sponsors for supporting the event. Also, thanks for the faculty, staff, and the students, and the organizing committee for making this happen. It's a wonderful event and something that I enjoy coming to.

I have a passion for the race track industry as well. I also want to announce that we — I made this announcement at the board meeting yesterday that the university will be conducting a national search for a new director of the program.

With all the things that you hear about cuts and everything taking place at the university, we see this as an important component of our mission and what we do and for our students.

It's on our strategic plan to move forward with, so I'm very happy that we'll be conducting that search and hopefully have a new director in place before Doug retires at the end of the academic year.

With that, I'll throw it back over to Doug. Enjoy your conference. Have a beautiful stay in Tucson. I wish everyone all the best. Thank you.

Mr. Doug Reed: I was told a long time ago a good speaker is to be brief and be gone. This is gonna be a brief introduction, because I think our moderator needs very little introduction.

Our moderator today is president and CEO of Del Mar Thoroughbred Club, Mr. Joe Harper. Mr. Harper has probably — I know he's attended way more of these than I have.

Rumor has he's attended all of them. I'm not sure if that's true.

There's another rumor that was floating around quite a number of years ago he was actually banned from speaking up here. He's been taken off that list and —

Mr. Joe Harper: It might be a mistake, Doug.

Mr. Doug Reed: Yes, I know, a big mistake. Please welcome Joe Harper.

Mr. Joe Harper: Thank you. By the way, in hearing Doug's parting remarks, some years ago Lonnie Powell actually, who had Doug's job prior to Doug, he went on to have a lot of other jobs in the industry.

One time here at this particular symposium he'd just been — was it let go? He got his ass fired, actually what happened. We were really feeling pretty bad for him. I made a pitch to everybody in the audience if you need somebody, talk to Lonnie.

Well guys, if you need somebody, call me. Don't call Doug, because I'll sell him better than Doug will sell himself. He does need a job. Please see what you can do. The fact that the biggest applause this morning was when he announced his retirement has me a little concerned.

I'm sure we'll find a spot for him somewhere in this business. Okay. We're here, 45 ideas in 45 minutes. I don't have any ideas. I'm just the moderator, so that'll save you some time.

I think also we're gonna time it, okay? We've seen the debates going on on television. Everybody wants to go over and talk about things.

Nobody up here has a comb over, so we might be okay, but I think that we have a timer up there. It's gonna be timed the minute they start talking.

Actually I was gonna have the clicker to start it and stop it, but the staff and faculty of the university took a look at my college grades and decided that that was way too much of a challenge for me to push the button.

We have a graduate student here to push the button, Joe Longo who is here. It takes a graduate student to push the button here. I just want you guys to know. Apparently they were worried I'd be insulted by not pushing the button.

Joe, good luck. Try not to screw this up. Okay. Now, 45 ideas, 45 minutes, five people. Joe, what's that? Nine a piece? Yeah. Graduate students like that.

Okay. We're gonna start off. I'll just introduce the panel as quickly as possible. We have Steve Byk right here. Steve is the voice of satellite radio as far as racing is concerned. He's been on there for a gazillion years and he does an amazing job.

He's also got some background in marketing with Proctor and Gamble, and a few other places. Actually, he's been a passionate guy for racing. He's had a lot of people on his show.

When you have a love of the sport and you have that kind of an audience, there's no one better than Steve Byk. He's had some terrific people on his show. I've never been asked to go on his show.

Mr. Steve Byk: I knew that was coming.

Mr. Joe Harper: We'll talk later maybe. He's sick, by the way. He's sitting next to me. We're really looking forward to that. That's your water. This is my water. We're good. Okay.

Also we have Darryl Kaplan over here. Darryl is the editor in chief of Trot Magazine, one of Canada's finest publications.

He also has some experience in marketing and having people figure out what they're doing in horse racing. He's worked around the industry for Woodbine.

He's also won the prestigious Equine Canada Media Award. He must know something about media, cuz they don't give that to just anybody. Right?

There's not that many people in Canada, I guess. I don't know. He's got it. That's good.

We also have with us on the podium Steve Koch. Steve is the NTRA safety and integrity alliance guy, which is a — actually, when I heard that they were coming out with a guy to come out and check out safety and integrity I was a little concerned being at Del Mar, but fortunately they didn't get into the who we had at the races on opening day, cuz the integrity might be a little shaky on that.

They were very helpful in track safety, safety for horses and jockeys, and it's been, I think, a terrific program, especially for some of the smaller tracks who don't have the really ability to understand it completely what's expected of them.

Steve has been really good for that, because he hasn't come in there and said, "You don't pass. You fail." He's gone to 'em and said, "Look. Here's what works at other places. Maybe you ought to try this." It's been a great program.

Okay, now I can't read anything. That's fine. Okay. Peter Rotondo — apparently we didn't pay our — yeah, thank you very much.

Peter is vice president of media and entertainment for the Breeders' Cup. Obviously that's a cherry of a job. I'll tell you, I don't know how he got that one. That's so terrific. He works for my pal Craig Favel, and Peter actually was from the University of Arizona.

He went here. He got a bachelor's degree. Then he went to work for the NTRA. Now he's at the Breeders' Cup and kind of responsible for their content, and media coverage, and getting the word out. That's probably an easy job, Breeders' Cup.

You really need somebody who's smart in that position, and Peter's the right guy for that job.

Last on the list down there is Amy Zimmerman. Amy has been a great friend for over 30 years. All during that time I have total admiration for this woman. She has done an amazing job.

We both started out in the same business. I was a cameraman working for a fellow named Joe Burnham doing films, commercials, and documentaries on racing.

Amy followed suit and has of course done an incredible job with Santa Anita. She's the vice president director of broadcasting there.

She's won every kind of award in the world, Eclipse Awards, and Emmys, and everything else.

Believe me, her trophy case puts us all to shame. She's deserved every single one of them. She's an amazing person. I'm really looking forward to hearing her 45 seconds.

Anyway, why don't we get started? Steve, you want to kick it off?

Mr. Steve Byk: It would be my pleasure, absolutely.

Mr. Joe Harper: On your mark, get set — are you ready, Joe? Go.

Mr. Steve Byk: What I've done is broken these nine ideas into the two areas, business development and gambling oriented.

