



Race Track Industry Program

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### Perceptions, Realities and Pressure: Changing the Face of Racing

**Moderator:**

**Paul Estok**, General Counsel & Corporate Secretary, Harness Tracks of America

**Speakers:**

**Jonathan Chavez**, Co-Founder and Director of Analytics SocialSphere Strategies

**Eimear Dolan**, School of Health and Human Performance, Dublin City University

**Marsha Kelly**, President, Kelly Media Consulting, Inc.

**Mike Stone**, Executive Director, The Winner's Federation

**MS. WENDY DAVIS:** I would like to thank the American Quarter Horse Association for their sponsorship of this panel this afternoon. "Perceptions, Realities and Pressure: Changing the Face of Racing," I think this might be one of the most important panels of the day, so thank you all for being here.

What I would like to do at this point is turn the panel over to Paul Estok. Paul is a graduate of the Race Track Industry Program. After he finished up with us he went on to law school at the U of A and he is currently the general counsel for Harness Tracks of America. Paul also teaches law class for us at the Race Track Industry Program and we are very pleased to have him here to lead the discussion for this panel.

Paul didn't get in a street fight or anything, don't make fun of his funny sock and if he needs to sit down, don't pick on him. He'll let me know if you guys aren't nice to him. Without any further a due, Paul Estok.

**(Applause)**

**MR. PAUL ESTOK:** Thanks, Wendy. This session is called, "Perception, Realities and Pressure: Changing the Face of Racing," as Wendy said. When I first read the description of this panel I thought back on some of the racing industry stories in North America during the last year. As you can imagine, not a whole lot of happy thoughts came to mind. We have business battles going on, no real sign of

solutions in some of those. Competition is fierce, more so with the outstanding economic condition that we've got going in the nation and the world. Handle is down, purses are down; casino, racino revenue is down.

To add to that moribund state we had some pretty specific events that occurred to remind us in how many different ways we're at risk as an industry, high profile breakdown in the Kentucky Derby led to probably more widespread media scrutiny than all of our publicity people combined could generate. Steroids became a public issue; we saw increased interest in the behavior and health of the human athletes and human participants in our sport. And then along came November and more bad news, we had slots pass in Maryland but we also had a successful measure in Massachusetts to abolish dog racing there. There was also another successful measure in the City of South Tucson by those seeking to end dog racing there at Tucson Greyhound Park.

So the answer to the question posed to this panel, can pressure from participants and the public change the way racing operates seems painfully obvious; at least in some senses, the answer is you bet it can, but there is more to it than that.

To look more closely at some of the issues, the hot topics that are driving the change, we have a very distinguished panel with us this afternoon. Before I introduce our first speaker I will ask two things of you, first, that you hold your questions until all of the speakers are done and second, that if you do have a question, step to one of the microphones and state your name so that we can get it for the record when the transcripts are made.

Our first speaker is the executive director of the Winners Foundation, Mr. Mike Stone.

**(Applause)**

**MR. MIKE STONE:** Thank you, Paul. I doubt that I'm going to tell you anything here you do not already know by experience, statistics or intuition. The changing face of racing that will most likely come from within, as with all meaningful change, outsiders can point out circumstances, perceptions, realities, but it will be those in the racing community that will make that change happen not unlike what happens with the people who I represent with the Winners Federation who are counselors for substance abuse programs and wellness programs at the racetracks around the country and North America.

It is hardly appropriate for me to tell this industry or this community what to do. I have been working for the Winners Federation since June and I am still learning very much, in fact I am reminded of a little community in southern Illinois where I grew up, it's spelled B-E-A-U-C-O-U-P. Those of you with some French background are thinking immediately in your brain that is beaucoup, but if you're from that little community and you ask somebody there about Beaucoup they would look at you rather strangely because they call it "Buck-up." So I'm trying to learn all those phrases and nuances and things that are important to this industry as well

and learn it from as best a source as I can at places like this. And I'm also sort of reminiscent of a story of when Harry Truman was president and his daughter Margaret came running into the White House yelling for her mother, Momma, momma, you have to help do something about daddy, he is out in the Rose Garden telling all of the reporters how well his tomatoes are growing because the manure he is putting on them. Bess looked at her daughter and said, And what's wrong with that? She said, We have to get daddy to start using the word fertilizer. Bess looked at her daughter lovingly and said, Sweetheart, it has taken me 30 years to get him to use the word manure.

**(Laughter)**

So regardless of the language and the situations, we are going to see changes in how we use language and how we work with each other and it may not necessarily be our choice but by the economic, societal and demographic changes that we are facing, and that is what we are trying to do with the Winners Federation.

I am thankful for this invitation to appear on such a learned and expert panel and I thank each of you for considering what I will be here to discuss in this brief time. I believe the motto of the Winners Federation, "Healthy Workers for Healthy Horses," and the organization's vision and mission will convey what the Winners Federation believes as a worthy subject that will benefit the sport, positively affect the bottom line and add to a positive public perception.

I've had several brushes with horse racing in my life, so I do enjoy the sport very much and support it. When I was three my family had an outing to Cahokia Downs, some of the older folks in the audience may remember that in East St. Louis, Illinois, it is now a parking lot. At three I walked in and I was very caught by the young people who were out front selling Racing Forms and I noticed about middle way through the day that a lot of them were laying on the ground in the stands so I started picking them up and going up to other people and asking if they wanted to buy one. They thought, isn't that little kid cute and started giving me nickels and dimes. My mother was abhorred and so she was following around trying to pay those people back for the money that they were giving me, but it was my first touch with horse racing. My grandfather worked with a small Illinois trainer in the early '60s at the tracks in southern Illinois and then I accompanied him a couple of times when he wintered in New Mexico. I was a stablehand at the Illinois State Fair for a couple weeks when I was in high school. I've worked for the Kentucky Council on problem gambling as well and I use an audio tape of Secretariat's win in the Belmont to demonstrate the excitement that horse racing can bring that helps lead some people into an addictive behavior. My wife and I follow horse racing particularly. Two years ago her aunt was the leading owner at Hawthorne, so we have some connection and some knowledge, and yet as a sports fan — and I watch a lot of televised sports shows and I listen to a lot of sports radio — I seldom hear anything about horse racing. You know, it is very telling when you turn on Pardon the Interruption and Michael Wilbon is dismissing horse racing or Bob Ryan on Around the Horn, they lump it together with championship boxing as

sports that no longer have 21<sup>st</sup> century relevance. Fifty years ago most legal betting was at America's horse tracks and now it is about six to seven percent. And for those who now are seeking the fast-paced gambling at casinos, and that's everywhere, the racetrack no longer has that fast-paced appeal that they're looking for with the slot machines. It is disappearing from our culture, too; we're not seeing any stories like Damon Runyon on the culture of horse racing. We're not hearing Broadway plays, somebody singing, "I've got a horse right here, his name is Paul Revere," that is not around. The Rolling Stones 30 or 40 years ago wrote two songs at least, Dead Flowers and Start Me Up, that have references to horse racing in them. That is not anymore in the popular culture. But yet this is still a sport with millions of fans and billions of dollars and millions want it to succeed and thousands depend on it for their livelihood, it is their career choice.

