



Race Track Industry Program

**38th ANNUAL  
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**Race Horse Ownership – a Profile**

**MODERATOR:**  
**Jon Moss, HBPA**

**SPEAKERS:**  
**Karl Broberg, Owner**  
**Bill Wright, Owner**

**Ms. Wendy Davis:** Again, welcome to the first morning of the Symposium on Racing and Gaming. We're really pleased that you're here.

Just a couple of housekeeping notes and just a little heads up. Immediately following this panel session, we will be having our luncheon. It is not down the hill, as it's been in year's past, happily you don't have to go out in that frigid air. Well, not much, it's a little cold out there but I'm sure it's much colder if we would be walking down to the tent.

The lunch is in the room just next to us so when we're done with this panel session, please make your way over, and join us for the luncheon. There will be awards and some wonderful food.

At this point, I'd like to kick off this panel *Race Horse Ownership – a Profile*. This is certainly a panel that is important to me because my area of interest in the racing business is with the horse and horse ownership and breeding and owning race horses. I realize that, although we're talking about a potential shortage of horses, we've all talked about shortage of owners. No matter how many horses we have, if we don't have people who are willing and interested in keeping them at the racetrack, we don't have a game anymore.

Today, we have some great panelists up here. If you are looking at your program and you think that the gentleman in the middle doesn't really look like Alan Foreman, you're correct. You don't have to check your eyesight. Alan had a family emergency and was not able to make it out.

One of our alumni, Jon Moss, has graciously agreed to step in as the moderator of this panel. Jon is currently the Executive Director of the Iowa HBPA, so horsemen, horse ownership, and trainer issues are certainly no stranger to Jon.

So, with that, I would like to turn this over, Jon and panelists, thank you very much for being here. We appreciate it. I think we're gonna have a very enlightening discussion today.

**Mr. Jon Moss:** Thank you, Wendy, for having us here today. Sorry to hear about Alan and his personal issues I guess to do with at home. Hopefully he can get that resolved soon and we'll be seeing Alan out on the road very soon.

Today, as we're gonna discuss, *Race Horse Ownership – a Profile*. I wanted to begin this panel as the moderator just to give you kind of quick synopsis of what the demographic is a current owner within the industry based off of some information that the National HBPA conducted a few years back. Mainly, it effectively says that a race horse owner is somebody's who is 51 years old or older, male, makes at least \$150,000.00 or more a year, and that they're typically some sort of an entrepreneurial individual or an individual who's highly successful in business and that's on the average, that's the whole.

I wanted to let you know that being an executive for an HBPA, I also see owners that come from all walks of life. I've seen individuals that are ruler's of countries down to an individual who is a postman, who just loved the game more than anything else and that's what he spent all of his time, actual resources, and money on was becoming and being part of a race horse ownership.

After hitting those demographics, I wanted to begin by discussing who it is that I have sitting to my left and to my right here, Karl and Bill. Bill has been in the industry for quite a while. Bill could you give us a brief rundown of what you've done in terms of a professional career and how does it that you came into racing and some of the successes that you have had while in racing.

**Mr. Bill Wright:** Well, I'd be glad to. Can you hear me out there?

**Audience Member:** You could speak a little louder.

**Mr. Bill Wright:** Okay, is that better.

**Audience Member:** Right there, yeah.

**Mr. Bill Wright:** I can hear myself now. First of all, I wanna say I'm deeply honored and humbled to have this opportunity to address such a great group of professional people. I thank the management for the symposium, for the invitation, and I thank you for attending 'cause you're very special people.

Now why am I in this business? Why am I a horse owner? Actually, I'm a hunter horse owner of trotters and pacers. Well, I tell you. I'm a competitor. In fact, I got a fire in my belly to win and I need this business to satisfy that. Arthritis has robbed me of my softball career and my tennis and golf and some other things I like to do but I can still stay involved in this business.

The reason I'm in it in the first place, I grew up in it. My father and my parents had a stable of horses and I got up every morning around 5:00 a.m. and cleaned out stalls. I thought everybody did that. It seemed normal to me. I went to school with a little horse manure on my feet. No one complained too much after the first couple of months.

I really am in this business as a family. My wife loves this business and my children do. I couldn't out of it if I wanted to and I don't want to. Now, in the middle of my career, I started off in the business as a groom and then a trainer and then a driver. I took a 33-

year hiatus to work for Caterpillar. I still was involved but not near as much. Then after my career at Caterpillar, I retired and I got back into the ownership area real heavy.

I've been humbled a lot, as most owners have. I've had some success. I was lucky enough to race in the Hambletonian twice. For those of you, you know that's the Kentucky Derby of harness racing. I was second once. He was the favorite so it was a little disappointing but it was a great experience.

I've downsized since then a little bit. I'm focusing mostly on Illinois breed horses in Illinois. I topped out at — I had 17 head at one time, I'm down to three to five head now. So, I'm on the small side of the business but let me tell ya, I'm a competitor and I love it.

Thank you.

**Mr. Jon Moss:** Thank you, Bill. I think that's a very good introduction of yourself and I believe everybody can see that, especially, when it comes to owners and again, the consistency is that owners are competitive individuals. They would not be in this sport if they did not have the desire to not only see their horses run and compete but run and compete successfully and win on the racetrack. That is definitely an overriding value that all of them bring to the table. Very, very competitive.

Moving on to Karl. Could you please give us a background of yourself? Some of your successes prior to racing and currently within racing?

**Mr. Karl Broberg:** Very well. I'm a lifelong fan of the sport. When I was real young, my dad used to even take me out of school occasionally to go to Arlington Park, so I don't know if I liked the horses in the beginning just 'cause I was cutting class or if it was truly the horses. I fell in love with it at an early age and I was determined very young to find some way to make a go of it in racing.

For many years, that was as a degenerate gambler, thinking that I could make it through the windows and it's tough to raise a family doing that. I played the horses and every time I just kept getting called back to the horses, even as I went into other professions, it was always the horses that were calling out to me.

Finally, I decided to grow up, started a little specialty advertising company and it did okay but once the opportunity arose where I could spend some money on horses, I bought a couple horses and that would've been about five years ago. From that time on, the trainer couldn't kick me out of the barn. I mean I was free labor for him and I was hooked.

Probably lost right around \$100,000.00 before I ever won my first race and was questioned whether or not I was gonna be able to continue to do it. We finally started to have a little success. Then when that trainer said that he was most likely gonna retire, having used a couple other trainers as well. I realized that if I was gonna stay in the game with vet bills being what they are and all that, I really only had success with the one trainer so I made him an offer to buy out the horses that he owned and the staff that he had. I sat down with the staff and we just continued from there.

For the last two years, I've been a trainer and an owner. I train a string of approximately 100 horses, fluctuates every day and I own generally between 40 to 50 of them. It not being profitable and paying for itself isn't an option or I couldn't be able to continue to do it.

**Mr. Jon Moss:** I believe you've actually had some success though. You rank currently in the number of starts or number of events.

**Mr. Karl Broberg:** Right now I'm fourth in the nation as a trainer by the number of wins, third in the nation in starts behind only Asmussen and Hollendorfer, so I mean we get 'em fit and we keep 'em there at the track and keep 'em running.

**Mr. Jon Moss:** Well, let's talk a little bit about the, and you brought it up in relation to a few other things of that sort. I just wanna talk and kind of get your opinion and the fact that the economics of racing for an owner are situation whereby it cost at least \$2 billion a year, and these are general figures that I throw out.