The first is an idea that I'm delighted to present here, which is a stakeholder buyers' guide. Along the lines of the NTRA Advantage Program which has been so

successful, why do we not have a national directory of horse player, horse owner businesses?

Those that are investing in the game as owners or players should be conducting business with each other. Why should anybody across the country that's involved in the game buy a car from any dealer in their area that isn't involved in the sport?

For instance, in Louisville, Billy Hays, in Lexington, Frank Shoop, in Philadelphia, the Chapmans, Billy Fuccillo in New York, Nick Alexander in California, there's a big opportunity. We're an insular business and industry. We should be doing business together and facilitating it.

Mr. Joe Harper: Good work. That means you're through. Obviously our radio guy knows when to stop talking. Anyway, Darryl, go for it.

Mr. Darryl Kaplan: First idea I wanted to talk about is called the gift horse. It's something that we've worked a little bit of Standardbred Canada on.

The idea is horse ownership, but we want to divide horse ownership into something that I can give to my nieces, to my nephews, I can give as actual gifts. We decided the concept anyway, and something that we're working on is 1,000 shares, \$50 a share. That's it. All in.

These could be for sale at Costco. They could be for sale at Wal-Mart.

Really what we want is we want industry people to be advocates. We want those people in this industry who are passionate about it to say I'm gonna give ten shares. I'm gonna give it to my staff. I'm gonna give these shares out.

I become an advocate. I become an advocate for racing. Then through that six month process of owning this actual racehorse, people will actually go on tours of farms. They'll be able to see foaling. They'll be able to actually learn how to care about horse racing. I think that's key, because when you go to the race track you see a lot of things, but you don't necessarily — you're not taught to care.

That's what this program hopefully can do.

Mr. Joe Harper: Very good. Okay.

Mr. Steve Koch: I propose an industry official Twitter account to provide expert analysis of stewards' race rulings. The account could be a product, perhaps, of the racing officials' accreditation program, and it would provide clarification on the stewards' race decisions as they happen.

The feed could alert about race incidents, educate about the stewards' decision process, educate about existing rules, identify internet rules, resources, and educate about the respective jurisdictional clerks.

NFL has a really great example of this in Mike Pereira. Pereira's 276,000 followers receive clarifications on referee decisions throughout the NFL game day.

A starting point for us could be major network race broadcasts or perhaps any graded stakes races. I'll cede my time to Peter.

Mr. Joe Harper: Go, Peter.

Mr. Peter Rotondo: We're gonna hear the bell. Are you ready? Let's wanna hear the bell, and then we'll go. Exactly. Alright.

My theme today is after all it's 2016. Right?

We're gonna eliminate. We're gonna embrace, and we're gonna create. First thing we want to eliminate is the walk of shame.

I'm using #CashIsNotKing. What I mean by that is think about it. From your Uber to Starbucks, from your local taxi to your local coffee shop, cash is no longer king, except, of course, in the sport of kings. It feels like we're the only operation still dealing in cash.

If I want to make an on-track bet I need to go to an ATM, go to a window, ask for a voucher or a betting card, and sometime then go to another window to finally make a bet.

It's time for the swipe and bet. I've taken countless new peeps to the tracks, and they can't grasp the concept that they can't actually take their card and swipe and make a bet.

Race track operators are trying to combat ADW use on track at their venue. Well, it's time to just be able to swipe and make a bet at the race track.

Mr. Joe Harper: Amy.

Ms. Amy Zimmerman: I'm going to take a little different tact at some of these gentlemen who will handle the gambling aspects of it, so the Andy Asaro and John Picci don't light me up, because it's a conscious decision.

One of the things I really would like us to take a look at, and it sounds exactly opposite of what intuition would tell you, is to limit the attendance at a race track.

Instead of saying our doors are always open and everybody can come on in, say that on a weekday we can have 2,500 people. On a weekend we have 10,000 people. On a big weekend we have 30,000 people.

It allows the staff to be able to staff appropriately and give customer service to the people that are attending. Part of the problem is if you don't come on a Thursday you know you can come on a Friday. Demand breeds demand. I really think that we

need to take a look at how we are marketing to our people and look at what a sold out venue looks like.

Mr. Joe Harper: Thanks, Amy. Before we start the second round of this, there will be some handouts a little later on.

I can keep talking because I'm the moderator today. There will be handouts for these ideas, so you'll be able to peruse them at your convenience. If you have any questions after this next round or at the end of it we'll take them then. Go for it.

Mr. Steve Byk: One thing I believe in when it comes to ideas, they don't all have to be original by any stretch. There's lots of good ideas that have been introduced and either never got a chance to be executed, or weren't necessarily executed perfectly the first time. It doesn't mean that we can't take advantage.

Second idea that I want to utilize is one that's surfaced and floated years ago, which is to promote on track attendance and play, a rebate for patrons on track.

Take your losing tickets at the end of the day, either at windows or at some other machine, feed them in, and get a voucher that is good for whatever, five percent of the losses on the day, a rebate.

That rebate, though, has to be used on track. It promotes on track continuity, and it gives the player back something in their pocket to encourage them to come back. This is a perfect idea to me.

Mr. Joe Harper: Darryl.

Mr. Darryl Kaplan: Imagine you're at the race track for the first time. You walk in and someone says to you, "Hello, Mr. Smith. Welcome to the race track. Here's a package of ten dollars' worth of tickets. These tickets are selected by our track handicapper specifically for you. Here's your package. For ten dollars you can have his selections."

Someone else, "Hello, Ms. Jones. Here are the selections from Zippy the Wonder Dog who's come up with these picks, specially selected for you for race one. Ten dollars, here's a package."

We've actually tried this at race tracks in Canada a couple times, and I can tell you that people will line up to get these packages of tickets. The alternative is that these same new people come in and they bet two dollars to show each race, if that.

You're now introducing them not only to show bets, but win bets, exacta bets, trifecta bets, and you're having them constantly come back to you. You can do it with anybody's selection. It's something we've tried before. They're super packs and they work really well.

Mr. Steve Koch: Let's consider centralizing our race day steward stand.

Our current industry arrangement with the stewards isolated at individual race tracks disables national consistency of the stewards' decisions on in race fouls.

There's no particular magic to the full board of stewards being on track in the same stand. We can subcontract a component off site to an industry supported centralized video patrol room.

Other major professional sports have done exactly this with exactly consistency in mind. Major league baseball has its replay center. Hockey has its video room in Toronto, Canada, The NBA has a replay center in New Jersey, and the game day central famously monitors the NFL from New York.

