

THIRTY-FOURTH ANNUAL ROUND TABLE CONFERENCE

on

MATTERS PERTAINING TO RACING



THE NATIONAL MUSEUM OF RACING

SARATOGA SPRINGS, NEW YORK

Sunday, August 10, 1986

**The Jockey Club
380 Madison Avenue
New York, N.Y. 10017**

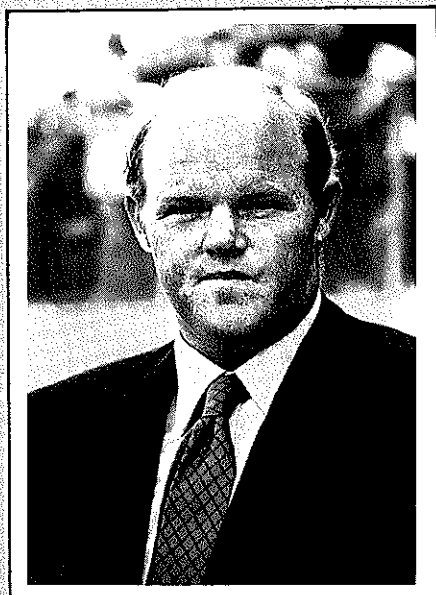
COPYRIGHT © 1986 THE JOCKEY CLUB



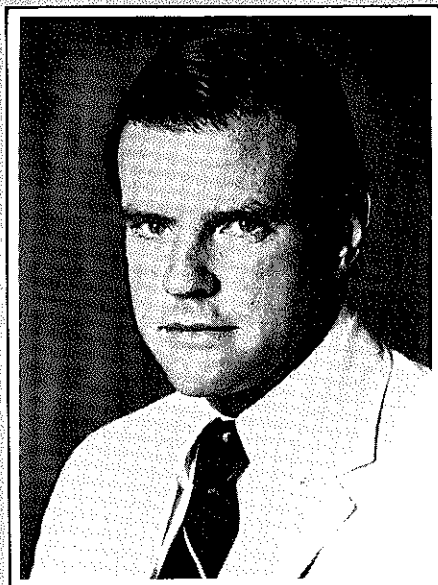
GENERAL VIEW—Audience at the 34th Annual Round Table On Matters Pertaining To Racing.

Prepared by
News Service Bureau
of
The Jockey Club
380 Madison Avenue
New York, N.Y. 10017
(212) 599-1919

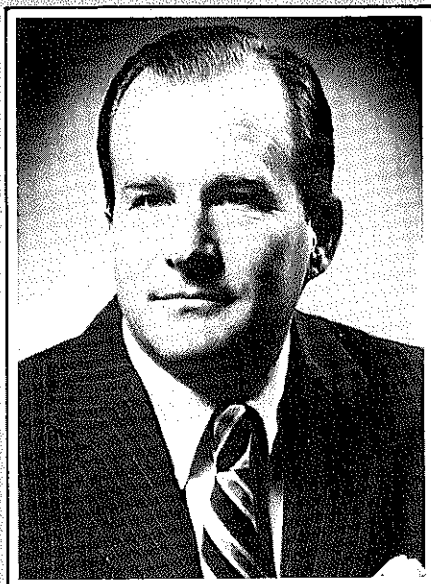
OFFICERS OF THE JOCKEY CLUB



Ogden Mills Phipps, Chairman



William S. Farish, Vice Chairman



James C. Brady, Secretary-Treasurer

THIRTY-FOURTH ANNUAL ROUND TABLE CONFERENCE
ON MATTERS PERTAINING TO RACING

HELD BY

The Jockey Club

The National Museum of Racing
Saratoga Springs, New York

10:00 a.m.
August 10, 1986

Welcome to Participants and Guests Ogden Mills Phipps
Chairman, The Jockey Club

Activities of The Jockey Club in 1986 William S. Farish
Vice Chairman, The Jockey Club

A Study of Attitudes Toward Thoroughbred Racing in America
R.H. Bruskin Associates

Presentation of Study Richard H. Bruskin
Chairman R.H. Bruskin Associates

INTERMISSION

Panel Discussion of Study Allan R. Dragone
Trustee, New York Racing Association
Moderator

Alan Balch
*Former Senior Vice President,
Marketing
Santa Anita Park*

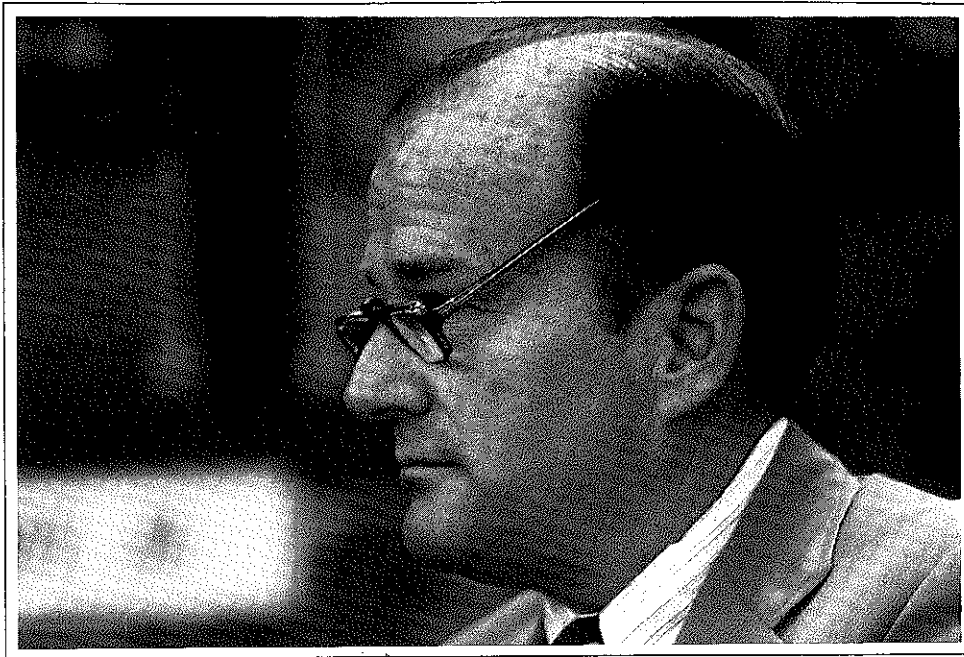
Dennis Swanson
*President
ABC Sports*

Richard H. Bruskin.
*Chairman
R.H. Bruskin Associates*

OPEN DISCUSSION IS ENCOURAGED DURING THE PANEL

Closing Remarks Ogden Mills Phipps
John Hettinger, *Program Chairman*

**THIRTY-FOURTH ANNUAL ROUND TABLE CONFERENCE
ON MATTERS PERTAINING TO RACING
HELD BY THE JOCKEY CLUB
AT
THE NATIONAL MUSEUM OF RACING
SARATOGA SPRINGS
NEW YORK
SUNDAY, AUGUST 10, 1986**



JAMES C. BRADY, JR.—Secretary-Treasurer, The Jockey Club.