They fluctuated over the last couple of years but it costs about \$2 billion a year for the training, the vet bills, the feed bills, the hay, farriers, everything else that's associated with it. There's only about \$1 billion worth of purses out there to run for. So, what do you think it is that keeps an owner in this when you know that going into it, if you know any of these national statistics, why would you enter into a field where there's an automatic, across the board, 50 percent loss in your investment?

**Mr. Karl Broberg:** It's tough. I have a wide array of owners. The owners I have, for the most part, have to get it to break even to continue to do it and for those where it's not working, they unfortunately get out of the sport. What we do is make sure that we enter these horses as competitively as we can and run 'em in the spots where we're running for the best purse money possible.

It's getting tougher and tougher every year and it seems like without some sort of change, that the downward spiral is gonna continue. There are programs like the Louisiana program, for instance, you've got two thoroughbred tracks running year round. You've got great money for the state bred; and for anybody that knows anything about our stable, I mean, we're not known for winning a lot of stakes races. I mean we're running claimers on a daily basis and for us to continue to do that, we have to take advantage of where the racing is at its best.

Louisiana, for instance, the state bred gets a run for 40 percent more purse money than what the open horses do at the \$5,000.00 claiming level. If you're running for that money and you're keeping the horses fit, you can make a go of it but it's a daunting task for somebody that gets into this sport without doing their homework and landing with the right people.

**Mr. Jon Moss:** Karl's had the experience here, Bill, the way that he can make it work is they gotta at least break even but there's obviously numbers of individuals that aren't able to do that. Would you say you are least a break even owner at this point in time or do you think put more money into the industry then you've actually gotten returned?

**Mr. Bill Wright:** Well, only the IRS knows the answer to that.

[Laughter]

I think over the last 15 or 20 years that I've been seriously as a horse owner, I'm probably close to breaking even but I've been lucky. I don't think that we can say that the vast majority of the horse owners really have broke even or made money in the last 15 or 20 years.

If you're in this business, you gotta love the sport knowing that chances of making money, maybe even breaking even, is gonna be difficult. I have to admit I spend a lot of time — when I buy yearlings at the — whether it's at Lexington or Springfield, Illinois or Harrisburg, Pennsylvania, wherever it is, I really try to do my homework. I know I have to compete with everybody else so I wanna study the pedigrees better than anybody else and I wanna look at more videos than anybody else. I wanna spend more time looking at the confirmation of the horse than anybody else and I want my trainer right there with me so that we're partners on this, even if he doesn't own part of the horse.

Again, it goes back to what I said early on. If you don't value getting in the winner's circle, if you're not excited about, if it doesn't send chills up and down your back when you get in the winner's circle with the stakeholders — maybe one you picked out at a yearling or one you bred and raised or something, then you probably should invest more in the stock market and less in the horse market, I guess.

**Mr. Jon Moss:** I think that's an excellent point, Bill. I mean it kind of goes back to what we originally stated before. These demographic markers that we see in relation to owners, they're interesting statistics but you gotta get to the crux of who an individual is as an owner. They have to be competitive. They gotta see the vitality of the horse running on that surface and winning. That's what keeps them in the game.

I think there's ways that we can continue to make it so that not only do they have that opportunity to win and make money, but they've gotta make at least enough money, what you've both said and indicated, which is if they break even, they are ecstatic. Not make money, if they break even, they are ecstatic because then they know they can continue to play in the game. It's just a difficult situation with the economics being the way they currently are.

That kind of moves into some of the areas that I think need to be addressed. One of the first things, and these are kind of gonna be broad based, and they kind of get mixed in with some of the general characterizations that we see within the industry. Again, we're gonna look at it more from an owner's perspective and how they view some of these different things and how they come to the forefront of their minds.

One of them, actually, Bill has extensively looked at and I'd like you to touch bases on that a little bit and that's regarding trainers or other industry individuals and potentially creating a certification process that they could go through.

**Mr. Bill Wright:** Yeah, I'd be glad to, thank you. This is something I firmly believe. Now if you were here in this morning's session, you heard some things on this. I believe we have an image problem whether it's thoroughbred or quarter horse or standardbred, we have an image problem. Whether that problem can be described as an integrity problem or a lack of professionalism, it is a problem. It's a problem that needs to be addressed if we're gonna raise this beautiful sport out of the underachieving category, or as someone said this morning, out of the failing category.

For sure, we have to fix it. We have to address it and fix it if we're gonna attract and retain high quality horse owners. That's why it's on this agenda today. Why it's pertinent to this agenda.

So what, you may say. You've heard that before. What's new? We've talked about integrity problems. The way we address it today is that we go through a detection and

penalty process, which we should do and nothing I'm gonna say here today should detract from continuing to detect and penalized those that cheat.

What I really wanna talk about is the other side of it. Simply, I wanna say to you we should vigorously and publicly identify and reward the good guys while we pursue the dishonest and unprofessional. Let me say that again for emphasis. We should vigorously and publicly identify and award the good guys while we pursue the dishonest and unprofessional. That's the other side of it.

We spend all of our time looking to penalize the bad guys but we need to determine and identify the vast majority of the people who are very honest in this business.

The way to do that is with a professional certification program. That's the way other businesses do it and other industries do it. You know about CPA's, certified public accountants or CPIM's, certified public professional inventory management. Engineering people have several certification programs. Quality control, auto mechanics, insurance there's a lot of them out there. I'm sure you've been probably touched and familiar with some of them.

It would be an honor to have after your name CPH, certified professional horseman, whether that was on a race program, an invoice, a letterhead, a business card. To be a certified professional horseman would be an honor. It would be distinction.

**Mr. Jon Moss:** Now, Bill, you say this in relation to, in addition to the typical licensing that already takes place. In order to receive a trainer's license or a jockey's license there's a fairly rigorous regulatory scheme put in place that you have to pass tests in order to meet this. You're saying let's go above and beyond that, not just throw everybody, everybody has to obtain this, but if you've earned certain merits or you've done certain things within the industry, you should receive an additional accreditation for having been so great in whatever particular areas develop for those participants.

**Mr. Bill Wright:** That's very well stated, Jon, it's exactly what I'm saying. This program would be voluntary. It would be separate from any jurisdictional licensing program, as you mentioned, Jon. It would really be two things. There would be two steps to getting certification.

One would be through a vigorous written testing process and second, would be a commitment and adherence to a professional code of conduct. Now to give you some idea of some thoughts I have relative to — we talk about a written test here. That scares a lot of people. Well, it's not for everybody. This is not a program for everybody. This is a program for everybody who wants to do it but not everybody will go through the effort to do the homework and the studying to be certified.

Let me give you some ideas of some of the testing areas that I think are appropriate. I don't think these are the complete lists; it's just something to maybe get you interested and thinking about it.

**Mr. Jon Moss:** Just to pause you for a second here, Bill, as you exit today, there will also be copies. Bill has printed off copies of what he believes a certification process should look like. So, if anyone is interested, please grab a copy on your way out.

**Mr. Bill Wright:** Thank you. I think there's copies in the back and some up here in front.

First testing category I would call it Rules, Regulations and Organizational Jurisdictions and Responsibilities. For example, what's the responsibility of the Jockey Club or the USGA if you're a trotting horse person versus racing boards versus horsemen's association versus agriculture departments versus tract management, and so forth? What are the rules and who polices them.

Second category would be Care, Conditioning, Equipment, Shoeing, and so forth. In other words, the typical trainer type skill set.

A third area would be Anatomy, Medical, Reproduction, Bloodlines, and so forth.