The concept's not actually unheard of in horse racing. There is a version of it in play on standard bred racing in Ontario, Canada.

I understand Racing Victoria in Australia has their version of this, also.

Mr. Peter Rotondo: Okay, now we're gonna try to create what we call the data firehose, #Let'sGetSoakingWet.

One reason fantasy sports and betting on sports has taken off is simply access to data. Data is the real king.

My friends at Equibase and DRF will always continue to offer premium handicap and race content, but the thought is let's open the data gates to everyone. Until the flood gates are open, I feel we'll be playing from behind to develop a new fan base.

Here's a concept you may have heard of. It's called a hack-a-thon. Jessica Chapel who wears many hats but is one of our most valuable resources at the Breeders' Cup offered up this idea.

For those of you who don't know, a hack-a-thon is a collaborative tech event. Sports hack-a-thons draw a mix of programmers, designers, statisticians, fans. They form teams. They build apps, tools, data visualizations which are presented and often judges by an expert panel for prizes.

Bottom line, as sports data has become more available, sports hack-a-thons have grown in popularity. Much like the Innovators' Circle here at RTIP, we need to invite these participants into our world and let them create — let them see what they could create.

Ms. Amy Zimmerman: The end. I'd like to follow up on something Steve was talking about with the stewards.

One of the things, Steve, I think we really should do is begin to give full disclosure into the stewards' decisions. Those decisions should be covered with audiovisuals. The stewards right now are nameless, faceless beings that are making millions of

dollars' worth of decisions. They are very good and very well trained at what they do. We never present them to the fans.

The referees and the umpires in a baseball or football game are at least out there. You understand who they are.

The stewards are making decisions. They're very qualified in making them, but they are making them in a vacuum.

In Europe the television broadcast will be able to show those decisions taking place. They'll also be able to eavesdrop in on the conversations that are taking place with the rider.

It's time for us to pull that curtain back and allow full disclosure into our sport.

Mr. Steve Byk: We'll come back to another business development concept, and this is Kids to the Cup. Call it 2.0.

The late Trudy McCaffery, and John DeSantis, executed an absolutely brilliant concept that continues to pay dividends a decade after its end. You look around the game, people like Elise Jacobs, Alison LaDuke, Sophia McKee, Merv Uber, Susie Raisher, the Kids to the Cup residual benefit has been unending.

We are doing ourselves a huge disservice not encouraging youth participation. It would be very easy to create pony clubs style effort around race tracks and promote basically preteen involvement in the sport.

We can create our own generation of potential stakeholders because the test for it was successful. That was Kids to the Cup.

We need to bring it back.

Mr. Darryl Kaplan: Peter talked about data. I think we talk about data for experienced race fans. We talk about data for horse players and for bettors, and we should.

One thing we've never talked about for data is using data for newcomers. If I go to the race track and I find out that the great grandfather of this horse was born on my birthday or I type in — in a kiosk.

I say, hey, my favorite terms are dancing and pirates. The data can spit out a whole bunch of horses and tell me oh yeah, the great grandfather of this horse, he was actually a pirate. The owner of this horse is from the town you're in.

I'm talking about a kiosk and something online where we can send out alerts to people and say, here are the specifications you chose. Here are the horses that are racing at your local track. That's actually how I — when I was a teenager, the first

horse that I bet on, that was what got me back was actually the name of the horse. We shouldn't really discount it when it comes to newcomers.

Mr. Steve Koch: Since we're on the theme of data, our industry currently places strong emphasis into research on areas of health and safety for both the horse and the human.

We emphasize some very important initiatives such as the RMTC, the Grace and Jockey Club Foundation, the Racing Surfaces Laboratory, Mick Peterson's great piece of work, the ASTM, and several other initiatives that are very important.

We're skipping a critical pillar to the industry's long-term health and success. We do little to neither promote nor invest in business, in economics research.

I'm proposing an industry supported business and econ academic conference. We must provide a forum for the exchange of research ideas and a stage to distribute those ideas and their findings.

We can provide research grants, best paper awards, travel stipends, whatever it takes to incentivize our base of academics and to steer resolutions to our most pressing issues. A critical first step is to pave the road with data.

We will gain much from a centralized steady access to data for these academics.

Mr. Peter Rotondo: Next one up for me is daily horse racing fantasy, #FantasyIsReal.

Fact, millions of Americans play daily fantasy football.

We have our own form of fantasy for the core player of your Derby Wars or your NHC Qualified, BC Qualify, and sites like those.

I feel we still need to create a salary capped based horse racing game.

They exist for the NFL, for golf, for MMA, for college football, for baseball, and of course they live on Draft Kings, and Fan Duel, and these major sites.

Everything we're doing in racing is good when it comes in the fantasy — with these sites like NHC and BC Quality, but the idea is we need to go to the bigger sites, because that's where the younger guys are. That's where these potential customers could live.

The key is to create a game in the way they like to play. There's no reason to fight them. My thought is let's try a salary capped based daily horse racing game, and partner up with the big guys at Fan Duel or Draft Kings.

Ms. Amy Zimmerman: This one is near and dear to Peter's heart. Create, financially back, and invest in a character driven, documentary style reality TV show. Peter, they did it with Horse Players.

The folks at Animal Planet did it with Jockeys. When Jockeys went off the air in 2009, their average viewing audience was 500,000 people. That is larger than a lot of the races that are put on by the Breeders' Cup Challenge Series and my friends at NBC-SN.

The main thing that we need to do is invest in that.

Animal Planet, the reason that that show went off the air to those people was there was no investment. It's an expensive show to do.

I'm not saying that that is the right show that should be brought back, but we as an industry need to look at investing and developing those characters to reach a different audience than we are currently reaching.

We need to go outside of our existing bubble.

Mr. Steve Byk: Come back to a gambling concept, tax free Tuesday.

This is a proven winner in retail concerns around the country.

I picked Tuesday not just cuz it sounds good, but Tuesday and Monday are two of the quietest days that we have in terms of mutuel handle.

There is so much price sensitivity from the horse players. Let's give them an opportunity to put their preference for lower take out, put it into practice, and pick a day like a Tuesday.

Considering the race tracks that run on a Tuesday, it will not take much increased business to offset whatever that take out reduction might be.