IN ATTENDANCE:

Stephen Abramson
President, National Association of State Racing Commissioners

Gary Amundson
Consultant, Race Track Industry Program, University of Arizona

Thomas L. Aronson
Director, American Horse Council

Dr. Taylor Asbury
Owner/Breeder

Col. Charles Baker
Chairman, The Ontario Jockey Club; Director, Thoroughbred Racing Association; Member, The Jockey Club; Owner/Breeder

Alan F. Balch
Consultant, Panelist

Thomas M. Bancroft, Jr.
Member, The Jockey Club; Chairman, New York Racing Association; Director, Thoroughbred Racing Association; Owner/Breeder

Ketman Barber
Executive Vice-President Florida Thoroughbred Breeders Association

James E. Bassett, III
Chairman, Keeneland Association; Trustee, National Museum of Racing; Member, The Jockey Club; Director, Thoroughbred Racing Association

Howard Battle
Racing Secretary, Keeneland Association

W. B. Rogers Beasley
Director of Sales, Keeneland Association

Kenneth Beh
Director of Public Relations, New York State Racing & Wagering Board

John A. Bell, III
Steward, The Jockey Club; Owner/Breeder

Mrs. John A. Bell, III
Owner/Breeder

August Belmont
Member, The Jockey Club; Owner/Breeder

Mrs. August Belmont
Owner/Breeder

Stanley Bergstein
President, Harness Tracks of America

Paul Berube
Vice President, Thoroughbred Racing & Protective Bureau

James H. Binger
Member, The Jockey Club; Chairman, Calder Race Course; Director, Thoroughbred Racing Association; Owner/Breeder

Edward Bishop
Registrar, The Jockey Club

Ellen Bongard
Owner/Breeder

Edward S. Bonnie
Member, The Jockey Club

James C. Brady, Jr.
Secretary-Treasurer, The Jockey Club; Owner/Breeder

Mrs. James C. Brady, Jr.
Owner/Breeder

Baird C. Brittingham
Member, The Jockey Club; Owner/Breeder

Austin A. Brown
President, Birmingham Turf Club

Richard H. Bruskin
Chairman, R. H. Bruskin Associates; Speaker/Panelist

Mrs. Richard H. Bruskin

John T. Bryans, Ph.D.
Professor of Veterinary Science, University of Kentucky

Daniel J. Burke
President, New York Thoroughbred Breeders

Timothy T. Capps
Editor, Thoroughbred Record

Bartley Cardon
Dean, College of Agriculture, University of Arizona

Norman Casse
President, Ocala Breeders Sales Company; Owner/Breeder

Charles J. Cella
Member, The Jockey Club; President, Oakland Park; Director, Thoroughbred Racing Association; Owner/Breeder

Anthony R. Chamblin
Consultant, Finger Lakes Racing Association

Mrs. Alice H. Chandler
President, Kentucky Thoroughbred Owners & Breeders Association

Helen B. Chenery
Member, The Jockey Club; Member, Thoroughbred Owners & Breeders Association; Executive Committee, American Horse Council; Owner/Breeder

George Cheston
Member, The Jockey Club; Owner/Breeder

Mrs. George Cheston
Owner/Breeder

Melville Church, III
Owner/Breeder

Robert Clay
Owner/Breeder

Herman Cohen
President, Pimlico Race Track; Director, Thoroughbred Racing Association

Charles Colgan
Executive Secretary, National Steeplechase & Hunt Association

Brownell Combs, II
Member, Executive Committee, American Horse Council; Vice President, Breeders' Cup; Chairman, Kentucky State Racing Commission; Owner/Breeder

Leslie Combs, II
Member, The Jockey Club; Vice President, Keeneland Association; Trustee, National Museum of Racing; Owner/Breeder

William R. Corbellini
Executive Director, New York Thoroughbred Breeders, Inc.

Richard F. Corbesiero, Jr.
Chairman, New York State Racing & Wagering Board

Mark Costello
Vice President, New York Racing Association

Dr. Dominick J. DeLuke
Owner/Breeder

Allan R. Dragone
Trustee, New York Racing Association; Conference Moderator

Richard Duchossois
Owner, Arlington Park; Owner/Breeder

Francis P. Dunne
Retired Racing Steward, New York State Racing & Wagering Board

Mrs. Richard C. duPont
Member, The Jockey Club; Owner/Breeder

Ray Eliot
Chairman, Minnesota Racing Commission

Thomas Mellon Evans
Member, The Jockey Club; Trustee, National Museum of Racing; Owner/Breeder

Laura Farish
Owner/Breeder

William S. Farish
Vice Chairman, The Jockey Club; Trustee, American Horse Council; Owner/Breeder; Speaker

Mrs. William S. Farish
Owner/Breeder

J. B. Faulconer
Executive Vice President, Thoroughbred Racing Associations

Salvatore Ferrara
Racing Steward, New York State Racing & Wagering Board

W. Brooks Fields, Jr.
President, Canterbury Downs

John M. S. Finney
President, Fasig-Tipton; Trustee, National Museum of Racing

Bertram R. Firestone
Owner/Breeder

Mrs. Bertram R. Firestone
Owner/Breeder

Thomas J. FitzGerald
Retired President, New York Racing Association

James W. Fitzsimmons
Attorney

F. William Free
Owner/Breeder

George Frostad
Member, The Jockey Club; Chairman, The Jockey Club of Canada; Owner/Breeder