A fourth area would be Competitive Forces, Media Relations, Marketing Responsibilities and we heard a lot about that this morning, Available Publications, Impact of Public Utterances, Agribusiness Impacts, and Current Demographics.

The fifth area would be On Track Racing Strategies, Track Surfaces and Conditions, Racetrack Locations, Jockey and Driver Rating Systems, Jockey or Driver Selection Options and Processes, and so forth.

The sixth area of testing that I identify would be Management. Whether that be a stable, a breeding farm, or a racetrack. That would be communications, scheduling, staking, recordkeeping, sales catalog legalities, accounting practices, and tax laws and codes pertaining to horse racing.

Now it requires some work to be certified, that's why it's not for everybody. We ought to make it a really big deal annually or whatever it is to say here are the new certified professional horsemen.

The long-term benefits would include, and I've identified four areas. First benefit would be the improved integrity as viewed by the fans, bettors, media, lawmakers, et cetera.

These are long terms benefits. This is not a short-term program. Number two; improve internal integrity and self-esteem among participants. We really to improve the self-esteem among the participants in this business.

Three, produce highly qualified future leaders, and four, encourage quality new entrance into the industry by recognizing and rewarding current participants who exhibit knowledge and professionalism.

Okay, let's take another approach. What if we don't do this? We just continue on then with our detection and penalty program, which we should do but we will continue to chase the impossible task of correcting or putting out the detection technologies faster than the cheaters can come up with new vices.

Furthermore, these testing parameters get to be pretty liberal. They get to be quite a range because of the legality realities. Unfortunately, that forces some very normally honest people to fudge within these testing parameters in order to be competitive and it's only going to get worse. We're gonna move beyond just chemical testing.

What's the next wave of future things that could happen? I don't know that I know but I know they could include metallurgical type things and micro-robotics. Just testing and detection only is necessary to do again, but it's only half of the program.

Finally, integrity is more than just race infractions. As an owner, I would much prefer to do business with a CPH trainer or veterinary or horse breeder or maybe even to select my potential horse owner partners from CPH referral lists.

Therefore, my final line here. It behooves us to supplement race testing with an appeal to human decency and the sense of fair play that drives the vast majority of horse racing participants. I wanna say that one more time. Therefore, it behooves us to supplement race testing with an appeal to human decency and the sense of fair play that drives the vast majority of horse racing participants.

Like I said, there's a handout here that goes into this in more detail and for listening to my idea, I thank you all very, very much.

**Mr. Jon Moss:** I think your idea has a lot of merit, Bill. I think these are things that are kind of loosely connected within different various aspects of the industry. I believe NTRA has something kind of along the same concept within their welfare and safety for the animal.

I can't remember which sub-section it falls under but the National HBPA also has kind of a certificate process, as well, through what's called the Groom Elite Program. It's run by Doctor Reid McClellan but it typically, as it says in its name, Groom Elite. It's more for getting grooms up to par and up to speed because they're the frontline individuals who deal on a daily basis with the thoroughbred or the standardbred athlete in this case.

I think Bill's just kind of trying to expand upon this and by expanding upon this, as you've said multiple times, but reiteration is important. This would hopefully bring comfort to owners as they try to begin to come into this industry.

One of the things I continuously hear from owners, prior to them actually being in the racing industry, is I don't know where to go. You try and send them off to a website, TOBA, or you try and send them off to another website to try and gather as much as they can but ultimately, they always feel like they're forced to just kind of jump in, both feet, with a trainer and not really sure if this individual's the one to go with. He might have great statistics but I don't know enough about his background.

I think this might give owners a chance to have a little bit more confidence in the individual that they have chosen. With that, what do you think of his comments thus far, Karl, and how do you think that would play out yourself?

**Karl Broberg:** If it would help me to generate more clients, go ahead and bring it. I'm all about that. Also, when you're giving out websites, just start giving out mine instead.

[Laughter]

I'll make sure I nurse them into this sport.

**Mr. Jon Moss:** To bring that point up, it's very difficult at times, being in my position as an executive, I have owners or prospective individuals come to me and ask me what trainer do you think I should go with and I say I can't tell you that. I said they're all members.

**Mr. Karl Broberg:** *[Whispering]* Yes, you can.

**Mr. Jon Moss:** We work as a trade association and I cannot tell you go with trainer A over trainer B. You know I can tell them as many parameters as I possibly — besides Karl. You know all the different variables that go into racehorse ownership and they need to follow through and get it figured out.

I think this is a major component that could be implemented and I think if implemented successfully and try to figure out which A, B, C group, alphabet soup organization would kind of take the lead on this, would be an important aspect of it.

What are your thoughts in terms of who do you think should do this accreditation at this point in time? You obviously already ruled out racing commissions.

**Mr. Bill Wright:** Well, I don't know for sure. I did give this presentation to the United States Trotting Association. That was a few years ago. They took no action on it.

It may be something that a consolidation of the various breeds. This same program would work, the testing would be a little different, but the same type of program could work.

Maybe there's a university somewhere in the southwest that would —

**Mr. Jon Moss:** Maybe in concert with the University of Louisville, no?

**Mr. Bill Wright:** Well, I don't wanna be any more specific than someone close. That's a good question. I don't have a very good answer for it. Obviously, I haven't been able to sell this program yet. I'm not a very good salesman because it's something really out of the box.

If you're talking to most horsemen, they kind of say huh. I've been through certification processes in my Caterpillar days and I know how effective they can be. It's different and it's hard to buy into it at first but think about it a little bit and maybe you can see some merit in it.

**Mr. Jon Moss:** Let's move on. Do you have any more comments about Bill's proposition?

**Mr. Karl Broberg:** I really don't. Prior to us meeting last night, I haven't given it that much thought. Obviously, it would be something that's difficult to implement. Unfortunately, like everything else in the racing industry with so many different factions, it's just tough to make anything like that go.

**Mr. Jon Moss:** I agree with Karl. We'll have to see where it goes but this is definitely a good jumping off point.

Let's move into a few different areas of areas you may have concerns. So, certification, owners, how they feel about that.

In relation to purses and purse structures, when you go to different racetracks, some purse structures are a little bit more flat versus other purse structures, which are pretty well spread out.

You, as an owner, does that quantify into your decision making process if you'd rather have your trainer based there at that type of a racetrack where it's flat?

You might be able to get a horse to crossover to a few different races more easily because the purse structure doesn't change that much or do you want one that's spread out where, if you have a \$5,000.00 claim who's running for \$5,000.00; but if you got an allowance horse, he's actually running for \$55,000.00 or \$60,000.00.

**Mr. Karl Broberg:** As far as speaking to that, like I said, predominately I'm a claiming stable and the economics of it, you almost have to run for at least a \$15,000.00 purse, and that's on the very low end.

We do everything on the cheap. If you're not running for at least a \$15,000.00 purse, there's no way you can look an owner in the eyes and say yeah, we should continue on here.

I run a lot in Texas, all the neighboring states have gaming, and I love running in Texas. In fact, anytime I go to claim a horse in Texas and it's a cheaper horse, I generally don't even pitch it to a client. I just do it for myself because I can't, in good faith, justify it.

What I try to do is steer them in the direction of the higher price claimers where they can make a go at it but even that becomes more difficult just because with our horse population being what it is, it's tougher and tougher to make those races go.

I mean we need to see shrinkage in this industry and obviously, nobody wants to do it. Somebody running a racetrack doesn't wanna say this doesn't make sense anymore but without favorable legislation, and I'm sure Texas is just one of many examples, it's sad right now and they're just at an unfair competitive advantage.