If it's ten percent across the board, the added handle that it promotes will offset any take out reduction loss. We've got to be more sensitive to the pricing of the wagers.

Mr. Darryl Kaplan: We always talk about jackpot wagers. We always talk about carry overs. We talk about the excitement they have.

What I want is for every race track, anytime you go to any race track across the country you can win a million dollars. There's an easy way to do that.

All you need are three rules.

One is the bet is quick pick only.

Two is the bet has no cancellations.

Three is that the bet has enough horses in the races.

Eight races with eight horses is 16 million combinations. With 16 million combinations we can have a winner.

If you win three you get \$50. If you win four or get four out of eight, you get \$100. You can go up. It can be a true lottery, and all it takes is to take one pool and make it quick pick only.

This is not for the serious horse player.

This is for all the rest of the people.

They walk in and say, today, at Turf Paradise I can win a million dollars.

In fact, you can do it anywhere. You could do it at a — we have some tracks who barely have any handle at all. You can do it there, as well with just doing those — following those simple rules, and I'm not sure why we don't ever get there.

Mr. Steve Koch: We are not optimizing on our constrained horse supply in several jurisdictions. The all too common restricted racing framework where there are two breeds of horses, the open runners, and the restricted runners that do not cross center and do not compete with the open runners, they're costing us races and net field size.

Open runners are left in the barn when their races don't go. Combine the open and restricted horses back into one breed that must race and compete with each other, but turn those restricted purses into substantial restricted bonuses instead.

Pay that restricted bonus deep into the field so that the restricted horses can afford to lose against the open company, but when they win they profit handsomely. You can target the total of those bonuses to equal the former restricted program total.

The open runners will get out of the barn more, the restricted runners will never miss their revenue opportunity. There is some really good research on this, and it'll be referenced at the bottom of your handout.

Mr. Peter Rotondo: Alright. This one's off the gambling tip. Cross marketing opportunities with other equestrian sports, #TheBoss'sDaughter.

Imagine if Donald Trump, Michael Bloomberg, Bill Gates, and the boss himself, Bruce Springsteen all decided to give Thoroughbred racing a chance like they have Show Jumping.

The equestrian Show Jumping is the second largest spectator sport in Europe, second only to soccer.

The U.S. is finally picking up on this trend by featuring Olympic level equestrian sports on national television.

The key for us is that Thoroughbreds compete in almost every equestrian discipline. Many times they are cross bred to produce successful high dollar show ponies and horses.

We're lucky that this breed is so versatile across many disciplines outside of racing from Olympic Dressage, Eventing, Show Jumping, Endurance Riding, Reining, Fox Hunting, Polo, Western Pleasure, and many more.

Interest in competition is growing in the equestrian space, so we need to take advantage of the similarities, the Thoroughbred, and the competition, and get their money in our sport.

Ms. Amy Zimmerman: HRTV did have equestrian sports on our broadcast. One of the biggest obstacles we had to overcome was the perception that while the equestrian sports catered to the horse and it was all about the horse, that racing did not.

We did not care about the horse, which we know inherently is not true.

However, to combat the proposal — and it appeals nicely into Peter, thank you — is that the track should establish a director of animal welfare.

This is not a medical director.

This is a person whose responsibility is solely to make sure that the horses themselves are being taken care of.

The horses, the ponies, and that if there is an accident or an incident, they are the ones that are doing the communication to get that out.

Far too often we just pretend that things don't exist, and we allow other people to tell our story. It's time for us to tell our story, and how much we really actually care about the horse.

Thank you for setting it up.

Mr. Joe Harper: You talk too fast, Amy.

Mr. Steve Byk: We'll go back to a business development concept and that is, again, an item that is usurping already an idea that's in practice and being successfully implemented.

That's NYRA's appreciation of Latin, culture capitalization.

We have to move aggressively to invite and welcome North American Latino culture to the race track.

Central and South American immigrants are instrumental to the sport as trainers, jockeys, and back stretch workers.

It's bizarre that we have not utilized particularly the jockeys, who come from every country in Latin America, in advertising efforts to draw Latinos to the race track. They have a family culture.

They are much closer to the agrarian lifestyle that was the germination of racing in this country. We are missing a mammoth opportunity.

NYRA has taken advantage of it with Louie Anderson calling races in Spanish. They participate in the Latin Day parade in New York.

Everybody should be doing it at all the jurisdictions it applies.

Mr. Darryl Kaplan: It's always tough to get young people involved in this sport. It's always tricky in anything that we do.

One concept I have is the education horse. The idea is that any time any horse is registered, you're the owner of the horse.

You have a tick box on your registration, and you can give one half of one percent to a family, essentially, a child's education fund.

Those people, those children, the families can register as part of this program and one will be randomly chosen to be matched up with your horse.

I'm sure that there are many owners out there that would tick off that box and be willing.

Any time their horse wins any purse money that purse money will go to this family towards an education fund. It's not a complicated thing.

It's just something that we need to put on that box.

We need to set up the program, and I believe that we are very charitable owners and owners that really want this industry to grow.

How else are we going to grow if we can't get young people involved?

Mr. Steve Koch: The NTRA's Safety and Integrity Alliance established an implements national uniform standards in the area of safety and integrity for horse racing.

The established code of standards details acceptable race track operating protocols. The industry updates this code of standards annually, and we buy annually, expect our member race tracks to ensure they remain consistent with the code of standards.

To date we have 23 accredited race tracks across North America.

Where we fall short as an industry, though is we need a mechanism spurring the other 40 plus race tracks to exhibit that they, too, operate at those acceptable safety and integrity standards.

A proposed solution comes to us from Corey Johnsen, the president of Kentucky Downs.

In a press release earlier this year, Corey said, "Someday every track needs to be part of this program. Racing commissions should include in their rules that you have to be accredited to get a license to operate."

Mr. Peter Rotondo: Okay, this one I'm calling a horse naming 101, #PaulRevere.

This one is simple, and it doesn't cost a dime. Non-racing fans/media push cool, interesting horse names. Always have, and they always will.

American Pharoah, Zenyatta, Big Brown, Smarty Jones, were all very successful, but their names helped the media make headlines.

Remember The Wife Doesn't Know, My Wife Knows Everything from Larry Collmus? Larry wound up on the Today Show with that race call.

Tom Durkin's famous Arrr, or even some more controversial names for Joe like Bodacious Tatas, or Is It In Good.