John R. Gaines
Trustee; National Museum of Racing; Owner/Breeder

Edward H. Gerry
Member, The Jockey Club; Owner/Breeder

Mrs. Edward H. Gerry
Member, The Jockey Club; Owner/Breeder

Manuel A. Gilman, D.V.M.
Director, The Jockey Club

M. Tyson Gilpin
Member, The Jockey Club; Owner/Breeder

Joseph A. Gimma
Retired Commissioner, New York Racing Commission; Trustee, National Museum of Racing; Attorney

John Giovanni
Manager, The Jockeys' Guild

John K. Goodman
Member, The Jockey Club; Chairman, Arizona Racing Commission; Owner/Breeder

Mrs. John K. Goodman
Owner/Breeder

Gordon Grayson
Member, The Jockey Club; Owner/Breeder

Mrs. Gordon Grayson
Owner/Breeder

William C. Greeley
President, and General Manager, Keeneland Association

Fred Grossman
Editor, Daily Racing Form

Leonard C. Hale
Senior Vice President, New York Racing Association

Richard Hanson
Steward, The Jockey Club

F. William Harder
Trustee, National Museum of Racing; Owner/Breeder

Mrs. F. William Harder
Owner/Breeder

Russ Harris
Turfwriter, New York Daily News

James P. Heffernan
President & General Manager, AmTote Systems Division, General Instrument Corporation

Kim Herbert
The Blood-Horse

John Hettinger
Steward, The Jockey Club; Trustee, New York Racing Association; Owner/Breeder

Dr. James Hill
Owner/Breeder

Mrs. James Hill
Owner/Breeder

Joe Hirsch
Columnist, Daily Racing Form

Kent Hollingsworth
Editor, The Blood-Horse; Trustee, National Museum of Racing; Owner/Breeder

Fred W. Hooper
Member, The Jockey Club; Trustee, National Museum of Racing; Owner/Breeder

Mrs. Fred W. Hooper
Owner/Breeder

G. Watts Humphrey, Jr.
Steward, The Jockey Club; Owner/Breeder

John W. Jacobs
Owner/Breeder

Walter W. Jeffords, Jr.
Member, The Jockey Club; Vice President, National Museum of Racing; Owner/Breeder

Mrs. Walter W. Jeffords, Jr.
Owner/Breeder

Nick Jemas
Managing Director, Jockeys' Guild

Russell B. Jones, Jr.
Trustee-Treasurer, Thoroughbred Owners & Breeders Association

Joseph F. Joyce, Jr.
Chairman & President, Arlington Park

Marshall W. Jenney
President, Pennsylvania Horse Breeders' Association; Owner/Breeder

Sam Kanchuger
Director of News Service Bureau, The Jockey Club

John L. Keenan
Vice President, New York Racing Association

John Keitt
Attorney, Rogers & Wells

Robert F. Kelley, Jr.
Alternate Steward, New York Racing Association

William Killingsworth
Killingsworth Associates, Inc.

Frank E. Kilroe
Member, The Jockey Club; Vice President, Santa Anita Park; Trustee, National Museum of Racing

Robert Kirkham
Owner/Breeder

Mrs. Robert Kirkham
Owner/Breeder

Don Krause
Secretary-Treasurer, Thoroughbred Racing & Protective Bureau

Lawrence J. LaBelle
Judge, Saratoga Springs

Charles J. Lang
Executive Vice President & General Manager, Pimlico

A. G. Lanvin, D.V.M.
Owner/Breeder

Martin L. Lieberman
Senior Vice President, New York Racing Association

Mrs. Jane duPont Lunger
Owner/Breeder

Horatio Luro
Trainer; Owner/Breeder

Patrick W. Lynch
Writer

William C. MacMillen, Jr.
President, New York Division Horsemen's Benevolent Protective Association; Owner/Breeder

Robert R. Mahaney
Attorney

John Mangona
Resident Manager, Saratoga Race Track

Elaine E. Mann
Director, National Museum of Racing

John DeWitt Marsh
President, Virginia Thoroughbred Association; Owner/Breeder

Alan Marzelli
Chief Financial Officer, The Jockey Club

Henry T. McCabe
President, New York City OTB Corporation

Jon J. McClosky
Executive Director, Legislative Task Force on Racing

James McCulley
Staff, New York Turf Writers Association

Wilhelmina McEwan
Trainer; Owner/Breeder

Edward J. McGrath
Owner/Breeder

Donald M. McKellar
Member, The Jockey Club; Owner/Breeder

Gerard J. McKeon
President, New York Racing Association

Richard McLaughlin
Racing Steward, The Jockey Club

Thomas M. Meeker
President, Churchill Downs

MacKenzie T. Miller
Trainer

Paul Moran
Turfwriter, Newsday

James B. Moseley
Member, The Jockey Club; Trustee, National Museum of Racing; Member, Massachusetts State Racing Commission; Owner/Breeder

Mrs. James B. Moseley
Owner/Breeder

Barney Nagler
Columnist, Daily Racing Form

Joseph P. Neglia
Commissioner, New York State Racing & Wagering Board

John A. Nerud
President, Tartan Farms; Trainer; Owner/Breeder

Patrick O'Brien
Owner/Breeder

Walter F. O'Connell
Member, The Jockey Club; Owner/Breeder

Dr. Francis A. O'Keefe
Owner/Breeder

Dr. DeWitt Owen, Jr.
American Association of Equine Practitioners

Dr. Joseph Palamountain
President, Skidmore College

Stanley Panco
Executive Director, Thoroughbred Breeders of New Jersey

Mrs. Peter Perkins
Owner/Breeder

W. Haggin Perry
Member, The Jockey Club; Owner/Breeder

Mrs. W. Haggin Perry
Owner/Breeder

Stanley D. Petter, Jr.
Owner/Breeder

Cynthia Phipps
Owner/Breeder

Ogden Phipps
Member, The Jockey Club; Trustee, New York Racing Association; Trustee, National Museum of Racing; Owner/Breeder

Ogden Mills Phipps
Chairman, The Jockey Club; Trustee, New York Racing Association; Owner/Breeder