I don't mean to have a pity party for myself up here but I love Texas racing. Probably have more starts in Texas than anybody. Have won four training titles there in the last two years but without some immediate change, I mean it's reverting to like it was in the old days. We're outside of mom and pop outfits. You're not gonna have racing there anymore and maybe that's what needs to happen.

**Mr. Jon Moss:** What do you think about purses and how that affects you as an owner, Bill?

**Mr. Bill Wright:** Well, they're too low.

[Laughter]

It does affect me. It affects the business. I'm a little different situation than Karl, as I race mostly in stake races, mostly lower class stake races but the same problem. The purses in the stake races have flattened out or gone down. We still gotta make the same size stake payments, nomination fees and payments, and so and so forth, and entry fees.

Stake purses are stagnant or gone down the same as the overnights. Maybe not as much but they've gone down or they've stayed flat. Whereas, inflation has increased my costs considerably over the last several years. Trainer costs have gone up. Veterinary costs go up and have to I understand that.

Karl, I understand the importance of trainers being profitable, too, but I guess the biggest difference in a trainer and owner situation is that, in the case of the owner only, it's probably not our only business. We probably have something else going on that could keep us afloat. In the case of somebody like Karl, he's made his whole life investment in this and this is how he makes a living.

Purses are too low. I wish the racetracks and the major stakeholders and so forth could figure out a way to increase the commitment to stake races without taking away from the overnights. We do have a purse problem and that's a deterrent to horse ownership.

A perfect example of what's so tough about this industry. We can't even get people at the same table to agree. I'm trying to get money from the stakes races to the lower level, since they're the ones that are filling the majority of the card. It's a tough boat and that's why this industry is struggling right now.

**Mr. Jon Moss:** Well, I think the easy answer flat out is there's not enough money. Without supplementing those amounts in and of themselves, yeah, it's gonna be a difficult road to travel no matter where you're at.

Kind of moving into that then, if we're talking about the differences between an individual claiming ownership and a training individual and somebody who runs more stake races. How does that affect you in terms of race days and as an owner, are you more worried about going to a track that has multiple racing opportunities over the course of a year or would you rather have a short meet, get in, get out, move on?

**Mr. Bill Wright:** That is an excellent question. I've talking out of both sides of my mouth on that and most horsemen have. I think we are saturated in some markets and we over race there. I think we heard that very distinctly this morning. Yet, that's almost hearsay as a horse owner 'cause most horse owners say we need more races.

I think in the long run, we do over race. In my area in the trotting horse business, we race a lot more frequently than the thoroughbreds do and we race for lower purses, too. I think, in my heart, I know that we race too much. We may need more seasonal type meets and don't tell people back in Illinois I said this because a lot of my horse owners are fighting to get legislation that guarantees racing dates.

It's an enigma. It's a problem but I think we'd have higher purses if we had fewer races.

**Mr. Karl Broberg:** It's tough for me to push for fewer races. I will say the shorter meets, which has become more of the trend in the states that I race, is obviously very expensive for me as a trainer. Obviously, those costs are then passed onto the owner.

So, all these short boutique meets or whatever you'd like to refer to them as, it's fine if you're running for a lot of money but for a gentleman like myself, I need to stay where there's virtually year round racing.

Regardless, the horses that I'm running, so many of them are horses that aren't gonna be laid off and when they are laid off, they're gonna be looking for an alternate career outside of the racetrack.

I need year round racing and Louisiana is a state that gets it. Obviously, the only reason that they're able to get it is that they have the slot machines and they also have management that works real hard and understands the horseman's needs.

**Mr. Jon Moss:** Well, let's kind of move onto then to another topic in relation to racing commissions and penalties, fines, your ability to get licensed. Have you ever had any situations where you come into complications with that?

**Mr. Bill Wright:** You mean the ownership license in some states?

**Mr. Jon Moss:** Uh-hmm.

**Mr. Bill Wright:** I've never been turned down but it gets to be a little bit of a headache sometimes if you're racing in multiple states over a period of time, over a year, to get your fingerprints and your papers and everything sent to all these people. I try not to do it too much in advance. I don't wanna get a license in Pennsylvania if I'm not gonna race there.

So, when my trainer says hey, I think it's a good time to ship to Pennsylvania or the Meadowlands or something like that, I've gotta hustle up then and try to get my owner's license in that state.

I don't know if there's any real solution to that because each state is independent and they have their own rules and regulations. Fortunately, there's an institution that you can join up with for a fee that will help you get licensed in most states but not in all.

**Mr. Jon Moss:** Yeah, I was gonna say there is a racing compact that allows you to get multi-jurisdictional licenses and that helps out tremendously. I just wondered if you considered that, as an owner if that was much of a barrier to entry as it were to you in just getting into this process.

**Mr. Bill Wright:** Not so much as a barrier to entry. The whole ownership for somebody that doesn't have a horse racing background is so intimidating but once you do finally hook up with the right person, you're able to get through the steps.

Now, obviously, well, an example, I ran a horse last week in New Mexico. I'd never run in New Mexico before. I had to supply my fingerprints; my owner didn't have to supply his fingerprints 'cause he's over 70.

I mean there's just so many different things out there. It's just something that we deal with but there's no solution because every state is gonna want to require their owner's to get a license. So, as far as some national owner's license, that won't happen.

**Mr. Jon Moss:** Right. Well, hopefully, some day. I'd add that to my wish list, as well.

I guess in relation — one other topic in relation to commissions and something that's been bantered around quite a bit, in relation to fines or drug positives on horses. ARCI and a few others have suggested now that when a horse tests positive for a drug, not only does the trainer receive the infraction; but the horse, effectively, the owner, would be penalized even more. By not only having days, potentially for the trainer and loss of purse, but maybe the horse should be put on some kind of leave of 30, 60, maybe even 90 days depending on the class of drug. How do you feel about that?

**Mr. Bill Wright:** Well, as a horseman, I'm gonna give a minority opinion. I think penalizing the horse is inevitable. I know you can — which it penalizes the owner then. The owners can say it's not my fault if my trainer drugged the horse but how about if he's done it about three or four times now. How long are you gonna continue to tolerate a trainer that continues to violate the rules?

I could live with penalizing the horse and, therefore, the owner if there's an infraction, especially, if it's a repeat incident. Maybe the first time an accident can happen.

Something goes wrong but if you get a repeat offender, then I think that horse maybe is the way to be penalized.

**Mr. Karl Broberg:** Well, through two years we haven't lost a purse yet. You're already penalizing the owner when the horse gets disqualified. Now, obviously, depending on what drug or whatever was used, I think what's already in place is sufficient.

Believe me, it's very stressful, as a trainer, because ultimately, it falls under trainer responsibility and those horses are in those stalls all day long. Trust me, there's no way you can afford to have a night watchman and stuff like that but your owners getting penalized if something were to happen and your trainer is, as well.

As far as penalizing the horse outside of losing that purse, I just can imagine with the shortage of horses you currently have that you'd want to do anything like that.

**Mr. Jon Moss:** It's a tough road and it's something that plays into it quite a bit in relation to, not only the individual trainers but in the individual owners, as well.

Due to the fact that some owners, that might be their only horse. If it's a first time shot out of the bag and they didn't have this accreditation process in place, Bill, like you would like to see. They use one of these trainers that was unscrupulous and gave a horse an illegal drug and tested positive for it and now the horse is out for 60 days and here we have this brand new owner in the business and he's out.

**Mr. Bill Wright:** Well, again, I think we really gotta look to the repeat offenders, not the occasional.

**Mr. Jon Moss:** Not the first time.

**Mr. Bill Wright:** Not the first time but look where we got a trainer that repeated offense and the owner continues to support that trainer.