Bottom line, it costs zero dollars to name a horse.

Let's get creative and have some fun with it.

History dictates you can get mainstream PR coverage simply over a name. Joe, you want to add to that?

Mr. Joe Harper: No. Amy.

Ms. Amy Zimmerman: I absolutely agree that the safety alliance committee and their codes of standards are imperative for every race track.

The fact that only 23 are currently members is quite frankly embarrassing to our industry.

While the commissions should indeed not license, I also think that we have the ability to put the teeth in our own hands. Race tracks that are not members of the alliance should not be awarded graded stakes. We have the ability to make these things happen.

If you look at the alliance standards, it's not a higher level. They're minimum standards. They're minimum standards that the race tracks should be upheld to.

Additionally, and Keith Chamblin's gonna roll over, but tracks that are not members of the alliance shouldn't have any NHC money.

The NHC money is large handed back to those race tracks. They need to be brought up to the standards.

Mr. Steve Byk: Let's go back to another gambling topic. This is, again, an idea that was thrown out by Seth Merrow from Equidaily and Capital OTB a few years ago that I think is a natural.

It improves on track patron experience, betting line, ski area style designations. In other words, enhance the patron experience by designating the proficiency of the mutual tellers matching the most efficient tellers with the most serious bettors.

You can do this the way they designate ski areas, double diamond being the most difficult, the double diamond for the most serious bettors. Nothing frustrates serious horse players on tracks, Saratoga the example I can give best, than waiting in line behind inexperienced bettors.

Match tellers that are willing to work with inexperienced bettors. Put them into a beginners' line, and improve everybody's experience on track.

Mr. Darryl Kaplan: I'll bounce back to you.

One program that we could implement would be a new full program that we can implement at schools across the country, across North America.

We may not be able to get schools out to the race track, and I'm not sure that we necessarily want to, but we can certainly get them out to farms. When there's a mare at the farm, and the mare is in foal, a foal is born, this is a tremendous opportunity to have an entire school classes adopt this foal, name the foal. Name the foal, adopt the foal, and imagine two, three years down the road if you do have that American Pharaoh story or any story, and you say, oh, this foal was adopted by Ms. Smith's class two years ago. Now this horse is a star.

Each class could have their own wall of fame with the horses that they adopted. Whether these horses race or not, it's the introduction at that level, at the farm level.

We talk a lot about agriculture when we go to government. We don't do much in these meetings, and we don't do much in the industry to really implement programs that work on that.

Mr. Steve Koch: We're gonna reach way out there with this idea.

Thoroughbred racing is a global sport conducted on every continent that's symbolically represented by the Olympic rings, North, South America, Africa, Australia, Asia, Europe.

The Olympics are a global sporting event watched by an estimated 4.8 billion viewers.

The London games were the most watched television event in American history.

Our idea is to work with the international Olympic committee and other organizations to add one or more Thoroughbred races to the more than 300 already existing Olympic events.

Our outcome will be that the best horses in the world compete in a global sporting stage every four years.

The 2016 Olympics are in Brazil, 2020 in Tokyo. Perhaps 2024 in Los Angeles and we'll have the opportunity to place an Olympic event on the track at Santa Anita.

Mr. Peter Rotondo: Okay. We're gonna embrace now. This is jockey cam 3.0, #TimeForYourCloseUp.

Remember the whole card in poker?

The NFL now has pylon cam, Nascar's pavement car cam. Virtually every sport has enhanced the experience by introducing new visual technology. We've experimented with new camera angles and locations, but there is a game changer out there.

Equine Productions out of the U.K. have developed the perfect jockey cam. The key to this camera is that directors can cut live to the shot during the race, and that's just the beginning.

Imagine logging on to your ADW and making a bet. Instead of the traditional pan camera shot, you can actually go "on board and ride your horse".

It'd be similar to picking an NFL player and getting his point of view of the game.

Now it's up to our partner tracks to install the proper RF technology to take advantage of this quote, game changing asset.

Once it's implemented it's free and easy content.

We already see the popularity of the jockey cam videos on social, but imagine being able to provide race replays from various jockey views.

Ms. Amy Zimmerman: If you haven't seen the jockey cam, it is really, really cool.

One of the things that we really need to do as an industry is to create, fund, and invest in a real national marketing campaign for both the sport and for the wagering dollars.

We are the best kept secret in the world.

The last time we actually had a national marketing campaign was Go, Baby, Go. I think a lot of the people who are now in attendance at the University of Arizona weren't in kindergarten when that campaign came out.

It's easy to say that the reason that we don't do this is because there is no national or league office.

I don't believe in that.

I believe between the NTRA, the Breeders' Cup, the Stronach Group, NYRA, Keeneland, Del Mar, and the Churchill Downs folks, that is your national league marketing office.

All of us are after the same thing, which is to promote and grow our sport. It is time.

The NFL does it, and we all know what the popularity of the NFL is.

It is time to not let our sport be a secret anymore.

Mr. Steve Byk: Back to business development, and I think Amy touched on this a little bit when she talked about furthering the interests of the industry via television, and via — whether it's live action or whether it's a packaged episodic concept.

I'm surprised that after all this time we don't have an industry product placement official that we're not either using the consultancies that are available for this or have a person working full-time to do nothing but find spots for racing to be included, whether it's in episodic TV, whether it's prepackaged news story of interest, but much like product placement of brands in television and movies, we have a unique opportunity considering how many stakeholders are in that industry to press for that.

Mr. Darryl Kaplan: We still have tracks where if you walk up to the window at three or four minutes to post and bet \$50 you're going to move the odds. That's a limitation of the payer mutual system.

One proposal that could solve this and maybe some other problems I call the win bet boost, which essentially if there's ten horses in a race you take \$1,000 out of the purse pool and you put it towards ten, \$100 win bets. Every owner now has \$100 win bet. There's \$1,000 in the pool.

Those owners are now further incentivized to win the race.

Of course, they get whatever odds the horse pays.

In addition, it gives an incentive to horse players, because now essentially there's this additional money in the pool, and the additional money should drive more funds.

It's maybe not something that owners would jump at.

It's probably something that would have a lot of positives.

Mr. Steve Koch: If horse racing ran a supermarket we'd have an unsustainable pricing model. Every item on every shelf would have exactly the same price tag. Steak, \$20, salad, \$20, potatoes, \$20 a pound.