Mrs. Ogden Mills Phipps
Owner/Breeder

James Picou
Trainer

Joseph P. Pons, Jr.
Owner/Breeder

Mitchell C. Preger
Trainer; President, American Trainers Association

John C. Pricci
Turfwriter, Newsday

Virgil W. Raines
Trainer

Calvin S. Rainey
Retired Executive Director, The Jockey Club

Mrs. Calvin S. Rainey

Vincent Rameriz
Chief of Investigations, New York Racing Association

William O. Reed, D.V.M.
Owner/Breeder

Reuben F. Richards
Member, The Jockey Club; Owner/Breeder

Mrs. Reuben F. Richards
Owner/Breeder

Milton Ritzenberg
Owner/Breeder

R. Richards Rolapp
President, American Horse Council

William H. Rudy
Writer

Chris Scherf
Director, Service Bureau, Thoroughbred Racing Association

Kenneth Schiffer
Member, The Jockey Club; Owner/Breeder

Mrs. Kenneth Schiffer
Owner/Breeder

Paul Schosberg
Director, New York Thoroughbred Breeders

Warren D. Schweder
Executive Vice-President, National Association of State Racing Commissioners

Edward Seigenfeld
Vice President, New York Racing Association

Bayard Sharp
Steward, The Jockey Club; Owner/Breeder

Mrs. Bayard Sharp
Owner/Breeder

Richard J. Sheehan
Doctor of Veterinarian Medicine

Mark Simon
Editor, Thoroughbred Times

Harold E. Snowden
Manager, The Stallion Station

Harry D. Snyder
Commissioner, New York State Racing Commission

Viola Sommer
Owner/Breeder

Hans J. Stahl
Executive Director, The Jockey Club

George Strawbridge, Jr.
Member, The Jockey Club; Owner/Breeder

Dennis Swanson
President, ABC Sports, Panelist

Charles P. B. Taylor
Member, The Jockey Club; Owner/Breeder

Mickey Taylor
Owner/Breeder

Mrs. Mickey Taylor
Owner/Breeder

Shirley Taylor
President, Thoroughbred Owners & Breeders Association

Judith Thompson
Chairman, Birmingham Turf Club, Alabama

Colonel Cloyce Tippet
Owner/Breeder

Whitney Tower
President, National Museum of Racing

Thomas E. Trotter
Director of Racing, Arlington Park; Racing Secretary, Gulfstream Park

Daniel G. Van Clief, Jr.
Executive Director, Breeders' Cup

Alfred G. Vanderbilt
Member, The Jockey Club; Trustee, New York Racing Association; Trustee, National Museum of Racing; Owner/Breeder

Michael Veitch
Columnist, The Saratogian

S. E. Veitch
Trainer

Mrs. Joseph Walker, Jr.
Owner/Breeder

Thomas M. Waller
Owner/Breeder

Mrs. Thomas M. Waller
Owner/Breeder

Michael Watchmaker
Writer, Daily Racing Form

William H. Welch
Executive Administrator, New York Thoroughbred Breeding & Development Fund

David A. Werblin
Owner/Breeder

Henry D. White
Owner/Breeder

Thomas P. Whitney
Owner/Breeder

Wheelock Whitney
Member, The Jockey Club; Owner/Breeder

Clifford Wickman
President, Thoroughbred Racing & Protective Association

Richard Wilke
General Manager, Maryland Horse Breeders Association

William H. Williams
General Manager, Triangle Publications

Donald Wilmot
Member, The Jockey Club

Jacques D. Wimpfheimer
Secretary, Thoroughbred Owners & Breeders Association; Member, The Jockey Club; Owner/Breeder

Louis E. Wolfson
Owner/Breeder

Mrs. Louis E. Wolfson
Owner/Breeder

Frank Wright
Trainer

David Yunich
Trustee, New York Racing Association



WILLIAM S. FARISH—Vice Chairman, The Jockey Club.

Welcome To Participants And Guests

MR. PHIPPS: Good morning, ladies and gentlemen. Welcome to the Thirty-Fourth Annual Round Table Conference on Matters Pertaining to Racing. I take this opportunity to thank Whitney Tower and all of the members of the Board of Trustees of the National Museum of Racing for making this beautiful place available to us this morning.

Our first speaker is Will Farish, the Vice Chairman of The Jockey Club. Will will tell you of the Jockey Club's activities over the past year and what will be the new foal registration rules for 1987.

Activities of The Jockey Club in 1986

MR. FARISH: Thank you, Dinny. Good Morning.

This morning I would like to begin by briefly discussing the new streamlined registration system and the benefits to be derived from it.

At the Round Table Conference two years ago, I stated that horse identification and bloodline verification were of the utmost importance to The Jockey Club. With that in mind, we outlined a plan to provide the highest level of integrity to the *American Stud Book* through blood-typing and parentage verification of all foals and to provide the most comprehensive visual horse identification system to the industry, including a complete passport and night-eye photographs.

Last year in our Saratoga meeting, I reported on the progress we have made toward achieving these goals. Today, I am delighted to tell you that our efforts have paid off. With the valuable input received from the industry over the past two years, we have fine tuned the new system and are ready to implement the first part on January 1, 1987.

Before giving you an overview of the new rules, it is important to point out that this new method of registering Thoroughbreds will apply only to foals born in 1987 and thereafter. We will continue to register foals born in 1986 and prior based on the rules that are in effect today.

The new registration system provides for all foals to have their registration requirements completed within 12 months of their birth date, similar to the system in England and France that has worked very successfully.

The new process starts with a Live Foal Report which must be filed for every new foal within thirty days of its birth. This report is extremely simple to complete and includes only limited information on the new foal's

pedigree, sex, foaling location and the breeder. No identification is required at this time. Furthermore, most of the data on the form will be pre-printed by The Jockey Club based on information received on the Report of Mares Bred.

The pre-printed Live Foal Report forms will be forwarded to the breeders by The Jockey Club approximately nine months after the last covering date. Of course, to follow this procedure, it is important that all stallion owners submit their complete breeding reports to The Jockey Club by August 1st of each year.

We will initiate the second step within approximately four to seven months after we receive the Live Foal Report. At that time, we will forward a Blood-Typing Kit and a Registration/Blood-Typing Form to the breeder. Information received by The Jockey Club on the Live Foal Report will be pre-printed on the Registration/Blood-Typing Form to avoid duplication. Upon receipt of this material, it is important for the breeder to complete the Registration/Blood-Typing Form and draw the blood as soon as possible.

The new rules require that the blood must be sent to the laboratory and the completed Registration/Blood-Typing Form, including the fee and all other requirements mailed to the Registry Office within 45 days from the date material has left The Jockey Club. This is absolutely necessary to minimize bad blood samples.