The essence of the Winners Federation is, "Healthy Workers for Healthy Horses," which suggests that a stable, healthy workforce is a more productive workforce and that a more productive workforce will lead to a better product, more revenue and increased profit, we are seeing that from other industries. The U.S. Department of Labor has a Web site and they had an article published from Business First of Columbus that pointed out that early intervention and the inclusion of education and prevention lead to \$7,300 less in health claims in one case study, 44 percent fewer days missed from work, 81 percent less attrition and the benefit for every dollar invested was three dollars to \$16.50. Similarly, the March/April issue of Addiction Professional reported on a UCLA study that showed a 7:1 benefit to cost ratio for every dollar spent on addiction treatment. The George Washington University Medical Center has a program called Ensuring Solutions to Alcohol Problems, they looked at a wellness program at a General Motors plant that addressed the negative effects of alcohol on blood pressure, weight and nutrition. The program resulted in a decrease in drinking by employees with a corresponding 13 percent reduction in medical costs amounting to \$452.72 per employee. That same George Washington University program reported that the health care cost for employees with alcohol problems was two times higher than normal. Untreated substance abusing employees cost their employer \$640 annually and problem drinkers spend four times as many days in the hospital. These are clear statistical evidence that investment in the human part of racing also can pay big dividends to your bottom line in stable and productive workers.

Currently the horse racing industry is confronting a trend of a shrinking labor market. This may seem like a silly statement when our unemployment rate has just topped six percent here in the United States, but the last time we had this kind of economy in the early 1980s the unemployment rate went above 10 percent. So comparatively there is less of a labor pool available, and what is even more important is that there is less of a skilled labor pool. You know this and you are addressing that from within the industry already. The HBPA Groom Elite Program is exactly that and the North American Racing Academy at the Kentucky Community and Technical College System is also specifically addressing the need for the skilled workforce. So a shrinking labor pool and the need for skilled labor make it even more imperative to maintain a stable and a loyal workforce.

In a time like this anything that can negatively impact the workplace must be addressed by more than just firing someone. Studies indicate that the problem is widespread and may be higher in an industry like horse racing that has a higher degree of dangerous work. These statistics came from the U.S. Substance Abuse and Mental Health Services Administration, 79 percent of the nation's 16 million illicit drug years are currently employed either full or part time. More than 52 million binge drinkers are employed, as are almost 13 million heavy drinkers. Alcohol use and impairment in the workplace affects an estimated 15 percent of the U.S. workforce. SAMSA also adds that seven percent of the entire American workforce is estimated to have drunk alcohol at least once during the workday. It cites industries with the highest rates of alcohol and drug use among workers as the same as those at a high risk for occupational accidents and injuries. The National Institute on Drug Abuse noted that substance abusers are absent from work three weeks more per year than the average worker. At one company drug abusers filed twice the number of worker's compensation claims than the average disability claim and that average claim cost was \$12,600. Each drug abuser uses 2.5 times more in medical benefits than non-drug-abusing employees. According to the U.S. National Institute on Drug Abuse, for every dollar invested in treatment there is a four dollar return to tax payers in reduced crime and criminal justice.

On the airplane out here I was reading the Louisville Courier-Journal from Monday and there is an article about United Parcel Service and its success. Their spokesperson, Mike Mangio, was quoted, "a stable workforce is a better workforce, they are safer and make fewer mistakes. In addition, constantly hiring and training new workers was not cost effective."

So we're seeing that the real benefits to having a stable workforce, a productive workforce shows up directly at the bottom line. The Winners Federation hopes to serve as a resource and a reference point and a partner to help encourage this to happen at racetracks throughout North America.

Very quickly, some products that we have available; the first is a directory of counseling and addiction services. All of these materials are located near the registration area and you are welcome to take some with you. There is a list of all substance abuse, mental health and chaplain counselors at the racetracks in North America that can be used as a reference directory. We have a professional conference that is going to take place in conjunction with the HBPA summer meeting next June, near Charles Town, West Virginia, we have a flyer on that and you are welcome to submit programs for the session. We have just reinstated a new newsletter, the Winners Forum, I encourage you to take a copy of that. We will be releasing in April a Racetrack Manager's Guide Book Concerning Addictive Behaviors. We also have — the authors of that guidebook, Curt Barrett and Don Clippinger authored a book a few years ago called, "Winners: The Story of Drug Abuse Programs in the Horse Racing Industry," and we have some of these available and I've provided each of our panel members with a copy of that as well.

We are moving forward as best we can to bring these expertise to you and we hope to also be able to do that through customized training programs. We've

spoken with the Safety and Integrity Alliance about the human side component and being able to present training programs and awareness programs that will be part of the eventual long-term development of that program. The Winners Federation will be seeking support in actions from those in the horse racing industry who grasp the importance of healthy workers for healthy horses and knowing that maintaining a healthy, happy and non-impaired workforce as a sound business decision.

I believe these actions will contribute to an improved product, an exciting sport that will enchant the public as a sport, not primarily as a gambling activity. Gambling always will be part of horse racing in North America but the pageantry, elegance, grace, beauty and excitement of the event can attract fans far beyond the bettors.

Professional sports today are expected to model acceptable societal norms. Baseball now has bans on steroids and amphetamines. Football has cracked down on off-field behavior. Basketball has a dress code. Golf has newfound honor because of its self-governing ethic of honest play. The newly formed Safety and Integrity Alliance is an acknowledgment of this need to address accepted societal norms in the horse racing industry. A vital element in maintaining a healthy, happy and non-impaired workforce that will help improve the product. A stable, skilled workforce will be reflected in a positive bottom line. I see this as also building an army of sales and promotional representatives in the sport. Your employees can be an important marketing tool for each of you. There are tens of thousands of employees in the greater horse racing workforce and collectively they can be that sales force.

I went to that funny equation at the bottom, one plus one equals four, I heard that 20 years ago in Appleton, Wisconsin, by the mayor, Dorothy Johnson who explained to me that if you take a timber of Douglas Fir that is six inches in diameter and eight feet long it will support 4,000 pounds in weight. And then she asked a collective audience if you had two of those logs, how much would that weigh? Two logs, six inches in diameter, eight feet long and they support almost 16,000 pounds in weight and that is the principal of synergy, the physics principle of synergy, and that is also the same principle in human dynamics that if we work together, if we build our sales force and we focus on the end goal that you can achieve more than you can by yourself.

To leave you with a message I now ask for just 60 seconds of your time to just listen to somebody else that we will show on the screen.

**(A videotape was played)**

**MR. ESTOK:** Thanks, Mike. Our next speaker is going to carry on this sort of sub-theme of human beings and their involvement in our sport. Eimear Dolan is from the School of Health and Human Performance at Dublin City University. Please welcome Eimear.

**(Applause)**

**MS. EIMEAR DOLAN:** Hello. I am currently working on a research project in DCU looking at the effects of weight restrictions on the health and performance of the racing jockey. What I want to do here today is just give a brief overview of the research which is going on at home at the moment and also a number of initiatives that have been set up at home in an attempt to aid jockeys to make the necessary weights in as safe and healthy a way as possible.

As you all know, making weight and handicapping our horses with different weights is an integral part of horse racing, always has been, always will be. There is still an attempt to even up the playing field so to speak. Jockeys basically need to align their own body weight with the weight that is allocated to their designated mate, this can fairly dramatically change from day to day and also from race to race and can sometimes be at a weight which is fairly well below their own natural body weight. Strict and potentially dangerous weight loss strategies can sometimes be rendered necessary then in this population in an attempt to make the designated weights. The methods used at the moment also appear to be based more on tradition than on scientific principles and potentially can have fairly serious performance-impairing side effects. The current methods of rapid weight loss which we are currently seeing used by racing jockeys include severely restricted fluid and calorie intake, dehydrating mechanisms such as saunas and sweat suits, other methods such as vomiting or flipping and diuretics.

As I said, these methods of rapid weight loss have fairly serious performance side effects. What is making things a little more difficult in jockeys is the fact that as a population we are getting bigger and bigger, size and stature, we're taller and heavier now than we were say 100 years ago which is reducing the potential pool of people with the natural characteristics to allow them to safely maintain their body weight within such strict limits. Looking at the records of the young jockeys which are entering into RACE — which is the Racing Academy and Center of Education for jockeys in Ireland — has shown in the last 30 years that the average weight of the aspiring young jockey has increased by 37 percent. In the same time period the average minimum weight for the flat has increased by just six percent. That is an awful amount of extra weight for a young jockey to have to lose.