I'm referring of course to our standard takeout rates that apply equally to every race on every race card at every respective race track. The going takeout rate applies equally to a fantastic 12 horse stake race the same as it does to that short field of cheap sprinting claimers. Let's consider reducing takeout on our lower quality races.

If the 12 horse stake race is gonna go to 20 percent takeout, maybe that short field of claimers might be offered at 17 percent. Why is it that we assume that market response to takeout rates will be constant across all race qualities?

I'm proposing a flexible takeout experiment where we might potentially trigger revenue growth on otherwise less marketable race products.

Mr. Peter Rotondo: Okay, we're staying on the gambling tip again. Flexi bet in U.S. racing, #YogaForBettors.

Introduced here many years ago, it's finally time for flexi bet to be implemented.

For those who don't know, basically flexi bet is from Australia. Let's say I want to make a three horse exacta box, and I just want to bet \$20.

You make a three horse exacta box for \$20 and they give you back your ticket. You don't have to think about calculations. It doesn't cost you \$120. It's basically saying I want to bet \$20. I want to bet what I want. You get the ticket back. It should be that easy. I don't know why we're going through all these calculations still.

The intimidation factor with exotic bets in racing is through the roof. Let's just make it easy. It exists.

They did it in Australia and hopefully it's coming to a track near you.

Ms. Amy Zimmerman: Here's something that's counter intuitive about the race track.

It's a great place for families. It's very safe. It's a place that you can take your children and they can run around. They can make noise. They can have fun. They can scream. They can yell.

They can learn colors. If you ask my son what blue is, he will tell you three, which may say a lot about my parenting skills, but we'll go with that.

We really should take a serious look at setting up family only zones at the race track. It is a tremendous place for families. It is absolutely counter intuitive to what people would think our business is about.

He will also tell you that colors are higher but sometimes short field I don't know from that. Honestly, it is a wonderful place for families.

We should embrace that as opposed to try and keep that at arm's length.

Mr. Steve Byk: One of my written suggestions I'm going to abandon because basically Peter absolutely hit on a very viable idea, which is the Equine Sport Alliance.

We really do need to expand it. I don't have to repeat that, but I'll on the cuff come up with a piece that it absolutely is time for, which is wagering reporting uniformity.

We are absolutely hurting ourselves with new players by reporting the increments artificially in terms of a wager. When we say that a two dollar trifecta paid \$1,000 and the person that bet it goes up with a 50 cent ticket and gets \$250, we can't have it that patrons are upset and frustrated when they cash a ticket.

They can't look on that screen and see a number that they're not going to get.

We've got to report uniformly at every race track the same way.

Mr. Darryl Kaplan: When a new owner comes into the business with \$100,000 and spends that money, that money goes right into this industry. It goes to the farms. It goes to the tracks. It goes to the trainers. It goes to the horsemen. Generally, purses are fixed. That money comes right into our industry. What are we doing to get owners?

What I'm proposing is an office of horse ownership that is focused on sales that we're on Wall Street. We're in Silicon Valley. We have offices set up. We can do

time share sessions. We can be very aggressive. We can be at every boat show and every trailer show. We can be at every franchise show. We can go out and tell people why this is a great thing, why you want to own race horses.

We treat it like it's a secondary market, but it's real money. It brings money into this industry, and it brings in large amounts of money.

Yet, I don't know of any outgoing sales that we actually do. I'm not sure what industry would look at it the way we look at it, which is generally that we take a pretty passive approach to ownership.

We may put on a few sessions, but we don't do sales.

Mr. Steve Koch: Pool guarantees promote wagering, right?

That risk guarantees us late pick four on the weekends. Gulf Stream, Santa Anita, they've done cross country guaranteed pick fours.

Woodbines guaranteed pick fours for years now.

Really, aren't most of these guarantees less about pool growth and more about pool maintenance? Most guarantees only promise what is expected to be there anyhow. It's not an aggressive strategy.

I propose a takeout experiment absent scary takeout change. When we analyze our volume players in the pool today, the pattern emerges that increased play goes into an expected big pool. Let's drag their play along by slightly overreaching with our pool guarantees.

Certainty of pool growth causes for pool growth. On the occasion when the pool doesn't make that guarantee, our customers experience that as a takeout adjustment.

Let's regard that as a marketing spend and promote it as any other industry would.

Peter Rotondo: Okay, this is related to something Amy said before. Basically, stories from horse owners, to horse players, to horse loving celebrities, #PassionMakesPerfect.

Horse owners and horse players make our game run. For the most part, they have exciting, successful lives outside of their horse racing passion. Let's invest and tell those stories from online, to on TV, to even on track. More owners and horse players means more business for everyone.

While we're at it, let's continue to invest and leverage our horse racing loving celebrities from Bobby Flay, to Elizabeth Banks, to Kate Upton and everyone in between.

They love the game and want to help, so let's make it easy for them. Bottom line, embrace the color.

Now, Mattress Mack firing Maria Borell the day after the Breeders' Cup may be cold, but it's interesting.

Horse players, sure, we all look a little crazy on reality TV, but viewers appreciate real characters.

Ultimately, racing needs to be less concerned about the perfect image, and dig in, and tell the most colorful stories in the most compelling way.

Ms. Amy Zimmerman: Back to the animal welfare discussion, we need to provide past performance information access to horses that were scratched in the morning by a vet, or scratched in the afternoon by a vet.

This information doesn't currently exist in a past performance line. For an industry that is so data driven, you have to go to a vet's list. You have to find it off a website. It becomes a treasure trove.

It's important, and it's important also to be able to make sure that we are correctly identifying who should and who should not be racing.

We have that information. It is available.

It should be consolidated into one place. I applaud Equibase and the DRF for finally including voided claims into their data, as well.

Mr. Joe Harper: We are down to our last round, I think.

Mr. Steve Byk: We are. We just want to wait out these last few ticking seconds before the ding. There you go.

Another gambling side, and for those that followed Frank Angst's fascinating piece about the robotic wagering, there's an answer, it seems, that is out in the — in the game.

That is fixed odds wagering.

I know that the late Stan Bergstein and the late Richard Carter, Tom Ainslie, and also Ray Gomez working for Stan had a working model.

I understand, as well, the Tab Australia has got a working model for fixed odds wagering within a pari-mutuel format.