The few steps I have outlined substantially represent the new system. We recognize the implementation of these improvements require a special effort on our part, but we are also convinced that with your help, the support from the industry as a whole, the goal can easily be achieved.

There are many benefits to be derived

from this system. To mention a few of the more important ones:

—Certificates of Foal Registration, for most foals, will be issued within nine to ten months of the day the foal was dropped and all foals would be registered after one year.

—Almost no Thoroughbred born in North America will be sold without the proper Certificate of Foal Registration.

—Every foal will have its blood type recorded which constitutes a permanent record of identification.

—The current "Foal Book" can be published each year.

—Lastly, the entire process of registration and blood-typing will be tremendously simplified as it will be accomplished in one step rather than in two.

This is one of the most interesting aspects of the system. Through combining the registration and blood-typing procedures into one step, we have streamlined the process and therefore we will be able to substantially reduce the combined fee as compared with today's individual fees. Today the combined fee of all services, I have mentioned, is approximately \$230.00. The new fee, for the entire process, will be \$160.00.

The new rules will be published several times in our "Racing Calendar," and other industry news media before they go into effect on January 1, 1987. The new rule books, containing both the current rules applying to

foals born in 1986 and prior, and the new rules for foals born in 1987 and thereafter, will be forwarded to all organizations in the industry and every breeder who has registered a foal during the past two years.

Our video tape, "Identifying, Registering and Blood-Typing Your Thoroughbred," which has been so well received, will be updated to conform with the new rules.

Briefly, in other areas, we have continued our work this year on the proposed mortgage registry and the comprehensive on-line information system. We expect to announce progress on both of these items in January.

The new Jockey Club Research Foundation completed funding its first successful project with Ohio State University in 1985. It is currently supporting research to develop a vaccine for Equine Viral Arteritis. The Foundation's capital campaign has raised well over a million dollars since last August.

In closing, it is important to note that The Jockey Club Foundation has helped over sixty needy individuals during the past year in ten different states. And it is in the process of developing plans to expand its program. We feel that The Jockey Club Foundation provides a safety net for those individuals who have fallen on hard times and served our industry at all levels. If you know of people who qualify and can be helped by The Jockey Club Foundation in this area, please do not hesitate to let us know.

Thank you.



RICHARD H. BRUSKIN—President, Bruskin Associates, Market Research.

MR. PHIPPS: As everybody in this room knows, the Thoroughbred industry is facing many problems today. Maybe I can highlight just a few:

—Integrity! Is racing honest? Are our racing officials trained, qualified and protecting our clients?

—Medication! Should major races be run with drugs? And why do unraced two year olds need to run for the first time with medication?

—Another problem. Racing is not growing across America. We are not attracting the patron! The Jockey Club decided to undertake a major study to scientifically identify and analyze just what the problems are along with their possible solutions. I talked with Jack Landry and Pete Rozelle. This led us to R. H. Bruskin Associates, a recognized leader in the field of market research.

Dick Bruskin, the Chairman of the Board of R. H. Bruskin Associates, started his career in marketing research while doing graduate work and teaching marketing and advertising at Rutgers University. He founded Bruskin Associates in 1958, and today is the head of a company that employs over a hundred research professionals. The Bruskin organization serves a broad range of diverse clients. His company does assignments for advertisers, broadcasters, government, to mention just a few.

For these clients, Bruskin Associates conducts various types of studies: concept evaluation, product testing, product improvement, pre and post advertising testing and market development studies. In the sports field, his organization has been involved in major studies for the NFL, soccer, the Olympics, tennis, golf, and, of course, now Thoroughbred racing.

Mr. Bruskin's ability to comprehend the scope of a problem, to define methods for its solution, and to develop the required research tools has resulted in his continuing close involvement with many of America's major corporations.

What you hear today I hope, will both shock and encourage you, and then stimulate you to action. Dick...

A Study of Attitudes Toward Thoroughbred Racing in America

MR. BRUSKIN: Thank you, Dinny. Good morning, ladies and gentlemen.

When Jack Landry, then with Philip Morris, first contacted me concerning the possibility of doing a marketing research study for the Jockey Club, my initial reaction was that his company was bringing out a new cigarette and wanted to measure its performance. Little did I know that Jack, who for many years solved many of the marketing problems at Philip Morris, was now devoting his time and energy to improving the performance of Thoroughbred horse racing in America. I'm sorry that Jack isn't with us today because his input and assistance were very instrumental in developing the project I'll be discussing with you this morning.

This study consisted of two different parts. Initially, we interviewed the consumer. Secondly, we interviewed the media. Both studies were developed to provide information on how the consumer feels about Thoroughbred horse racing today, and secondly, how much the media knows about it and how

they feel about it.

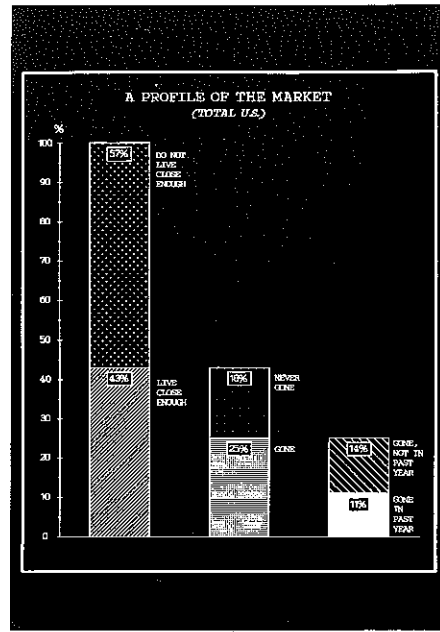
Let's examine the background, first of all, from the consumer phase. Our purpose was to determine the image, the interests and the attitudes of the American public toward Thoroughbred racing. At the same time, we investigated the improvement alternatives, things that might be done to make the sport even more attractive to its current and potential customers.

We did this by interviewing nearly one thousand adults, both men and women, from all sections of the country. The only qualification was that they had to, by their own definition, live close enough to a Thoroughbred racetrack to attend, if they really wanted to. A complete copy of all of the findings of what I am discussing this morning will be given to you at the conclusion of this presentation.

Now, I would like to examine some of the findings with you. First of all, as background, we discovered that 43 per cent of the population of this country live close enough, by their own definition, to a Thoroughbred racetrack

so that they could attend races, if they really wanted to. Of these people, almost 60 per cent have visited a Thoroughbred track at some time in the past and about 25 per cent within the past year.