Current practice in Ireland and worldwide prompted fairly grave concern among those in the racing authorities in Ireland and so they commissioned a study to look at the effects of weight restrictions on a number of physiological parameters in the racing jockey.

Basically, we got guys in and they underwent a range of assessments including a nutritional analysis by a seven-day food diary, blood screening, bone mineral density screening by DEXA scanning, hydration analysis on both racing and non-racing days, full musculoskeletal screen and an anthropometric assessment. The results of the study reveal some quite worrying trends. Basically, what we were seeing was quite low bone mineral density with 59 percent of the study's jockeys displaying Osteopenia in one or more of the total body, hip or spine DEXA scan. We're seeing quite poor hydration practices, particularly on a competitive race day. Very questionable nutritional habits and quite a high incidence of racing

related injury. Now, this is obviously expected to a certain degree. Horse racing by its very nature is an extremely dangerous sport, that's what makes it so exciting. Horses are big, strong, powerful animals capable of very high speeds and have a very definite mind of their own, so a certain amount of accidents are obviously bound to happen. However, the question that we had to ask is is the high incidence of racing related injury due solely to the high risk nature of the sport or are we also dealing with quite high risk individuals here as well? For example, dehydration has been shown scientifically to impair both physical and mental function. So if a jockey is riding while dehydrated, both physically and mentally his reaction times might not be what they would be otherwise. Also low bone mineral density is going to increase bone fragility and increase susceptibility to fracture. So we had to ask the question there that are these kind of an extra risk than they necessarily have to be?

Based on the results of this study the Turf Club at home decided that it wanted to look a little deeper into this and so they commissioned an extra full-time research project to go on. Basically what we did was look at the literature in general to see what are the challenges that typically face weight-restricted athletes and also looked at the results of the original study to see what are the key areas that we need to deal with.

Basically, the areas that we felt most appropriate, most needed further investigation were bone health and looking at the effects of a rapid reduction of body weight and physiologic and cognitive performance and energy balance. What I'm going to do now is just give a brief overview of the study aims and objectives for these different areas. With the time that we have I am only going to briefly touch on each of the areas but I would be more than happy answer any questions you have after.

The first major area of interest was bone health. The low BMD levels that we were seeing in jockeys prompted fairly grave concern because basically low BMD is shown to increase bone fragility and to increase susceptibility to fracture from an impact that may otherwise leave them unharmed. For example, if you have Jockey A who has completely normal bone mineral density and Jockey B with decreased bone mineral density or Osteopenia, they can both have the exact same fall, the exact same impact and Jockey A could get up, walk away and be ready to ride in the very next race. Jockey B could suffer a fracture which would mean that he's out for God knows how long. So given that accidents, fall and knocks are going to be part and parcel of the life of the racing jockey, the low BMD levels can have fairly serious implications for them.

So basically what we wanted to look at was those two major areas, two major questions to be answered, the first one is why are jockeys showing low bone mineral density in the first place? What is causing this? And the second one is basically what can be done about it? Through a range of different studies we come up with three possible predictors of low BMD in jockeys.

The first one is the size and stature of the population, body mass is a strong predictor of bones no matter who you are. The fact that jockeys are very small, light and lean is naturally going to predispose them to low BMD. However, we looked at jockeys in relation to a number of other athletes from a range of different sports, all of whom fell between minimum and maximum riding weights, and it showed that while the size of the population has a definite contribution to make it is not the be-all end-all. Basically, you can be small, light and have healthy bones all at the same time.

The next thing that we looked at was the loading of horse riding. Basically, your bones are going to adapt to cope with the typical loads that you place on them. The more stress you put on the body, the more the bones are going to adapt. Through a study that we did at home we have seen that horse riding doesn't really put a whole pile of stress on the bones. The gravitational forces aren't very strong on it so it's not going to provide much of an osteogenic stimulus, i.e., it's not going to really push the bones to develop much further.

And then what would seem to be the overriding factor is nutritional factors. We took food diaries and look at the diets of different jockeys and they really don't seem to be too conducive to the development of healthy, happy bones. Basically, we are seeing (a) not enough bone substrates like calcium and vitamin D in the diet which are the very building blocks of bones. And (b) the overall energy intake doesn't seem to be enough to preserve the usual anabolic state of the body and so catabolism or breakdown of body structures is going to happen.

The next question then that we have to ask is what you can you do about this? Where do you go next? We are currently looking at vibration therapy intervention at home which is aimed to increase BMD and also looking at a number of pharmacological interventions. However, my opinion on this really is that we really need to look at the underlying causes, the root causes of this and get in there and stop it there.

So basically what we are seeing from the different studies that are going on is lifestyle factors, particularly those related to diet and exercise, are causing the low bone density in jockeys, therefore that's where we need to try and get in and have impact on.

The next area then that we are looking at was the effects of a rapid reduction in body weight on physiological and cognitive function. Data from a whole range of sports has shown that rapidly reducing your body weight in an attempt to make weight for performance can seriously impair both health and performance. However, to the best of my knowledge nothing has been done specifically on jockeys, so you kind of have to ask the question that can you habituate to it if these guys are doing it all the time? Can they habituate and can they develop certain coping mechanisms to cope with this?

So in order to answer this we bring the guys in for baseline testing, both physical and mental function. We then send them away and ask them to reduce

their body weight by whatever weight they normally would for racing, so we leave that up to them. Then we bring them back and retest them on the exact same test to see pre and post, is there any difference going on there? So we are currently mid-way through data collection for the study and we're getting some quite interesting results back so far. But as I say, we're just mid-way through so we're working on it at the moment.

The final real area that we wanted to look at was energy balance. Basically, what we're looking at here is energy intake and expenditure and the physiological demands of racing. We believe this to be extremely important because if we want to put training and nutritional plans into place which are going to be any way effective they are going to have to be tailored to the specific demands of the sport. At the moment we're not quite sure what the specific demands of the sport are and so far the researchers need us to really give them an idea of what we're looking at here because basically if we don't fully understand the problem, we can't come up with an any way effective solution, so further research is going to be required.

We have done preliminary research on this, basically what we did was take a group of jockeys and look very simply at energy intake versus energy expenditure in a group of flat jockeys on a competitive race day. What we were seeing, basically, just as we were expecting, was extremely high levels of energy expenditure along with fairly low levels of caloric and nutritional intake which is resulting in fairly severe energy deficiencies on the day which is kind of what we were expecting. It just gives us an idea of what we're looking at.

Basically, just to wrap up, the study that we're doing so far, it would definitely appear that the weight-restricted lifestyle of the racing jockey does certainly seem to have a detrimental impact on physiological function, health and ultimately performance in racing jockeys. What makes this somewhat worse of course is the fact that horse racing is an extremely dangerous sport, as this guy here would tell you. Split second decisions and actions are going to have a huge impact on not only where the jockey finishes in the race but if he is actually going to finish that race at all. Jockeys need to be as physically and mentally on the ball as possible both in terms of their own safety, the safety of the other jockeys in the race and the safety of the horses that they are riding. Energy deficiencies and dehydration, they are very definitely not going to help with this.

So the next question then of course was, where do we go from here? What happens next? Basically, what we're seeing is if we want to help jockeys to make weight in as healthy a way as possible specialized education and support services need to be put in place to help them in this. And as stated before, if these are going to be anyway effective further research needs to be done; without understanding the problem we can't get a good solution.