Considering how frustrating it is for players to see the will pays siphoned off late by robotic wagering, if we had an option — and since exchange wagering is not moving

as quickly as some people would like — see if we can't make fixed odds wagering work so that players can lock in a price that they found at the time during the cycle.

Mr. Darryl Kaplan: We have some amazing photos of our new prime minister, Justin Trudeau with a race horse. That was when he was nine years old. There's some great pictures of him from then. Those pictures were taken on Parliament Hill in Canada. They were taken actually on the Rideau Canal is where the races were taking place there. Basically, at that time racing decided we're gonna take our show on the road.

That's my proposal. We need to take our show on the road.

What they did on Rideau Canal is they waited for the canal to be frozen and then we raced horses. We can race horses on beaches. We can race horses on frozen canals. We can race them on streets. It's been done all over the world, yet we're so set on being in our race tracks.

We need to take our show out to people. That's where they're going to see it.

The prime minister, when he was nine years old and his father who was the prime minister at that time would not have been exposed to racing if we hadn't been really bold and saying we're taking racing out to them rather than waiting for them to come to us.

Mr. Steve Koch: When it comes to publicity, every racing event wants more resources to maximize our media footprint.

Seattle, San Francisco, Minneapolis, Dallas, Houston, Tampa, Indianapolis, all within the top 30 media markets. They all have existing racing that deserves local and increasing national attention.

We propose an industry supported centralized publicity team, on call year round, focused on promoting every big race date.

Even the smallest operators may achieve grade one media treatment with expert news releases, barn notes, media teleconferences, story pitches to national outlets, in a truly national social media strategy and more.

Ms. Amy Zimmerman: Peter's gonna cede his time to me and then we'll go back to him. I'm gonna go off script for just one second.

One of the things that would be wonderful for us to be able to do — I'm gonna get ding donged. Oh, no I didn't.

We need to stop fighting externally. The perception that it's all about the owners, it's all about the trainers, it's all about the jockeys, it's all about the race tracks, it's all about the breeders, it's all about the gamblers, and the gamblers, and the gamblers, it's all about all of us.

Without all of us there is no sport. Yet we insist on having these conflicts play out quite publicly. There is no other professional sport in the country that does this.

The NFL can have a billion dollar concussion settlement. It's not being played out in the papers. It's not being played out on social media. It's being played out behind closed doors.

I'm not saying that our arguments that we have and our disagreements are unimportant. They're extremely important. Look at it from the perception of why would anybody voluntarily walk into something that is perceived as a cesspool.

This is a wonderful, wonderful industry. Together we can make it work.

Mr. Joe Harper: Well, by my count that's 45 ideas.

Ms. Amy Zimmerman: I've got 44. We have Peter still going.

Mr. Peter Rotondo: I'm just gonna come back in for a second.

Mr. Joe Harper: Oh, okay, 44 and a half.

Mr. Peter Rotondo: The final one here is social media, #WeWokeUpLikeThis.

Horse racing was made for this mobile, digital, and social media era. Our core content is less than two minutes, and it takes less than that to make a bet.

Besides betting and racing content, besides racing and betting content, a day at a big race day is made for 2016 from fashion, to the food, to the cocktails, and the pure competition, and of course the gambling.

We have it all, but we need to spread the good news.

We need to double down in the social media and content arenas, invest and embrace it all.

It's not going anywhere. Right? This is what it's all about.

Word of mouth in 2016 is on your phone. That's the way it works. I would implore you to double down on social media.

While we're at it, let's stop banning social tools. One of those tools is the selfie stick. Trust me. No one will throw their stick at a horse. This is what people want. This is how to embrace everything.

I'm gonna take a nice stick of you guys.

Mr. Joe Harper: Thanks, guys. I think it's very clear that there's some pretty sharp guys up here, and ladies. I know for one I'm gonna take a lot of these ideas

back to Del Mar and say, "I had some good ideas here I've been thinking about." Some of these have been tried. Some of them are in their infancy now.

All of them are very good ideas. I don't think there's ever been a bad one, probably, and especially from this group up here who has their finger on the pulse of this industry.

I'd like to take a few moments that we have left and just open it up to my panel up here whether they want to talk about somebody else's idea or have any.

Why don't we just go down the line? Steve?

Mr. Steve Byk: Well, I thought certainly that Steve has got a very viable pair of concepts regarding steward.

Anybody that's following the game on Twitter, there is nothing that sets off a brush fire faster than any steward decision.

Of course, you've got an inherent problem in the sport anyway, which is that a certain percentage of those that are gonna lose out based on the steward decision and the other half that are gonna benefit.

Not everybody's ever gonna be happy.

The opportunity to have a centralized operation stewarding the game, watching races nationwide with a board of the best stewards that we have that are not fighting amongst themselves up in that stand, which is something that's going on race track by race track, stewards that hate each other and aren't getting along, and there's all kind of infighting.

Let's eliminate that and I think that has maybe more merit than anything we've heard today, because it could really alleviate an ongoing open sore when it comes to the game.

Mr. Joe Harper: Darryl, any thoughts?

Mr. Darryl Kaplan: Lots of thoughts on, I think, tremendous ideas. The one that jumped out to me, Steve talked about the Olympics.

This is something that's always irked me a little bit is that our Canadian Olympic Federation — and I'm sure it's the same in the United States — they're very focused on what they're focused on.

Of course it's not racing.

I've always wondered if we've ever gone to them with a real proposal. Certainly the United States could. Certainly Canada could. I'm sure there's other nations, as well.

We go to our Olympic committees and we say, hey. We want to make a real push. It can't necessarily come from us, but it can come from you. We already have equestrian sports in the Olympics.

It seems quite obvious that racing would be an equestrian sport. I might throw Standardbred racing in there, as well, as an event, but I think in whatever form it is, I think it's a real obvious one that I'm not sure if we've ever made a concerted effort.

Working for a national organization in Canada, if anyone needs our help to push this forward in Canada, let me know. Contact me and we'll move it forward.

Mr. Steve Koch: I think I'm awfully flattered by the opportunity to be up there to talk about 45 ideas for the industry this morning.

I said to Doug Reed last night —actually I said to a couple people, we've been trying to revolutionize this industry for decades, generations really. Yet he called on the five of us to show up here this morning and do it in 45 minutes.

I felt a certain amount of pressure.