**Mr. Jon Moss:** So, look at those relationships and not arbitrarily decide it's done, it's black and white but put that into more or less a mitigating type of circumstance for an owner. So, if they're not gonna be thrown under the bus, as a word, just like everyone else would be.

**Mr. Bill Wright:** Exactly, that's well worded, Jon.

**Mr. Jon Moss:** Under the bus, yeah. Let's move onto something—this was actually an area that Karl brought up as something that — and Bill spoke of it as well, which concerns them greatly. That is in relation to veterinarians and veterinarian practices. I know there's supposed to be another panel about this later on but they both spoke of it and some of the issues that it was causing for them and, Karl, kind of speak to why it is you came to be a trainer.

**Mr. Karl Broberg:** Why I became a trainer, I had used a couple different trainers and with a couple of the trainers, it wasn't uncommon for the vet bills to run as much a month as the training bill, which generally that would be about \$1,700.00 a month.

I just didn't understand it because these horses that were in the other barns weren't performing any better than the ones in my barn where the average vet bills per horse would probably be well under \$200.00.

Fortunately, the gentleman that I started under, he was a vet himself prior to becoming a trainer. It's just one of those things it feeds on itself. There's so much fear among trainers that so and so using this and so and so using that and it just feeds on itself and it's so easy, as a trainer, to start letting your vet run your barn if you're going through a losing spell or if things aren't going right for you.

I'm so thankful that when I entered the industry that I was able to hit the ground running and had some success or it's a trap that I could've easily fallen into as well. I think, as a trainer, once you fall into that trap and start doing all sorts of unnecessary vet work, that it's just hard to stop after you've accepted that and start to run your stable in such a manner.

**Mr. Jon Moss:** Bill, you'd like to speak to that as well.

**Bill Wright:** Well, I agree what Karl said. I think he said it quite well. We can get vet bills that get as big as the training bills sometimes but I think a good trainer — you know, Karl, if I was in the thoroughbred industry, you'd be my trainer. I want you to know that.

**Mr. Karl Broberg:** You're more than welcome, sir.

**Mr. Jon Moss:** Might find one after this meeting.

**Mr. Bill Wright:** I think a trainer has to manage that — really have to manage the vets. They can't just turn 'em loose.

**Mr. Jon Moss:** Let's look at issues that owners may have with tracks. What type of issues do owners have with tracks on an individual basis?

**Mr. Bill Wright:** Well, I think —

**Mr. Jon Moss:** Anything along the lines of you believe, that as an owner, you should get some type of a little bit more specialized treatment. You are a partner. I view it as a partner. Obviously, I'm incredibly biased as a HBPA representative up here but do you view yourself as a partner with the racetrack?

**Mr. Bill Wright:** I do and I think there's a positive vein here. I've had some really great experiences with the way track people have treated me as a horse owner. I think the Hambletonian Society does a wonderful job of making you feel good about being there.

Another more specific situation is Balmoral Park, for example, now this is a very positive spin, I think. Balmoral Park, when my trainer enters a horse in a stake race, they actually call my home and ask me if I'm gonna attend and how many people I'm gonna bring and they'll furnish a buffet and a box seat. They call my home to do that.

That's a very positive thing, I think, and it makes me feel good as an owner.

**Mr. Jon Moss:** You, Karl, any positives or negatives that you've had with tracks? Things you think should be emulated.

**Mr. Karl Broberg:** I'll speak in regards to Delta Downs. They try to help the owners out anyway they can, whether it be getting some sort of special seating or taking any requests or putting them up in a hotel room for the night of the race since they're kind of out there in

the middle of nowhere. They make sure that they card the races for the horses they have and they work really hard at it.

Texas Lone Star Park, even though they're having a 30 percent purse cut this year, they do a great job of feeding you a buffet if you got a horse running in a stakes race and they're really cordial and all that.

I mean there are some improvements that could be made but a lot of times, it's available and out there to the owners, they just don't even ask for it. You'd be surprised most tracks will do their best to accommodate an owner if they ask.

**Mr. Jon Moss:** Another area of concern or thought is racing secretaries. How do you view racing secretaries, Karl?

**Mr. Karl Broberg:** Are we turning this mike off?

[Laughter]

**Mr. Jon Moss:** You have good racing secretaries. Just sometimes not as great and now, this is specifically for owners. This isn't as a trainer, as solely as an owner.

**Mr. Karl Broberg:** Racing secretaries have a very, very difficult job. I have no idea what their salaries are but it's not enough. I wouldn't wanna do it. Horsemen, as a whole, are the whiniest people on the face of the earth.

[Applause]

It's true and we, as a horseman —

**Mr. Jon Moss:** We'll talk later, Karl.

**Mr. Karl Broberg:** When we're speaking with that racing secretary, I mean all we're truly worried about is ourself, our owner, and our horse. The job that they do it's so difficult. I'm curious what an average racing secretary makes because believe me, it's not enough.

**Mr. Jon Moss:** You, Bill?

**Mr. Bill Wright:** Well, I think the racing secretaries do a pretty good job. I think it's an impossible task, it's a thankless task because no matter what they do, they're gonna make someone unhappy and that's not the job I would like to have. I really don't have any complaint with the racing secretaries that I deal with.

My trainers maybe could tell you better than I can. They interface more with the racing secretaries than I do as an owner. My experience has been positive.

**Mr. Jon Moss:** I'm gonna throw myself under the bus here for a second in relation to what are your views — most owners are automatically part of a horsemen's association when you go and race at a race track. What would you like to see more out of a horsemen's representative group that you work with? Be it an individual one or one that's on a larger national scale.

**Mr. Karl Broberg:** I guess what I'd like to see happen and it won't happen but what I would like to see happen is for there to be some sort of uniformity where everybody would

pool their resources together and things would be — and you would know from one state to the other that everybody was working hand in hand.

I don't get too worked up about it. I don't get excited one way or the other. I know you guys are always out there working and trying though the one thing we need to do is promote, promote, promote. We were probably failing on that as far as recruiting new owners. I've yet to see a banner anywhere at a track, interested in owning a race horse, but how can they do it because then every trainer that's there at the track is gonna be saying why isn't that my sign that's up?

It's a tough deal but I would just like to see some sort of uniformity.

**Mr. Jon Moss:** Yourself, Karl.

**Mr. Karl Broberg:** Well, I think we're in an era where we all have to work together. I know that is not always easy but I don't think it matters what breed. I think the thoroughbred and the quarter horse and the harness horse people all gotta work together. I think we gotta work with the track management; they're good guys, too. Contrary to what some associations think sometimes but I think they have a job to do and it's difficult.

I think we gotta work with the various agriculture departments and we have to work with the racing board. We have to learn how to work together, especially, in this era where legislation is becoming very critical. If you're ever gonna get — if we want to move to slots at the race tracks, racinos that takes a joint effort.

I can tell you, I'm chairman of the only Horse racing Strategic Planning Council, which is an organization that tried to get everybody on the same page. We were successful from the legislation to get all the racetracks, thoroughbred and standardbred and quarter horse, all the horsemen's organizations, Department of Ag, the racing board, and everything to agree; and we got legislation written and it passed in the House and the Senate because of the teamwork. Unfortunately, the governor's gonna veto it.

So, we're, I guess, unsuccessful at that. I give you good news, bad news scenario. My point is that we have a chance and we had a chance because we all worked together. So, I encourage everybody in this room to think in terms of how we can accomplish great things together. We don't see each other as a competitor; we see each other as a partner, as you said earlier, Jon. I think that's the way I wanna deal with it.