There is a lot of debate going on about simply opening the weights a bit, and I do believe that the weights need to be increased somewhat to bring them more in line with what's appropriate for this day and age. There is always going to be the fear that if you quite simply up the weights you are then going to have bigger guys

coming in and doing the exact same thing as what is being done now. So basically a quick-fix solution is going to give short-term results. So we are looking at ways of maintaining weights as low possible, stay true to diet and exercise, no jockey is going to be able to maintain his weight all the time, to be at bottom weight all the time, but if we could try and put strategies in place that can reduce some of the extremes that we're seeing. For example, if a jockey can really control his weight to as low as possible all the time then if he has to drop a couple of pounds just before a race, that is not the end of the world. We are seeing extremes at the moment of a jockey going into a sauna or a sweat box a couple of hours before a race, sweating out every little bit of body water that is in him, coming out pure dizzy and lightheaded and getting up on a horse and going out to the track; those are the kind of extremes we need to try and cut out.

In an effort to kind of get the ball rolling on this a number of initiatives have been set up in Ireland, one of them being the Continuous Professional Development Courses. Basically, what this is is a one-day mandatory course for jockeys where we talk about nutrition, fitness and the importance of a balanced lifestyle for both health and performance. The day is designed to be as interactive as possible, we've kind of set up different food stands, spend a bit of time in the gym. We try to minimize the time that we're sitting in a classroom-type setting. We also try to give as many tips and hints that are going to be as simple and time efficient as possible. No jockey is going to go to a one-day course and completely change his life after but if these jockeys can come in and walk away with a couple of tips that might help them maintain their weight a little easier, well then, at least we're going in the right direction. After these courses each jockey also receives a one on one dietary consultation with a registered nutritionist who has been working with jockeys for years and is very aware of the challenges that they face.

Of course all the education in the world is not going to be enough unless there are support services and the environment is there to allow the jockeys to put this knowledge into practice, and so jockeys are going to need access to specialized support services, i.e., nutritionist, physical trainers, physio, etcetera. It's very important that the people who are working with the jockeys are well aware of the challenges that they face, there is no point having a nutritionist come in and saying that this is the ideal diet and this is what should be done because sometimes it is just not practical. There is always going to be a fairly big gap between theory and practice and it is not realistic to expect that we're going to throw all this theory at them and they are going to be able to do it properly because that is just going to impact on practice. What we would like to do is get us somewhere in the middle where you are getting the best bits of the theory without impairing practice at all. It's also very important that the racecourse facilities are adequate to meet demands. For example, low calorie, nutritious food options are there when the jockeys need them to deliver energy.

These are different things that we are kind of looking at in Ireland at the moment. We're very far from where we want to be but over the last couple years there were quite a number of changes that have gone on to try and improve

facilities and improve the support services that are there for jockeys. We're not there, but we're heading, we hope, in the right direction.

Basically, just to wrap up, what we're talking about here is perceptions of racing and how it might differ from reality. I think the public perception of the racing jockey is kind of colorful silks guiding his gallant mount home past the cheering crowd, it is very much just the tip of the iceberg and doesn't necessarily reflect the huge struggles and sacrifices that are going on underneath the surface. Making weights is always going to be part and parcel of the life of the racing jockey, it is always going to be in there, it is never going to be easy, there is no quick fix solution but there is a duty of care on the racing authorities to provide the support there to enable jockeys to make the necessary weights in as safe and healthy way as is physically possible.

I would just like to acknowledge a number of people without whom we couldn't do this work, the Turf Club at home provided both the initiative and the means to allow this project to take place. All the members of the research team involved. The jockeys who volunteered their time to take part in the study and of course the University of Arizona Race Track Industry Program for giving me the chance to come here today. If anyone has any questions I will do my best to answer them. Thank you.

**(Applause)**

**MR. ESTOK:** Thank you, Eimear.

So we've had two speakers who have talked about participants in our industry and concrete problems that we have a pretty good idea how we can solve. Now we are headed into the territory of people we don't really know but sure would like to know a lot better. We ask ourselves all the time, why don't they like us? Why don't they like racing as much I like racing? What can we do? Why do our marketing plans not work? Jonathan Chavez, cofounder and director of analytics for SocialSphere Strategies is going to give us some idea of what we're doing wrong and what we can do better. Jonathan?

**MR. JONATHAN CHAVEZ:** Just a bit of background, over the past half decade we at SocialSphere Strategies have conducted over 10,000 interviews with horse racing fans on behalf of both the NTRA, Breeders' Cup and other organizations within the industry, trying to understand the perceptions of the sport, of core fans and casual racing fans who only confront horse racing a couple of times a year throughout the course of the Triple Crown. To put this into context, it is sort of helpful to look back to boxing and the late 1970s and early 1980s. At that time, Gallup commissioned a poll that said that somewhere in the neighborhood of 65 percent of adults in the United States considered themselves boxing fans. Over the course of the last two decades that number has fallen to 15 percent, largely connected with balkanization of the sport, scandals, performance-enhancing drugs, Mike Tyson, fixing, all of those sort of things. There are huge, huge changes in public perception of boxing and as much as we don't want to think about that

possibility happening to horse racing it is a possibility out there given the current context of the environment with casual fans and certain core fans.

With core fans in recent years we have seen an extreme erosion in perceptions of the industry not connected to Eight Belles breakdown and those sorts of things, connected to other issues with the industry that fans have seen over recent years becoming more problematic, affecting their view of the industry and affecting their propensity to wager on racing.

Three large perceptions that we've seen particularly among core fans that are extremely important at driving the changes of these perceptions. Number one is perceptions of widespread cheating within the industry, from fixes of races with jockeys, integrity of the wagering systems and things like that. There has been a staggering decline in the last two or three years of the perceptions of widespread cheating in the industry.

Second is steroids, performance-enhancing drugs and overmedication of horses on race days. This is something that core fans feel are a large problem within the industry and we've seen a rise in the last couple of years.

Thirdly the thing that has underlined all of this is this quotient of integrity and the view of an overarching perception of whether or not the industry and participants in the industry have integrity in dealing with the human athletes, equine athletes, wagering integrity and their fans. In the last year alone we have seen the number of fans who view thoroughbred racing integrity drop fairly dramatically, we're talking 12- to 13-point drops. In one year this is considerable and is much different than we've seen over the past four or five years.

Now, this comes in the context of a sort of broader view that doesn't just look at core fans but looks at the casual fans who are only confronting thoroughbred racing one or two times a year around the Triple Crown season. In that context, we all know that the story of Eight Belles resonated with those casual fans and they were likely to see that happen. However, that is not the end of it with casual fans. Casual fans this year were bombarded with stories not just about Eight Belles, but stories about Big Brown's bounce in the Belmont. The perception of Big Brown being on steroids prior to the Belmont Stakes, being taken off steroids and his performance in the Belmont Stakes being viewed by casual fans as being directly tied to that change in his workout regimen had extreme impacts on the way that casual fans were viewing the industry and viewing the way in which they think about the perception as a whole. The industry had built up Big Brown as a potential savior for the sport, as a major star of the sport. We had known that steroids had been part of the training regimen. Being taken off — even though we all know that there were a ton of factors that went into the performance that ended up happening at the Belmont Stakes. Explaining that to casual fans who have a very small emotional attachment and not a sort of core rational attachment to horse racing, are only confronting it once a year and see that happen with the industry in the wake of Eight Belles dying on the track at the Kentucky Derby, had broad perceptions on the macro level view of the industry as not having the integrity of

both safety of the horses in terms of being able to prevent breakdowns and safety of the horses in terms of medicating them and trainers treating them in a way that is not necessarily going to harm the horses long term.