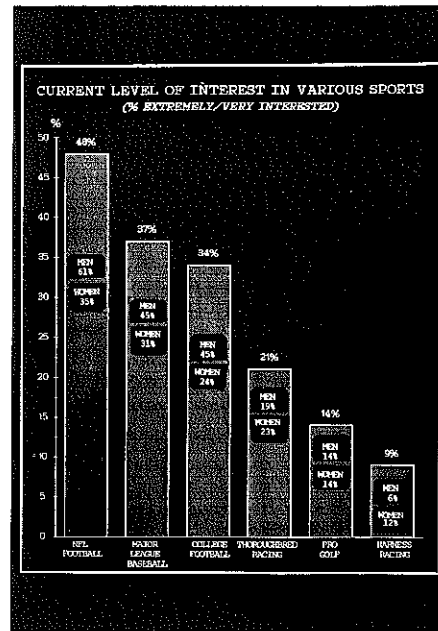
This is how the total U.S. population breaks down. (See Chart #1.) 57 per cent say they do not live close enough to a track to be able to go there; 43 per cent do. Of those who live close enough, 18 per cent have never gone, 25 per cent have gone. And as you can see from the last chart, only 11 per cent have gone in the last year. That's about one of every ten adults in this country.



#1

About one of every five adults say that they are now extremely or very interested in the sport of Thoroughbred racing (See Chart #2). I think this chart is quite interesting. What we have done here is to take a number of different sports. We have taken NFL football, Major League baseball, college football, Thoroughbred racing, professional golf, and harness racing. Here we attempted to find out how the population of our test area breaks down.

The figures up top of each bar indicate the percentage that expresses a high degree of interest in that particular sport. You can see NFL 48 per cent. That is the percentage of all people saying they are very or extremely interested in that sport. The breakdown, the figures you see within the bar, indicate the percentage of men and the percentage of



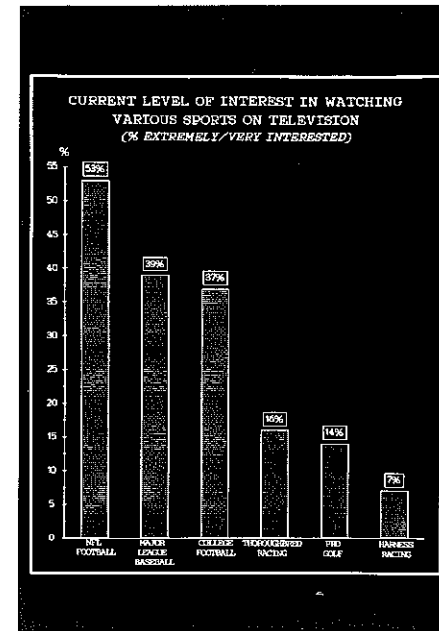
#2

women that express interest in that sport. As you will notice as you go down the line in almost all cases, that men express a higher degree of interest than women, until you get to Thoroughbred racing. Where you have somewhat higher figures for women. About 23 per cent of all women say that they are very or extremely interested, versus 19 per cent of the men. About a total of 21 percent expressing a high degree of interest in the sport.

About one in six adults report that they are extremely or very interested in watching Thoroughbred racing on television. Twenty nine per cent indicated desire for Thoroughbred racing to be presented on television more often.

Now here is a chart that basically shows the current level of interest in watching various sports on television. (See Chart #3.) Fifty three per cent of our total sample express that degree of interest for NFL football. Some 16 per cent express that degree of interest for Thoroughbred racing, more than for professional golf or for harness racing on television.

There seems to be little evidence that interest in Thoroughbred racing has declined. We are talking about *interest* at this point. In fact, the public appears to be somewhat more interested in the sport than they were a few years ago. Here you see the present degree of interest which we have already cited. Twenty-one per cent in this area express a high degree of interest in the sport. In this same



#3

sample, only 18 per cent said that they were that interested some five years ago. So there is an indication here that interest has not declined.

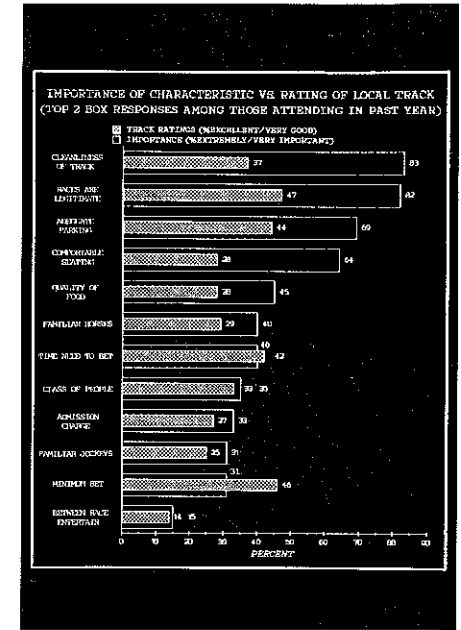
Obviously, we all know what has happened to attendance. (See Chart #4.) And that's what we are showing here. It appears that attendance, at least in terms of the number of people going, has declined considerably from the levels of four or five years ago. This is a breakdown of all of the people who have ever gone to a Thoroughbred horse race. You can see that of all of these people, 40 per cent say that they are going less often than they did some five years ago. Only 15 per cent say they are going more often today than they did five years ago. And the balance about the same. No change in their attendance habits.

Among those who have ever gone to the races, especially those who have gone during the past year, the wagering aspect, the excitement become strong incentives to visit a track. (See Chart #5.) Here in this chart, you are looking at people who have attended races within the past year. The line bar above, at the top of each of these items, represents people who are frequent racegoers. The figures below, people who are infrequent racegoers. We talked to them about their reasons for attending Thoroughbred races. You can see that the wagering aspect is extremely important to the heavy trackgoer. At the same time the entertainment aspect is far more

(NOTE: Charts 4, 5, 7, 8, 9 Not Shown.)

important for the person who attends infrequently. As far as the atmosphere and excitement, both of them at pretty high levels. So even amongst those people who say wagering is an important factor, there is an indication that the atmosphere and excitement of horse racing attracts them to the track.