**Mr. Jon Moss:** I did wanna make a comment about this, as well, and it's actually back to Karl's point about horsemen kind of being the whiniest group that there is.

I think individuals sometimes forget greatly that they are individual businessmen, trainers, and many times owners. These are individuals, who are quite literally in control of their own destinies, typically, especially for owners, and they're main area of expertise.

Be it making automobile parts or running any type of company. A woodworking company, anything of that sort. They're usually very successful entrepreneurial and when things don't play out the way that they do, there's a lot of internal strife. There's a lot of conviction behind what it is they believe, due to the fact that these are individuals who are used to making things work the way that they think they should work, and that also applies to trainers.

'Cause again, individual businessmen that are out there trying to especially fight against individual trainers that are out there as well. Then we try to get everybody who's fighting against each other on this larger scale to come together and have one voice. It's a very difficult task and while it does get the laughs and the jokes, I think sometimes that gets lost in this process of when horsemen do finally come together and have a clear, concise voice; it needs to be listened to, especially from owners.

It needs to be listened to, that it is something of vital importance because we can get it done, we can get it accomplished, and when it does get accomplished, it needs to be listened to.

Moving on from that, what areas do you believe have been working well for you as an owner? Things that occur at the track like blanket give-aways, things of that sort, is there anything that you'd like to see to continue to occur at racetracks or do you believe that's working really well for you as an owner right now?

**Mr. Bill Wright:** Well, like I addressed part of it earlier about accommodating the owners very effectively, I think, at least in the tracks I do business with. I'd like to encourage that. I think that's important.

I think, also, the racetracks need, in their promotion efforts, the assistance of horse owners. Sometimes I think us horse owners; we sit back and crack the whip at track management and leadership for their marketing and promotion. I think we have to be a part of it. We have to make ourselves available, horse owners and trainers and jockeys and drivers. We have to make ourselves available to whatever needs are to promote and market this beautiful sport.

Ladies and gentlemen, we're in a beautiful business. There's nothing more beautiful than a horse and we have this wonderful business. It just seems to me that if we work together, we gotta have a way of marketing this and promoting this and bringing this back to, as someone said earlier here, back when the golden age, when they had the goose that laid the golden eggs.

I'm a very positive person. I think that's achievable but I think the horse owners have got to pitch in.

**Mr. Karl Broberg:** Bill stole my thunder there a little bit.

**Mr. Bill Wright:** Sorry.

**Mr. Karl Broberg:** One thing that I do occasionally, I'll just send out an open letter to all my clients reminding them of how lucky we are to be in this great sport and how we, as owners, need to be great ambassadors of the sport and introduce people to it. I mean, good Lord, if my dad never took me to the track, I probably wouldn't be sitting up here right now.

Who knows? You get one person out to the track, maybe 20 years from now they'll be sitting behind the table as the fourth leading trainer in the country giving a speech to a bunch of people that look tired.

**Mr. Jon Moss:** Are there any other areas you gentlemen would like to address?

**Mr. Karl Broberg:** No, are we gonna have the opportunity to open this up for questions or not?

**Mr. Jon Moss:** Oh, yeah, here in one second. I was gonna make one more personal point about this whole process as I see it, and especially a little background on myself.

I am a fourth generation horseman. I've seen horse racing from quite a few different angles and perspectives and been around a little bit.

The one thing that I have definitely come to the conclusion of and I have to take opposition, to some extent, with Mr. Zimny's presentation regarding fans are the reason why we have horse racing. I present that horse racing is only horse racing because of owners. Without owners, no matter what the rest, is built upon that. If we do not have this gentleman saying his horse can run faster than this guy's, even if it's a standardbred versus a thoroughbred, we're not gonna have horse racing.

We need the fans. We need to increase it so we can all be participants of it but if we're not able and successful in retaining and creating owners within this industry, there is no product for anybody in this room to sell.

With that, I'd be more than willing to open up the floor to questions if anyone has a question for our two esteemed individuals.

If you could please say your name and who you are and where you come from.

**Mr. Ken Lowe:** I'm a businessperson, entrepreneur, been somewhat successful. Racing official worked in the barns. Right now, I'm President of the HBPA at Charles Town. Own, breed, very much involved in horse racing. I'm not retired. I work harder than I ever did. In fact, I work ten times harder than I ever did to make ten times as much money as I do.

I wanted to speak briefly, if I can, about the cooperation, which everybody talks about but a lot of people have difficulty really doing anything about. I'm not speaking about any particular management company. I'm talking about me. I'm talking about horsemen in general and women, by the way. I don't like the name horsemen, either. It's horsemen and women. That's not said enough by the way.

In our state, at Charles Town, horse racing was dead. It was done. The way it came back was because a company with money came in and a reputation that was good and they promoted the idea of slots. If the community, and there was a referendum, if they voted for it, if the slots passed, then the horse racing was guaranteed to stay. Guaranteed is my word but the legislative preamble reads promote, foster, develop, continue breeding and racing of year round thoroughbreds, something to that effect.

After that was done and it passed on the second vote, then soon after that, things took off. The purses went up — well, as you know and racing got back to where it could be and it went on from there.

Then there were table games, which failed the first time, too. When the ante was up, what the horsemen's breeders got, then that program was passed as well. Now, it's interesting that I hear people earlier or others have said now it's too many days of racing. Well, you know what, the people in my county where I've lived my entire life, voted for thoroughbred racing by accepting slots and table games.

They were told upfront if you support slots and you support table games in that county, then live horse racing and breeding will continue. All of a sudden now, it's too many days. It's not too many days and we have an economic study that was just completed, just last week, from a university, well respected in the state that says just that. If it were not for live racing and not for the breeding, there would be no slots; there would be no table games.

So, don't come telling me now there's too many days. That track at Charles Town, and I'm being specific now, probably has the most hoof prints on it than any track in the country. It's only three quarters of a mile, that's all it is, and yeah, we race 235 days and that's by contract, 220 by statute.

We have a legislature and we have a governor. We have a racing commission and attorney general that supports racing because we know it's over \$200 million in economic development in that one county alone, that impact, and over 2,000 jobs.

We don't need less days. We need better cooperation. It's a forced marriage. It was a marriage that was created by the legislature, voted upon by the people. So, if you got a marriage, you ought a stick it out, make it work or get a divorce and somebody pays somebody a lot of money.

Well, we wanna stick it out and it's gonna get stuck out because we're gonna make it work. I have one more thought. When you talk about — I like your program, Bill, about — I call it continuing education, as it is in other industries. Real estate, legal, continuing ed, get a certain acronym behind your name.

I think, before anyone should be able to sit in a management position up in a nice office where it's clean. No horse manure, no flies, no rats around anywhere, once in a while, or snakes. They should spend at least one month in the barn area. Let'em muck a few stalls. Let'em shoe a few horses. Let'em pick the feet of a couple thoroughbreds. Take the chance at getting up at 4:00 a.m. and getting kicked in the head every morning. Been there, done that.

You wanna be a good management personnel? Do that for 30 days, then come back and tell me you've never been in racing but you have a great — they sit in this nice ivory tower where everything's an economic model. By the way, they ran those economic models also for slots and table games. They knew how much money they had to subsidize to get those industries to work but now they wanna throw them all away.

Oh, we've subsidized racing. They don't get it. It's a cooperation. It's a marriage. Let them spend a month with you, Bill. Let them see what you go through. Let them see what your staff goes through and you know what, a lot of these attitudes would be changed. There'd be more people with more compassion for people in the industry.