So with these public perceptions in place we've reached sort of a tipping point with thoroughbred racing. A lot of this is not connected necessarily to the reality of serious rigorous changes that have happened in the industry in the last few years that have hoped to curb some of these breakdowns, curb some of these health-related issues. We are at the point where regulation in this industry in some form in terms of health and safety of equine and human athletes will happen whether or not the industry wants it to happen or not. It can be something along the lines of the self-regulating Safety and Integrity Alliance that the NTRA has put together as a first step towards that actually happening. Legislatures across the country are also considering changes in their laws to further regulate the industry. So the idea within the industry that regulation may not be happening and the current status quo will be able to sort of remain the state of affairs simply is not going to work in the next few years coming forward.

So understanding that context and understanding that the reality that this integrity issue within the sport and perceptions among both core and casual fans of both safety, medication, steroids and breakdowns will have a great impact on the way the industry has to move forward viewing regulation and viewing self policing. It is not that far off. When you go to YouTube right now and just type in horse racing the entire top page is videos with hundreds of thousands, a couple of them breaking one million views, of all breakdowns of thoroughbreds on track. You don't get that message out there of Secretariat's win in the Belmont, the 1973 Belmont; those are not the things that people are necessarily seeing. The emotional attachment to the very powerful image of a magnificent animal breaking down resonates with fans and it is having a large perception on the way that people are viewing the industry.

As was brought up earlier to just sort of hammer home the point of where this can lead, following the breakdown of Eight Belles in the Kentucky Derby, Gallup put out a poll about whether or not to ban horse racing and greyhound racing, put them together, somewhere in the neighborhood of half the respondents said yes, there should be an outright ban of thoroughbred racing and greyhound racing.

Now, we found in our research that fans are able to sort of separate the two and have different perceptions of greyhound racing to thoroughbred racing, have a more negative view of greyhound racing and the integrity of greyhound racing than thoroughbred racing. However, as was earlier mentioned, voters in Massachusetts this November did pass an outright ban of greyhound racing in the state. So to think that the industry is not sort of at a tipping point with some of these issues of integrity is a little bit of putting our heads in the sand, and we do have to realize that there are certain issues facing safety within the industry that the industry is trying to adapt to, but communicating that to casual fans and core fans is an important part of moving forward, in changing the perception and realizing that

matching the reality with matching the way in which it is messaged is something important in the near-term future for thoroughbred racing.

**(Applause)**

**MR. ESTOK:** Thanks, Jonathan. To drive some of those points home even further we have Marsha Kelly; she is president of Kelly Media Consulting. You may have seen her, every time I've seen the fur industry being defended on CNN it seems to be Marsha doing the defending, same with the greyhound racing industry a lot of times. Marsha?

**MS. MARSHA KELLY:** Thanks, Paul. As he mentioned, for 10 years, between 1989 and 1999 I represented domestic fur producers and worked with international fur industry officials on fighting the animal rights challenge against the fur industry. So I've been working on animal issues since 1989, and during that time having gone toe to toe in public debates and televised debates with a lot of the animal rights leadership I've learned a lot about where these people are coming from and how they have become such a challenge to all animal enterprises. So I feel very good about the opportunity to share some of that information with that in the hopes that we collectively recognize a course of action that we need to follow going forward.

As Jonathan mentioned, and I found his remarks really interesting and I would love to see, to the extent that you have data on greyhound racing fan attitudes, I would love to see that. It is very clear that there is generally what could mildly be described as a crisis of credibility in both horse and greyhound racing. Having worked with greyhound racing and not directly with the horse racing industry, I must tell you that my perception of greyhound racing and the leadership of the industry is that they have been in many ways very progressive in trying to address animal welfare issues and in trying to be responsible in ensuring both internally and externally an understanding of the correct practices and a need for a commitment to responsible animal care. Oftentimes I found, and this was really true when I was working for the fur industry, many other animal groups, pork producers, beef producers, egg producers, the zoo people, the circus people, the rodeo people, when the fur industry was on the pan — the fur industry really was one of the first direct targets of the animal rights moment starting in the earlier '80s after the formation of PETA — when the fur industry was on the hot seat, all those other industries stood back and said, Hey, that's you guys, you got a big problem, you got a disease and we don't want to catch it so we aren't going to get anywhere close to you. I remember going to a conference in Washington, D.C. where the animal rights movement was having a big rally and all the agriculture community was going to get together and formulate sort of a collective response to the animal rights rally but the fur industry and all the fur industry representatives, even though they were mostly fur farmers that were represented, the producer side of the industry, the fur industry had to go into a separate room because the pork producers and the beef producers didn't want to be associated with the fur industry. Well, of course now PETA has gone after the pork producers, the beef producers and the egg producers and stockyards out in California have been burnt to the

ground and egg producing facilities have been burnt to the ground so we're all in the same boat. So let's have an understanding right now that we are all facing the same adversary, that is one of the important messages that I think that we need to recognize. We may in our little internal discussions hold some illusion that somehow we're better or smarter or further ahead of any other animal industry but the fact of the matter is we're all in the same boat when it comes to the animal rights movement. We are all facing the same challenge and they know how to take us on and they take us on using the same methods, so there are some lessons to be learned looking at how other groups have dealt with this issue.

I want to talk a little bit about the distinction between animal rights and animal welfare because I think that is one of the most important things to understand. When you look at the Massachusetts initiative that just passed, the banning of greyhound racing in the State of Massachusetts, one of the things that is immediately clear is that the ban was passed because of the efforts of a coalition of animal rights groups with other non-animal organizations that have an interest in the gambling issue. So you've got animal rights extremists building alliances with groups like the National Coalition Against Legalized Gambling, Reverend Tom Grey's group; when you get that kind coalition building what you really have is a very dangerous situation, politics makes strange bedfellows sometimes. So you have one extreme group building alliances with another extreme group, they have totally different agendas in most respects but they share a common agenda in terms of the abolition of pari-mutuel gambling that utilizes animals. When you look at the animal rights movement what you have to realize initially, and this is something that is hard to come to terms with sometimes, the animal rights movement is not about animal welfare. Animal rights and animal welfare are philosophically opposed views. The animal rights perspective says animals are not ours to eat, wear or experiment on; we have no reason, no right to interfere with the lives of animals in any context. Animals should be free according to Ingrid Newkirk, to pursue their natural lives in the wild. Wayne Pacelle, who is now the president of the Humane Society of the United States has said, We have no problem with the extinction of domestic animals, one generation and out, they are creations of human selective breeding. So the animal rights value system is not about animal welfare, it is about making sure that animals live lives unimpeded or un-interfered with by humans.

Tom Regan, who is a philosophy professor at North Carolina State University who is considered to be one of the gurus of the animal rights movement, one of the most avid and articulate advocates for the animal rights position has said, It is not about larger, cleaner cages, it is about empty cages. It is not about making animal agriculture or any other animal enterprise more human, it is about getting rid of those activities all together. So that is the perspective from which the animal rights movement comes. Whether you are talking about organizations like PETA or HSUS Or GREY2KUSA, they all have that same perspective which is, we need ultimately to get rid of these activities altogether.

For some industries it's a little more difficult for them to sell that bill of goods. For example, even though they oppose the consumption of beef and do a lot to promote vegetarian diets, they have a very difficult time convincing the public

that they shouldn't have hamburgers, they shouldn't eat steak; that's a tough sell, we are a carnivorous culture. If you look at restaurant trends as I do — I'm kind of a food junky so I'm always reading the magazines about food — steaks and steakhouses have been off-the-charts popular in the last few years. So that is a tough message, they're not selling that message successfully to the public.

So they go after the low hanging fruit, and what is the low hanging fruit? Small industries with small fan bases under economic stress, we are the low hanging fruit. Because of all the other issues that are facing horse and dog racing we're under economic stress, we're relatively small industries with relatively small fan bases, we don't impact hundreds of millions of people like the beef industry does. We impact a relatively small fan base so we are the low hanging fruit, that makes us very appealing targets to the animal rights movement.