The figure down at the bottom I think, is quite interesting. The family and friends aspect of all of this. We are going to see evidence of this as we go along. The person who attends the races once or twice a year is far more interested in attending with other family members or with friends than the so-



#6

called professional, who goes many, many times during the course of a year.

The fact that people enjoy going with others and the fact that they may not have others to go with, is a very, very important factor in increasing attendance.

Thoroughbred racing does not appear to meet the needs of the audience, with respect to the comfort of the people at the track, cleanliness, parking facilities, comfortable seating. All important in the eyes of the consumer, are apparently not being adequately provided by the racetracks of America. That the races be legitimate is another important concern of the public.

In this next chart, I know some of the figures are quite small. (See Chart #6.) Let me just review some of the highlights. I think you will notice here that many of the things

people are interested in, which would be the outside figure, the 83 per cent, the 82 per cent, and so on. These are the figures that people say are important to them. In other words, the cleanliness of the track, the fact that the races are legitimate, parking facilities, the comfortable seating. You can see these are very important factors to the racegoers of America. And still when they evaluate their own tracks, the places they have been going to, you can see how many of them actually give that track a good rating.

For example, cleanliness. Eighty-three per cent say, "it is very important to me that a track be clean." Only 37 per cent say that they feel the track they go to is clean. These are all people who have gone in the past year.

Eighty-two per cent say that they think it is important that the races be legitimate. But only 47 per cent of the people really feel that today, races are legitimate. And you can see how these various items differ as we go down through all of them.

It is apparent that there a lot of so-called investment opportunities today. And these are attracting a great deal of attention, some of which might have gone to Thoroughbred racing. We are all aware of the fact that state lotteries have popped up. We are aware of off-track betting. We are aware of all of those different options that people now have as investment opportunities.

For example, in this chart, you are looking at our total sample. Of all of the people within the area where racing is available, 54 per cent of all of these people say they have bought a state lottery ticket at some time. As you go across, you will notice that the more frequently a person attends Thoroughbred racing the more likely he is to participate in these activities: betting on sporting events with friends, playing in a card game for money, betting in a gambling casino, and so on. You can see all of the way through, that the people being attracted to the racetracks, and the people spending most of their time at the racetracks, the heavy racegoers, are far more likely to participate in these other activities.

What I would like to do now is summarize the results and tell you what we think all of this means.

For many years the publicity surrounding Thoroughbred racing's Triple Crown had been an important factor in stimulating interest in the sport and enticing people to the track for a pleasant afternoon of entertainment. This, plus the excitement of the actual

races and the challenge of betting, contributed to making racing attractive to the public. During the past few years, however, the competition for the people's wagering dollars and leisure time has become far more intense. State lotteries are now available in more than one-third of all states, and casino gambling is also more readily available.

As more and more leisure and wagering alternatives become available for people, it becomes increasingly important, in fact, it becomes necessary, to take an active role in attracting and satisfying consumers. Consider for example, that while interest in Thoroughbred racing remains strong, attendance at Thoroughbred racetracks has declined substantially over the past four or five years. Some people have gotten into the habit of attending Thoroughbred racing, and attend more now than in the past. Others have decreased their visits to the track.

It becomes important, therefore, to encourage repeat visits to the track, to keep people in the habit of attending the races. You have to remember, at this point, that of all of these people who have attended the races in the past year, Thoroughbred races, over half of them have attended only once or twice. It isn't habit. It is an occasional thing to do.

Encouraging these people to attend more often would also limit the notion that Thoroughbred racing is just something different to do. Only on an occasional basis. This perception clearly limits the number of visits some will make to the track and stands in the way of the future growth of Thoroughbred racing.

In today's world of coordinated group activities—chartered buses to casinos, the many singles tours and events that are held—it would appear that group attendance could play a pivotal role in the resurgence of Thoroughbred racing. By providing group discounts or special transportation, those people, who are not currently attending, because they do not have anyone to go with or do not have transportation, might be encouraged to attend.

Furthermore, attendance by family groups should be encouraged as well. The family is a key part in all or some of the weekend's activities. And rather than compete with the family for attention, it would seem prudent to encourage attendance by all adult members of the family. Keep in mind that women enjoy attending races, but express concern about attending alone.

The excitement and challenge of beating the odds are very much a part of enticement to attend the races. People, who have attended know the feeling. People who have never gone, do not. Thoroughbred racing needs to effectively communicate these feelings to its potential audience on an ongoing basis. It must also provide the means by which people would be encouraged to make an initial visit to the track and experience the excitement of racing for themselves. Those go to the track as the so-called gamblers, need no incentive. It is the other group, those people who go for the excitement of horse racing, the need to attract more of those people to the racetracks of America.

There is a definite lack of publicity and media exposure with regard to Thoroughbred racing. Because the public appears to rely very heavily on their daily newspapers and television for information. What the media reports and does not report strongly affects the public's perceptions regarding the sport. It is important, therefore, to ensure a continual flow of positive information about racing, since the media will undoubtedly be able to supply the negative publicity.

To the extent possible, the condition of the tracks in terms of cleanliness, comfortable seating and parking facilities should be upgraded. Understandably, most Thoroughbred racetracks have been around for a long time, and, therefore, do not have many of the modern facilities that other stadiums or parks have. But the competition for the entertainment dollar is fierce and consumers will go where their dollars are most appreciated.

Next, I would like to discuss the media phase of this study. Our intent here was to interview those people involved in sports coverage decisions. What to cover? What to say? And when to do it? Radio, television, and newspaper executives were all included in this study. In total, we spoke to sixty sports involved media people throughout America. Again, with lengthy interviews.

The media perceives the public's interest in Thoroughbred racing to be very low. In fact, they visualize it as being less than half of what is actually reported by the public. By contrast, the media appears to be severely overstating both the public's interest in, and attendance at other sporting events, such as football and baseball.

As you can see here (See Chart #8), when we asked the members of the press, the media, to indicate to us what percentage of people they felt were interested in various

sporting events. You can see what happens, in almost all cases, at least for the first three sports, they overstate the interest. This is the percentage of the people that they say are extremely or very interested in that particular sport.

Our study showed a much smaller percentage for NFL football, Major League baseball and college football. Obviously, all of them are major sports and important sports. But the media has the perception that there is an even greater level of interest for those sports than actually occurs out there in the marketplace. On the other hand, when it comes to Thoroughbred racing, the media feels that only about ten per cent of the people in this country are really interested in the sport of Thoroughbred racing. But our study indicates almost twice that number, 21 per cent express an interest in the sport of Thoroughbred horse racing. I think it becomes extremely important to inform the media, to provide information, which can demonstrate what exactly is going on out there.