A funny thing happened when I was trying to wrap my brain around nine ideas. It's actually a big number to bring quality ideas up here that we think deserve this room.

As I was going through that process, yeah, some of the lattice people in the industry, give me a real idea I can take to that room, and they start stuttering.

I'm sure all of us experienced that.

Quite a difficult process to come up with these, but what a great opportunity to discuss things. If even a couple of nuggets stick from this thing, congratulations to this whole room.

Mr. Peter Rotondo: Yeah, I feel the same way.

Ultimately, if you look at all the ideas there's one major theme, and it's just to lift the curtain up. It feels like there are so many things behind closed doors, behind the curtain.

We have a great sport. We just have to show it off.

In 2016 we're built for it. We're just built for it, how long our events are and with social media.

I just think we need to double down and go for it.

I appreciate being asked to be part of this.

Ms. Amy Zimmerman: I, as well. I think the theme really is not just lift the curtain, but let's stop talking to ourselves, and let's start talking to a new group.

The way to do that is to pull it back and to make it more inclusive instead of exclusive. It is a privilege to sit with these gentlemen.

Mr. Joe Harper: Thank you, Amy.

Thank all of you guys. Now is the time we've got a couple more minutes.

If there's anybody in the audience that would like to say something — yeah, why don't you use the microphone?

Mr. Scott Wells Yeah, Scott Wells with the TRA, Remington Park, and Lone Star Park.

Number one, I want to say this is one of the best panels I've ever sat in on or ever listened to. Congratulations to all of you for that.

I was slightly disappointed that the idea of weighing the horses and displaying the horses' weights was not brought up.

Nobody in here knows what weight a horse is carrying around the race track, because whether it's in the form of a jockey, or in the form of a roll of unwanted weight around the middle section that some of us have, or whatever, we don't know.

We did it at Remington Park 20 some years ago. We're going to do it again in 2016. I've spoken to my brethren at the TRA about it. Many of them really, really like the concept, but no one seems to want to give it the nudge.

They do it in the rest of the world, many places around the world. You know if a horse has gained 30 pounds or whatever.

If they're weighed it's absolutely labor free. It's one of the easiest things we can do.

Everyone, every fan relates to body weight. We all do. It's something very simple, and I couldn't sit still and not at least throw that idea out there as number 46.

Mr. Joe Harper: That's a good idea. Yes.

Mr. Tom Cannon: Tom Cannon from the University of Liverpool, England. Did I pick up something that Steve was saying in a wider point you're making?

Steve made a point about diversity. One of the things that we find in England and seems to be the case here is that actually ethnic minorities do not participate in horse racing.

Most race meetings I've been to in the States, in Europe, and in Britain are basically white, male dominated.

It just seemed to me one of the things that my students in our new MBA program for the Thoroughbred horse racing industry and the relative research program, which picks up what Steve says about the importance of research into the area, is actually how do we — that's here, in Britain, and here in the United States — get more Latinos you talked about, more people of color, of all different ethnic groups, migrants into Britain and Europe from eastern Europe?

They have a great tradition.

Even the Chinese who are the great gamblers around there don't go to race meetings in Britain.

I don't know whether they come here, but actually if you're going to do what Amy said and open it up, we have to open it up to people beyond what my friends say the pale male and the stale, and to new communities.

It does seem to me something like an international issue for the States as well as Europe. I'd hope that what Steve's saying about the importance of research in that area is something we can perhaps collaborate in in the long term.

Thank you.

Ms. Amy Zimmerman: Thank you.

Mr. Steve Byk: Just as a reaction to that, I can anecdotally talk about and experience that Sal Sinatra had at Philadelphia Park when he approached management at Greenwood about having past performances printed in Mandarin, and he was turned down flat, because the casino operator wasn't interested in having any of the Chinese gamblers in the casino make their way across the parking lot to the race track.

Some of this, that's the first thing I thought of when you talked about that. I lived in Montreal for ten years, and the Hippa clubs absolutely packed. They would show up basically at 11:00 at night, and play all through the night, and play the international signals, Hong Kong, and Singapore, and Japan, and Australia.

That's a thing none of us touched on as it happens, either, which is the globalization and our opportunity to add markets.

A lot of the things that we're doing to bring in handle from around the world and these signal exchanges, the growth could be explosive.

We're so worried about being flat for the last six, eight years. There's all kinds of potential to push our signal out internationally, as well.

Ms. Amy Zimmerman: Steve, one of the things that I find very interesting — and if you haven't gone to the Sports Illustrated Sportsman of the Year poll and dug into the research, I ask you to please do so.

American Pharoah has something like 82,000 votes and he's way ahead in the sportsman of the year poll.

When you break it down by gender, he's almost three to one, women to men. It's a market that we don't ever look at.

In talking to some of my colleagues about it, the answer was, well, women don't bet.

Well, have we actually attempted to embrace that and give them something other than fancy hats, and champagnes, and high heels?

I'm not sure that we are or have effectively attempted to look at half the potential population on that.

Mr. Joe Harper: I certainly agree with that. I know that the last survey I saw, I think the female percentage at race tracks were still in the single digit if not pretty low double digit.

I think at Del Mar it's 46 percent. I think our secret at Del Mar to get women have been to market around our product.

I hate to say it, but for 20 years we have been — there is no horses in our commercials. There are just pretty people, men, women having fun.

Del Mar is a party for seven weeks in the summer. I remember making a speech to our marketing department a long time ago about we gotta start thinking about marketing around our product, not our product.

I felt guilty. I've been feeling guilty about that for 20 years, but it's worked for Del Mar.

We're making a lot of fans. Not for racing, we're making fans for Del Mar.

Somehow or other I think I've reached a point where we're having a hard look at our marketing direction now, and seeing that perhaps we need to be more inclusive of not just the party, especially when you look at our fall meet, which was successful, but when you've lost all the tourists in town, there's not an Arizona license plate to be found in Del Mar now, and no Texans, and the beach is kind of chilly, we need to look more at a different direction.

I think that a lot of the ideas I heard this morning are certainly gonna steer us in some interesting directions.

For me, I feel more like audience here than a moderator, because I was just delighted to hear some of these ideas, especially from the people here that certainly know what they're talking about.

If there's nothing else, I think it's 9:30. That's when I got the hook. There'll be a break for coffee, and we'll come back in a little bit, too, for our next panel.

[Applause]



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