As they look at industries to target, as they pick their targets, and they pick them very carefully, they also look at industries where there are vulnerabilities in terms of animal welfare practices. So you have animal rights extremists hiding their agenda, disguising their agenda behind the smoke screen of animal welfare. In that respect we become our own worst enemy because every mistake that a member of our industry makes, whether it is an accident on the track that results in an Eight Belles incident or whether it's the greyhound breeder who took a bunch of dogs from the track and shot them and buried them in a backwoods location 15 years ago that we're still getting bad press on, we are our own worst enemy many times. So what the animal rights movement does is seize on these isolated examples of irresponsible behavior, bad animal care, failure to abide by the law, and they expand on and embroider on those examples until that is what is perceived as the rule rather than the exception.

In fact, I think if you look at most of these animal rights campaigns you find that they really are based on what I call the three Es. Number one is exceptions, not the rule. In other words they pick out the exceptions of bad behavior, the incidents that are really glaring and they promote those incidents even though the rule may be in the industry a much better record. Because the exceptions are generally pretty newsworthy when they occur, the media looks for bad news because good news is no news, when those incidents happen they get media coverage and they get a lot of public attention and that makes it really easy for the animal rights movement to exploit them. So number one is they exploit the exceptions to the rule of responsible animal care.

Number two is they exploit emotion and not fact. One picture of dead greyhounds being tossed into the backend of a pickup truck, one picture of a horse falling on a track and having to be euthanized immediately, those pictures are worth a thousand words and they invoke very strong emotions in the public. So when they have these opportunities they look for the maximum emotional impact, that's why very often undercover video is one of the tools that they have used most successfully to attack the animal industries. It certainly suggests that we ought to be pretty careful in our hiring practices because a good many medical research labs, a good many stockyards, a good many meat processing facilities have hired

someone who appeared to be very interested in their business only to find out that that person carried around an undercover camera and videotaped all of the worst possible things that could be happening in that facility. In some cases those have been staged, but in some cases they have not been staged.

We all know that not all employees in any animal enterprise are going to understand the importance of proper animal care. We all know that shortcuts happen, that people, particularly if they don't have immediate supervision, sometimes make mistakes. So those incidents are exploited. So you have that emotional video, those pictures that are worth 1,000 words.

And then of course you have, as I say, this extremism that drives these campaigns and the fact that these are extreme people who have an extreme agenda — basically what they want to do is change the relationship between people and animals — because that agenda is so extreme they are not afraid to use extreme measures, that's why you have buildings being burned down. That's why you have, for example, biomedical researchers being harassed and fire-bombed in their homes by animal rights groups. That's why you have fur farms where animal rights activists come on the farm and release all the animals which are then trampled, of course, they are small animals and they don't know how to function outside the nest box. So extreme values drive extreme tactics and that's what this movement is about, extreme tactics.

So the result of that, of course, is economic pressure, social pressure, political pressure. The animal rights movement in the last few years has resorted a lot more to political pressure. It used to be that they looked to social pressure. For example, in their campaign against the fur trade the emphasis was on intimidating fur wearers and making it a social stigma to wear fur. You couldn't go to the opera wearing your fur coat because some protestor would be standing there threatening to spray paint on you and making you generally feel humiliated. So that was sort of their initial strategy but they found that that doesn't really work over the long term because at a certain point the average person says, I'm sick and tired of not being able to do what I want to do because of these animal rights crazies. I'm going to wear my coat and if they don't like it, to heck with them. So that didn't have long-term effectiveness for the animal rights movement.

So they've moved now into the political arena. In many legislatures the pari-mutuel industry has a strong constituency. Most tracks, both on the greyhound side and on the horse racing side, have done a pretty good job of building relationships with key legislators, key committee leadership so that if there are hostile pieces of legislation working through the legislative process we've been pretty good at killing those pieces of legislation. Where we get into trouble, and it's going to be an increasing problem, is in states that have initiative and referendum because in those states it's so easy for animal rights groups to organize getting a ballot question on the ballot. Once you go from the legislative arena into that initiative and referendum arena, you're really fighting in the media relations battleground. It becomes not a legislative campaign where you have to convince 10 or 15 legislators, it becomes a media campaign where you have to sell your

message to two or three million voters. So that becomes a much more difficult environment for us and that has been the trend. This year there was something like 23 animal rights ballot initiatives across the country and the vast majority of them were successful. If you want a good outline of that go to the HSUS Web site, HSUS.org, that will show you every animal rights initiative in the country. Of course in the vast majority of those the HSUS played a key role.

Now, one of the things that I mentioned that animal rights groups use is the smoke screen of animal welfare, they exploit incidents of bad care. One of the things that it's important to recognize about that is that, number one, it makes it a lot more incumbent on us to clean up our own houses internally. Jonathan mentioned self-government, self-regulation, self-policing, the perception of lack of credibility means that we need to take the initiative in doing better. That is one of the most important messages that I want to share today, the importance of being more proactive in terms of self-regulation and trying to really focus on what we can do. Obviously, when you are in a time of economic stress your first question when you look at some of these ideas and some of these proposals that might come forward, your first question is, can we afford to do it? When your industry is under economic stress it's difficult sometimes to convince yourself that you can afford to do it. The question that we need to be asking is, can we afford not to do it? We have such a problem in terms of public perception and credibility that if we don't do it we're going to wind up being completely out of control. Once we lose control over what happens to our industry, all bets are off. We really cannot afford not to take action in increasing our self-regulation, improving our industry education. I bet you if I went across this room and talked to greyhound track operators, horse racing track operators, horse breeders, you all know who the bad players are. You all know who the people are who get you into trouble. We need to be more aggressive in regulating ourselves and to making sure that we communicate the importance within our own industries of everybody playing by the rules and everybody doing the best possible job, otherwise we're very vulnerable.

I think that it's also important that we recognize that we are too small to face this battle alone. As I said, the animal rights movement has been busy building coalitions, we have to do the same thing. We should be reaching out, horse and dog track operations need to be reaching out to the agriculture community, to the hunting and fishing community, to the biomedical research community, to the zoos and to the circus. Now, 10 years ago those people may not have had much time for you. The biomedical research community considers itself to be very holy because they save lives, but even the biomedical research community has recognized the importance of working together with other animal enterprises so that we can have a collective response to this issue. So reach out to these groups, build alliances, don't try to fight this alone, particularly when you are looking at statewide initiatives or even local initiatives like the one they just had here in the Tucson area. That initiative passed, it was an initiative that imposed some pretty rigorous regulations on the Tucson dog track, not on any other track, just on the Tucson track. That kind of local regulation is a really bad precedent. I don't think any of us in this room want to think about being regulated county by county in terms of the way we manage animals at our facilities, that's a pretty scary

precedent and that's what has happened this year in Tucson. We have to start building some alliances to make sure that when they come after us we have other people that will speak up for us.

I think looking at these areas where we can make a difference, doing what we can to improve track safety — I know that's an ongoing challenge for the greyhound industry and I'm sure it is for the horse industry as well — figuring out what we can do to minimize injuries, also looking at what happens to racing horses and greyhounds after they retire. The greyhound industry has done a terrific job in the adoption area, more than 90 percent of the dogs that are registered are going into adoption programs or being returned to the farm when they retire and we're pretty confident that we're going to hit 100 percent of all the dogs that are available for adoption being actually placed in adoptive homes within the next very few years. I think horse racing is making some real important and positive strides in the direction of that kind of a program, I think that is a benefit and I think that is something that we have to do.