I've been on both sides, management as well as the horse side, but I know where the heart is and a lot of people in the industry have the heart that management doesn't have because it's all about money to them. It's not about taking care of the animals. That's the biggest difference I see in this industry and I'll fight to the last breath for that.

**Mr. Jon Moss:** I think you're bringing up an excellent point — or a couple of points there, Ken. First, if you two gentlemen don't mind, I'll take this one on.

When it comes to racing dates, that's such a regional fight that it's unbelievable. You have individuals who, as in your particular case, they wanted to have that and legislated it in. In my particular state, we also accomplished that with statutory setting a minimum amount of race dates. Pennsylvania, I believe, is the exact same way. It statutorily says what the minimum number of days that have to be run.

So, yes, it's virtually impossible, unless there's some other lucrative measure that can be proposed to owners to allow them to augment their current thought process, I do not see there being many changes in those types of racing jurisdictions.

Now a lot of times, those minimum dates are also set because of the fact that there's casino legislation that's directly attached to it. I think a lot of times what we're gonna see is maybe states that do not have, and I believe this has been talked about many times last year.

Bob Evans probably even discussed this nuance the same way, which is if you don't have a casino, it makes it tough and then horsemen are in a precarious situation trying to dictate a number of racing days per year if they don't have something substantial behind it in order to augment what the costs are gonna be.

Otherwise, the racetrack, I mean, a horsemen's group could sit down and say we want 50 days of racing but if the money's not there, the money's not there. You can't run 50 days. You might not be able to run any days and I think that's part of what's going to occur is that unfortunate contraction there.

Speaking to your other point, which is individuals getting out there and understanding what it is that horsemen do on a daily basis. You are, by far, not original in relation to owners who say that are out, out, out, separated from it and then come into it and go my, God; the amount of work that this entails is unbelievable. You really have to put your heart and soul into it to try and make this work.

Karl could probably speak to that much more effectively than I can. Did I throw you under the bus, Karl?

**Mr. Karl Broberg:** Yeah, you did after you said you were gonna take one.

**Mr. Jon Moss:** I could keep going.

**Mr. Karl Broberg:** No, that's quite all right. As far as management seeing the workings of the backside, maybe I'm just being naïve, I actually think that, for the most part, that actually does take place. Not to go against the grain here, but maybe what we need is some faces outside of the industry that maybe don't have that horseman background that are just looking at ways of growing a business in trying something different.

Yes, I think it's important that they see it and I think anybody that was to be put in that position would do so but boy, I think it would be great to get minds outside of the horse racing industry to come and help and work and make these tracks more viable.

**Mr. Jon Moss:** Any other questions or comments today?

**Mr. Scott Wells:** I'm President and GM of Remington Park. I'm a son of a trainer and I spent 17 years training horses on my own, was assistant to a couple Hall of Fame trainers and people like Joe Harper, who was here earlier today. People like that know what it is like

to be on the backside. I think of Wylie Wyatt at Hollywood Park, who's also the son of a trainer.

I wanted to point out from my unique perspective in regards to the gentleman's comments that, when I was a trainer, I had no earthly idea the complexity of running a racetrack. Granted that was a long time ago when I was that young but I continue to believe well, there's always gonna be more races and all I concerned myself with was the condition book and where the next races were going to be.

Many, many times, through the past 21 years, since I've been in management, I've had to point out to some of my friends who were trainers that yes, that may sound like a good idea but it's impossible for this reason or that reason.

So, a good cooperative exchange of ideas between the horsemen's side and the management side is very much to be desired. I would like to point out, too, as far as your recommendation that racetracks turn to owners and horsemen to help formulate their marketing plans.

We are fortunate to have a very, very unique relationship with the Oklahoma Quarter Horse Racing Association. Debbie Schauf, who's present with us today, came to us a few years ago and said they would be willing to chip in on our marketing efforts. First off with ideas and then finally with hard cash. They contribute around \$100,000.00 each season for our 50-program quarter horse racing season.

I don't know of another such relationship in the industry where a horsemen's organization actually uses some of their money and not only has it happened but it's been very, very successful. So, I would encourage other horsemen's organizations to get with management and to approach them with their ideas.

Granted, some of those ideas are not workable but many of them have proven to be and I think that the more we do that — and Karl and right there at Remington. I mean I would love to do the same thing with the thoroughbred organization there at Remington that we did with the quarter horse people. I have seen, with my own eyes, attendance figures rise, handle figure rise, and some very, very successful promotions that even our talented Marketing Department never would've come up with without the input of the Oklahoma Quarter Horse Racing Association.

There is a synergy out there and you're right, we're partners. We are a team and we don't agree on all points of the matter but we all agree that we want more and more people at the racetracks and we want more horse owners.

Like you, Karl, I believe that horse owners is the lifeblood of the sport. Now, when I first came to Remington, six and half years ago, I suggested that we do a back page of the program for the trainers' directory. So, as purses were going up, interested parties could contact the trainers. Not a single trainer agreed to do that. They didn't even want their phone number. Now, I know you'll volunteer to put yours in there and you should. We should have it.

**Mr. Karl Broberg:** Ain't gonna pay to run an ad.

**Audience Member:** Anyway, congratulations on your career. You're doing a great job and I know John Locke was a mainstay at Remington Park for a long time and I think he was your mentor.

**Karl Broberg:** Thank you very much. Boy, I'm glad I didn't say anything bad about Remington Park today.

[Laughter]

**Jon Moss:** Anyone else have a question or comment, please come to the microphone.

Mr. Cassidy, no, just passing through the room? Okay.

**Ms. Bailey Gallison:** Hi, I'm an RTIP student. My question is how would you critique the product that you receive as trainers and owners? Would you critique it as a weak product, a strong product? The horse itself and what you do to improve your product, as well as do you see the industry being able to survive on a weak product or do we really need to increase our product, the horse, to support the industry?

**Mr. Karl Broberg:** The quality of the product. It varies so much from state to state. Right now, unfortunately, we're now to a point where we're not even so much worried about the quality, we're just worried about making sure that we have quantity.

I have so many owners now that have their small little farms that have a few brood mares and what we keep hearing over and over again is I'm not breeding them back, I'm not breeding them back. They used to always say they weren't gonna breed them back, now they're actually not doing it.

It's so different, I mean, in Louisiana, you've got ample quality and quantity and it's just becoming the haves and have not's. So, it's more determined by region than anything else.

**Mr. Bill Wright:** Well, if I understand your question, I really don't see a problem between quantity and quality. I think you can have both. I don't think it's one or the other but as far as increasing the quality of the product, I think this is a good point that was made earlier today that the gaming dollars go up considerably when the quality of the product goes up.

I think, again, that trainers like Karl here and people that are really professional in the business, can develop a good product. We have, unfortunately, a fair amount of trainers who don't have the skill set to come up with a product. I don't know what you do about that, maybe you need a certification program for trainers and others, owners, too, by the way.

**Mr. Jon Moss:** No comment. Anyone else have a question or concern?

**Audience Member:** First of all, I've got family and friends want to have me certified crazy. I own and run three standardbreds, three quarter horses, and two paints. A stable of 20 thoroughbreds on a small racetrack, building another bigger racetrack and owner operate a racino.

**Mr. Jon Moss:** Any dogs?

**Audience Member:** I won't tell you my dog stories. There were two things that I wanted to comment and then question. One thing about not everybody can own a football team or a basketball team but horse racing is like a sport's franchise.

In ownership, I do think that and where I do see growth an interest is in small syndicates. Family and friends and small business and getting professionals out and building — I know there's sophisticated syndication and then there's smaller good ones.