I think that staff training is another key point. It's really important for the commitment to animal welfare to be articulated from the top down and for every single staff person that works in your facility, from the highest management person right down to the person who is cleaning out stables, they all have to understand that responsible animal care is a top priority and they have to understand that if they violate the rules, there are going to be penalties. We have to take responsibility for making sure that every person in our facility understands that we want to do the right thing with the animals. Public Relations 101, do the right thing and then you can tell people about it. When you're doing the wrong thing, everybody else is only too happy to tell people about it.

I think being more accountable and more accessible is an important part of this message to the extent that you feel the local media support you, that's great, you probably have people within your local media community that will visit your facility and that will print good news. However, many of us live in environments where the media are not very friendly, in fact sometimes they're down right hostile. If you can make yourself more accessible, if you can make your facilities more accessible so that people can learn more about how the animals are treated in your facility, that's an important step as well.

When we make mistakes — and sometimes there are just mistakes that happen despite our best effort — when we make mistakes it's important to acknowledge them and not to try to hide them from the public. We don't need to necessarily take full-page ads and advertise that but we need to be open about them and we need to be very emphatic about saying this was something that shouldn't have happened under our policies and procedures and that we're going to take additional steps to make sure that nothing like this ever happens again. Recognize your mistakes, acknowledge them and move on. As Bill Clinton would probably tell you, it isn't the mistake, it's the cover-up. When you make the mistake, deal with it and move on and try to move on in a constructive way. It's important to recognize that if you do that, if you make a good faith effort to be

more accessible, more transparent and deal with some of your issues internally, that does impact the general public because one of the things that I learned working for the fur trade is that the general public does not expect perfection of animal industries. They just want to know that you're doing the best you can, that you're making a good faith effort and that you're really truly committed. They also want to know that you are enough committed to animal welfare so that even if it costs you a few dollars, you're going to make the commitment to the animals first. We all recognize that we're all in business to make money and there are certain things that you just can't do because they aren't economically feasible, but it's surprising sometimes how many things you can do to improve the situation without incurring a huge additional expense. We had a situation just recently where some dogs died because excessive heat in the back of a vehicle when they were being transported from one point to another point and when the owner of those dogs was interviewed on television, the reporter said, How do you feel about what happened?

He said, Well, it cost me a lot of money.

Well it did, that's true but the reporter's immediate follow up question was, Don't you care about the dogs?

So we need to be very clear about the fact that we place a high priority on animal welfare and even though it costs us money sometimes, we're going to make an effort to do the right thing. We cannot expect people to accept our ethical commitment if we only talk in terms of economics. I just read "Team of Rivals," the great book by, Doris Kearns Goodwin, about the Lincoln presidency and one of the things Lincoln had to come to terms with was even though the south kept telling him that economically they could not afford to give up slavery, the moral position was, whether or not your economy depends on it is irrelevant, it's wrong, it's morally wrong and we must fix it, and that was basically the conflict that led to the Civil War.

Economics and ethics are in many ways at loggerheads and our job is to, at the greatest extent possible given the fact that we're in business to make money, to the greatest extent possible to reduce that tension between ethics and economics and to do the best that we can with the resources we have to protect the animals that are in our care and to accept our responsibility for what happens to them, recognizing that it isn't only the right thing, it's the smart thing. As Jonathan said, it's all about perception of credibility and perception of integrity.

So again, the key question, can we afford to do it? The question is, can we afford not to do it? So that's kind of the thought that I would like to leave with you today.

**(Applause)**

**MR. ESTOK:** At this point we're going to open it up to questions. I hope that some of you have questions, pretty thought-provoking ideas. If you have a question if you could move to the microphone so they can get it on tape, and identify yourself.

**MR. WILLIAM KOESTER:** My name is William Koester and I'm with the Ohio State Racing Commission.

Just a couple comments, I certainly enjoyed everything everyone said. We are an easy target. I have a dear friend that doesn't like horse racing and he tells me, You know, what do you want to be involved with this for? You mean to tell me every time you have to race a horse you have to stick a needle in him?

That's what we have become. I was one of the people that when I wanted to see history, I went to see Big Brown try to win the Triple Crown. That day, I still have the Belmont Program, the entire program — it was the best racing in the world that day — they ran the Epsom Derby that day over in England, but the Belmont program, I think there were three Grade Ones, two Grade Twos and a Grade Three, in that program, every horse with the exception of Fred Seitz's horse Guadalcanal in the Belmont Stakes and Casino Drive, the Japanese horse that was scratched, every horse ran on Lasix. First-time starters, first-time Lasix and you are talking the finest racing in the world and every horse has to run on Lasix. That's something that we have to deal with. Over in Europe, the young lady from Ireland, they do not have to do it over there but we do it over here.

Then there is one other thing, and I hope they don't throw me out of here for saying this, but there is a big elephant in the room and no one wants to talk about it and we're going to have to deal with and that is the subject of horse slaughter. Believe me, if they are going to take us down that is going to be one of the ways they are going to take us down.

That's all I have to say, thank you.

**MR. ESTOK:** Thanks. Marsha, maybe you can talk about the horse slaughter issue and what we're facing there.

**MS. KELLY:** That's a really tough issue because the animal rights movement has made it an issue without letting the industry talk about what the options are. In the greyhound industry it has been a long-term policy to try to find adoptive homes for retired greyhounds, obviously there are a lot of issues that make it a lot tougher to do that with horses than with dogs.

One of the problems that I think led to the successful passage of the horse slaughter bill in California is the fact that many other animal groups did not step up and weigh in on that issue. Even, for example, the beef industry was silent when that issue came up because they didn't want to be perceived as advocating the slaughter of horses. So this is another one of those examples where I think it's really important for the horse industry to get engaged with other sectors of the agriculture community and say, Look, we need to stand together on this issue.

I think the other important issue is to find alternatives, the reality is that we know that there is a market for horse meat overseas. There is very little sympathy

for that in the United States. The obvious alternative is to find better options, to find better ways of helping horses transition from the racetrack to other environments. There are horse therapy programs that are springing up all over the place where they take retired racehorses and they use them to provide therapy for kids. Unfortunately, I think the trend is that the horse slaughter issue isn't going to go away and with the Congress having changed in terms of its composition, I have a lot of concerns about all kinds of animal rights legislation and all kinds of new policies through USDA and other federal agencies that are going to make it more difficult for animal enterprises to function.

So I don't think the situation is going to get any better, I guess my advice to you is, number one, put some real time and energy into looking at alternatives and other ways to transition horses into different situations. Number two, reach out to other commodity groups so that if these bans, if they start talking about making this ban valid at the federal level you need to be able to mobilize the entire agriculture community, and they will stand with you but you have to make those connections, you have to reach out.

**MR. JOHN SABINI:** John Sabini, New York State Racing and Wagering Board chair.

Mr. Chavez mentioned that boxing sort of took heat by a thousand different reasons and I wanted to hear the panel's comments on a couple of reasons that weren't spoken, one was horse slaughter, and I'm glad it was brought up. The other is, as was said earlier, visual is some of the most damning news you can give to people and that is the backstretch conditions. We've had hidden cameras go into the backstretch and see what most people would say were not very human living conditions, rampant wage per hour violations, and I think that that again sets another tone that the industry is really one that maybe people aren't as comfortable with that the polling shows. So I was wondering what people thought of those two, I heard one and would like to hear about backstretch conditions for humans.

**MR. ESTOK:** What do you think, Jonathan?

**MR. CHAVEZ:** I think that you're absolutely right. First off, on the slaughter issue, it's not going away. In terms of public perception of the issue it is a fairly new rising issue in terms of discussion of it, in terms of it kind of rising up as one of the major issues for the industry to confront.

And backstretch conditions, and even broader than backstretch conditions, just the conditions of the human athlete in thoroughbred racing as an issue for the industry to deal with is something that the public has still not really deeply looked into. It is out there and it is something that needs to be confronted by the industry.