I just was curious and amazed that it didn't come up today because I do think that is part of the future. Then I was interested, what are your day rates?

**[Laughter]**

Is that a fair question?

**Mr. Karl Broberg:** I don't want any trainers in the room to get upset because my day rates currently just \$55.00 a day, which for the level of racing we're running at, is really, really competitive.

Now, as far as, and that's a great point that you brought up on partnerships. I mean that's the future of horse ownership, especially, for the little guys. That's how I got into it. My first horse that I owned five years ago, I was — I don't know, I think ten percent, maybe even five percent of one \$10,000.00 horse and, unfortunately for me, that wasn't enough to satisfy my addiction so it grew from there.

Many of my owners started off in small partnerships. On my website, I have a page there specifically to partnerships, just trying to get people enthused and motivated and make it where they're comfortable to get involved in something like that. It's something that should be promoted more by racetracks.

I, as a trainer, need to do it but it falls into one of those categories where there's so many hours in a day, I'm blessed, obviously, with the stable the size that I have, that I have much more of a managerial role. It's something that a small trainer can't focus on but I do have several owners that help me. Anytime I have somebody that just wants a small piece of a horse, I'll hand 'em off to that owner. That way, I'll still have the luxury of training the horse for 'em and get him involved.

**Audience Member:** Bill, what you pay, day rate?

**Mr. Jon Moss:** Say that again.

**Audience Member:** What do you pay for day rate, standardbred, your standardbred horses?

**Mr. Bill Wright:** Well, there's a wide range if they're a smaller operation it can run \$35.00 a day. If they're a bigger operation or running Meadowlands, you're probably paying \$70.00 a day or \$75.00. That's a pretty broad range. I got horses in both categories. I like the lower one better.

**[Laughter]**

**Audience Member:** I understand and hay costs are the same, right?

**Mr. Bill Wright:** Yeah.

**Mr. Audience Member:** Are you involved in syndicates at all?

**Mr. Bill Wright:** In the syndicate?

**Audience Member:** What do you believe in small syndicates? I do think that's where we're seeing growth. Not hurting people significantly and gets them excited and involved in customers and everything else.

**Mr. Bill Wright:** I'm totally with you on that. I have partners on most of my horses but I think there are some very good syndicates — small owner type syndicates where you can get a part of a horse and not have a big investment. You can still tell your neighbors, hey, that's my horse. Even though you just have a small ownership in it.

**Mr. Karl Broberg:** It doesn't change the joy one little bit when you're in that winner's circle on a Saturday afternoon if you own ten percent of that horse or the entire horse.

**Mr. Bill Wright:** I agree.

**Mr. Jon Moss:** Syndicates would be an interesting wave — I mean syndicates have been around now for quite a while, 34 years, in mass. I believe syndicates are a rather specialized area. Sometimes it's a little bit more difficult, I believe, for trainers to handle those on an independent basis, especially for the smaller trainers. I think there's a level of infrastructure there, some type of administrator for these types of partnerships. There are various, various levels.

Some partnerships aren't just partnerships. There are S corporations, C corporations, and we've actually discussed about, in relation to the National HBPA, so it is on the rise. It will be coming; it's just trying to wrap your head around getting it regulated well, making sure that these individuals can participate, and then using it to the advantage and relation to marketing that idea. Like you said if I have one one-hundredth of a horse, but hey, he just won the second race at Santa Anita today and getting that out and about and having that good word.

All that also plays into tracks and that relationship. Now all of a sudden we're gonna have even more owners that are gonna be coming to a track. So, you're not just looking at Bill by himself. It might be Bill and his 20 partners and every one of these individuals needs to be taken care of well because they're all participants in the sport at this time.

**Ms. Rose Rossi:** From The Best Little Horse House in the West, Rocky Mountain Turf Club. I just wanted to say that I am a racehorse owner, as many as I keep hearing it's all been generational. They started off as children. We don't have that luxury anymore, times have passed, and we've lost generations. I've been in the racehorse industry now working in marketing and promotion for 15 years.

As a racehorse owner, I have given up parts of my horse to the media. I have had announcers from the news, talk shows. I have given them just so that they would be out there talking about being a racehorse owner and the enthusiasm and having them there at the track to watch their horse run and perhaps encourage others.

I think we need a book on how to be a racetrack owner or, sorry, racehorse owner.

**Mr. Karl Broberg:** Boy, I'm ready to start giving horses away now so owning 46, I'll be happy to give a few of them away. It's one of those things, I actually have, for a couple of my friends, I've actually done something similar where they get to see their name in the

program or the form and enjoy the ownership aspect of it but generally, they still leave me with the bill.

The purse comes to me but they still get a smile and get their picture taken.

**Mr. Jon Moss:** Any comments, Bill?

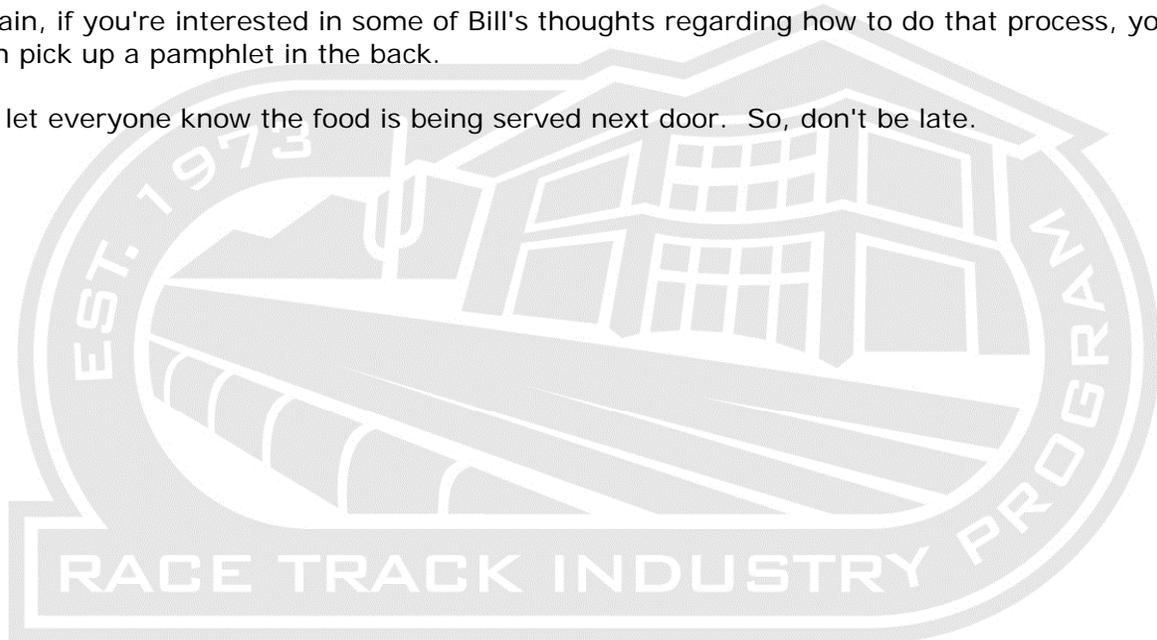
*Bill Wright:* In the interest of time, I have no comments.

**Mr. Jon Moss:** Yes, we are definitely past our time but if there's any other questions? One more quick one otherwise I think we should wrap this up. Thank you for attending.

**[Applause]**

Again, if you're interested in some of Bill's thoughts regarding how to do that process, you can pick up a pamphlet in the back.

I'll let everyone know the food is being served next door. So, don't be late.



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