There is so much that can be said for saying that some of these things are exceptions and not the norm but the industry speaking up with sort of a full-

throated voice saying we recognize that these are the exceptions but certain aspects of these exceptions simply are not acceptable and we as an industry have to be the ones that are going forward and taking the first steps and putting action behind it and not just words.

One of the important ideas behind the NTRA Safety and Integrity Alliance is tying it directly to handle and certification, saying that we are going to certify certain tracks and if you don't meet certain things we are going to tell bettors that we as an industry are not certifying the practices that are going on at this track and we as an industry are not going to fully recommend you spend your wagering dollars there. So the industry taking on issues from that point of view, saying that these things that you guys are pointing out, there are reasonable solutions that we have to try and find a way of working through them. We as an industry have to be the ones doing it on our own, not through force of federal legislation, this is the most important sort of critical step that can be taken.

**MS. KELLY:** Just to add to that, this idea of self-regulation is so, so important. When I was working with the fur industry the fur industry had developed a certification program for all fur breeders and the certification program involved some very rigorous standards that were then verified by an independent veterinarian who was hired to go in and evaluate the farm and certify compliance with the standards. So we had an incident where a farmer in the hills of West Virginia had used some kind of plant herbicide to kill mink, which is so beyond the scope of the rules that it is not even funny, I mean, it is really a horrific way for an animal to die, basically by poisoning. So this was a violation of state law and so the attorney general's office contacted our organization as the certifying organization and said, Was this gentleman certified, was he part of your program?

We said no, he wasn't certified, he wasn't part of our program, this is what our standards called for, and we were able to head off a criminal prosecution because the industry had solid rules in place and he had not adhered to the industry standards. The state prosecutor, the guy was a really old guy and he was kind of clueless and doing things the way they had done them for 75 years, so they kind of let it slide because the industry had a strong program in place and he just hadn't been plugged into the program.

In another situation down in the State of Missouri we were working with a group of pet breeders and they had developed a similar kind of certification program, a very tight regulatory program, the state was going to establish standards for pet breeders, we were able to go in with our standards and they adopted our standards in total as part of the state requirements.

So by getting our standards in place, which were standards that were developed by the industry with veterinary input, we were able to head off more draconian standards that certainly would have taken place if there hadn't been a prototype. So that self-regulation is just really critical.

**MR. ESTOK:** Yeah, Mike?

**MR. STONE:** The Winners Federation is exactly addressing the issue of the backstretch worker and our point, and I hope that you pick up some of our material that shows you who our board of directors are and the people — they are from the horse racing and thoroughbred community and want to assist in establishing those better practices to help raise those issues so that those standards of the backstretch and we are reaching out to be partners to do that.

**MR. ESTOK:** Another question?

**A VOICE:** Not a question so much but a response to the gentleman over here from the Ohio Racing Commission that has a problem with Lasix. Thoroughbred horses — it's not fair to take the physical properties of a horse and compare them to that of the physical properties of a human being. A horse has a propensity to bleed. By comparison, I am going to share with you that my sister races barrel racing horses, they run for 17 seconds and they all bleed. This is the propensity and the nature of the horse to do that. So it is just a comment only because I have been in states where they have taken away Lasix and the results of that are horrific to the trainers and the owners that try to race these horses.

On the other hand, I also want to say that I'm licensed in half a dozen states, I race, I train horses at a very high level of racing and I want to tell you that these breakdowns that are occurring, most of them can be prevented if we just incorporated science and technology to overcome them. I watched Curlin train all winter last year, I watched Eight Belles train all winter last year and there is just opportunity here to prevent some of these situations from taking place but what has to change is the inability of the trainers and the owners to accept the fact that sometimes we're just going to have to say no to racing these horses. Sometimes we're just going to have to take a look at technology and implement that, if that means x-raying every single horse digitally before we race these horses in televised Grade One type races then so be it. It is a small price to be paid for having the end result of this terrible reputation we're getting in this industry for breaking down horses. Much of it is preventable, much of it is based on greed and stupidity, and I would challenge the whole industry to take a hard look at it and actually do something about it instead of talk about what we're going to do or spin it in such a way that we're dealing with the situation after it occurs. Thank you.

**MR. ESTOK:** I have a question for Mike and Eimear; has funding for looking at human health issues, dealing with human health issues gotten any easier, have Jerry Bailey and other sort of high profile figures coming forward and talking about it — certainly in society it is more common to talk about it — is it getting easier to deal with those issues at all?

**MR. STONE:** My immediate answer is no. There is still a lack of funds available and they're not knocking down any doors. We are trying to build a reason and a number of programs that will be helpful that we hope will be useful for people to fund that we can demonstrate the need for those programs. But right now there is not a wealth of money available for that.

**MS. DOLAN:** At the moment at home there really aren't any major issues about funding mainly because the Turf Club is totally behind what we're doing so they are really driving a lot of things. But then it is also a lot easier in Ireland because a lot of racing — there is one county in particular where the vast majority of stables and jockeys are based — when you're in Ireland there is no journey longer than four or five hours away, so it's a lot easier to kind of bring the jockeys together. So it is not a huge issue at home but it is a lot easier to implement at home because we're talking about a lot smaller stage for us. I can see how in America it is probably an awful lot harder because you're talking about very widespread.

**MR. ESTOK:** Jonathan, one last question and then if we don't have any other questions — we do, go ahead.

**A VOICE:** Talking about self-regulation, I am the chairman of Massachusetts State Racing Commission.

Suffolk Downs Thoroughbred track recently issued a no-slaughter rule and that is in effect. They actually purchased two horses that they believed trainers were going to send to slaughter and they have dis-invited those two trainers. They also work very well with the Eighth Pole, which is a member of the Winners Federation, on dealing with backstretch. Plainridge track, which is a harness track, has issued a no-whipping rule and they may institute it in all races next year to self-regulate themselves to deal with the issues of what's occurring in society and how people look at racing.

**MR. ESTOK:** Jonathan, the perception is easily swayed one way, how tough is it going to be to sway it back? Replaying Secretariat's Belmont over and over on a Saturday afternoon isn't going to get it done I'm pretty sure.

**MR. CHAVEZ:** I mean, it will be difficult but it's not an impossible task. Self regulation and recognition that there are serious deep issues that need to be confronted within the industry will be a major sort of first step moving forward. In the last — it's changed since the Breeders' Cup, before the Breeders' Cup in the last 10 nationally televised thoroughbred racing days, five of them included on track breakdowns that were televised nationally. And so we are sort of in a recent sort of cycle of viewing where there has been this sort of bombardment of some of the problems with the industry being placed front and center, whether it be breakdowns, whether it be steroids with what happened with Big Brown at the Belmont this year. We are sort of looking at the face of the sort of full brunt of the crisis. I do think that self-regulation and making serious strides to changing some of the ways that this industry is dealing with some of the issues of breakdowns, of health of human athletes, of coming up and talking about Massachusetts, Suffolk did, coming up with solutions for issues like horse slaughter, saying that we're not going to look at this as what are the economics behind the problem, we're going to look at this from the standpoint of what is the way that we can get a solution done. Changing that mindset will be very important and we're not at the point that boxing is at yet. We're not at the point where the public opinion has come against horse

racetracking to the point where it is irreconcilable to think that it is rebounding and being more successful in the near future. Maintaining the status quo and recognizing that changes in perceptions in the industry, animal welfare and animal rights within the public are not playing important roles in the way people are viewing this industry would be problematic.

**MR. ESTOK:** Well, boxing seems to have ceded the field to mixed martial arts, I hope that we're not headed in that sort of direction. On that note, I hope that you will join me in thanking our panel, Jonathan Chavez, Martha Kelly, Eimear Dolan and Mike. Thank you.



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