It appears sports editors may also be letting their personal feelings about Thoroughbred racing impact upon the coverage they give it. Those interviewed were substantially less interested in Thoroughbred racing on a personal level than they are in their professional capacity.

What we are saying here is that when we asked each of the people involved in sports that we spoke to, to tell us about their own interests, from a professional standpoint and a personal standpoint, we discovered, as you will notice down at the bottom, that 13 per cent, only 13 per cent, said that they were not very interested in the sport or not at all interested in the sport from a professional standpoint. On the other hand, 35 per cent of these same people say that they have no personal interest in the sport. "It's a job." "We're doing it." "We're doing it because we have to." This appears to be what they are telling us.

The media claims that its coverage of Thoroughbred racing sporadically increases for a major race, a related major news event, and for a story with a local angle. They feel strongly that more televised races would result in greater media coverage, since television would tend to increase overall public awareness and public interest.

Here, you see, (See Chart #9) about 45 per cent of the media, when we asked them, what could be done to increase coverage, said more major races. The more major races, the

more reason the media has to cover racing in America. The local angle, many of these people worked for local television stations, local radio stations, local newspapers, etc., and 28 per cent of them said that the local angle was important to them. And significant and important events in racing, also became an important factor.

On a related subject, we discovered about 62 percent of all the people interviewed in the media said, if there were more races televised, obviously we would have more reason to tell the story. Because more people would be interested in racing, there would be more activity out there, and therefore we would have good reasons to go ahead and cover it to a greater extent.

Thoroughbred racing is really not assisting the media to the best of its ability. This is particularly true in terms of the time and effort required by the media in order to provide adequate coverage and the problems of obtaining interviews.

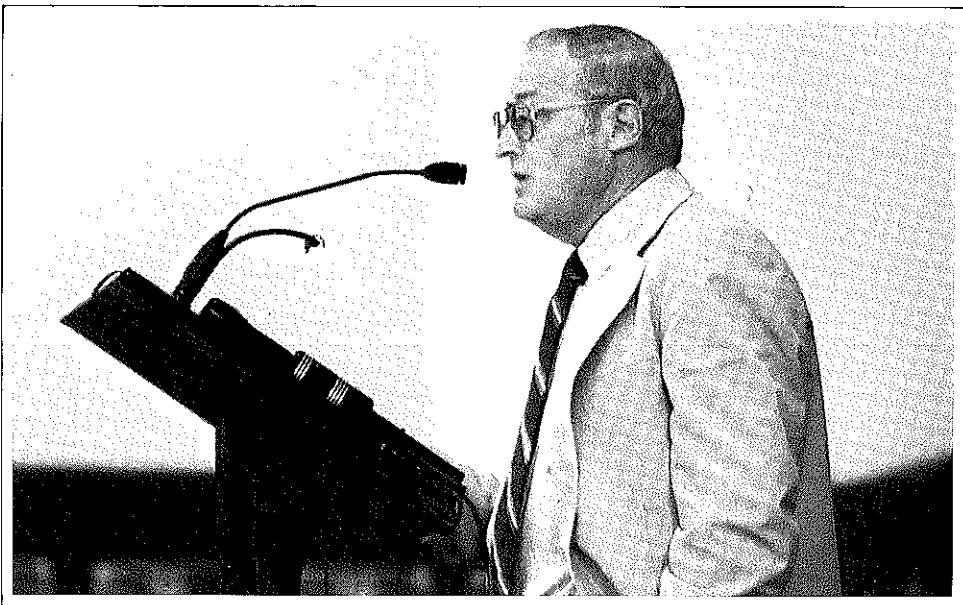
In this section, we tried to determine what the important factors were to the press, to television, newspaper sports editors. We discovered, for example, the quality of the inside information, the information released to them by the tracks of America, 58 per cent of them said that they thought that was extremely important, but only 38 per cent said they felt that the tracks were really doing this for

them at this time.

The amount of information that was available. Some 47 per cent said it was very important, but only 27 per cent felt that the amount of information being released, was sufficient for their needs. You can see all the way down that they just didn't feel enough information was being put into their hands.

In line with this, we investigated the whole concept of a central clearing house. Many of them, the people we had interviewed had mentioned this on their own, volunteered the need for more information and better information, coordinated information from a central source. The idea of a central clearing house for Thoroughbred racing information is received quite favorably by more than four out of five sports media interviewed. They feel that it could provide them with more information, faster and with less difficulty. More than one-third feel this would create increased media coverage.

The idea of a central clearing house. Forty per cent of all of the sports editors that we spoke to indicated that they were very favorable toward this concept. An additional 45 per cent were somewhat favorable. So you have approximately 85 per cent of all of the media representatives that we spoke to, who indicated a degree, a medium degree, of having a central source to release information to them.



ALLAN R. DRAGONE—Member, Board of Trustees, New York Racing Association; Panel Moderator at The Round Table Conference.

What I would like to do at this point is just review the media phase, just go over some of the basic findings with you, and tell you exactly what some of our conclusions are from these interviews.

Based upon this research, it appears the media is not fully aware of the popularity of Thoroughbred racing. Because it is perceived to have a very limited audience, it is given only very limited coverage.

What is needed at the outset, therefore, is to inform the media that there is more interest in Thoroughbred racing than they currently perceive. To accomplish this, lines of communication must be opened and utilized between Thoroughbred racing and media. Currently, information about Thoroughbred racing appears fragmented and difficult to obtain. This may be due in part to the regionalized structure of racing.

In any case, since the media finds it easier and more timely to obtain information about sports other than Thoroughbred racing, those sports will receive, to some degree, coverage that might possibly go to Thoroughbred racing.

The media does, in fact, recognize the coverage problems associated with Thoroughbred racing. That is why they strongly support the idea of a central clearing house for Thoroughbred racing information. One media source should not have to depend on another for information, as is currently happening in racing in many instances. What is needed is to make Thoroughbred racing more accessible to its audience through the media on a continuing, week-to-week basis. People must be able to relate to racing on a more frequent basis, just not during the Triple Crown, the Breeders' Cup or a major mishap or major scandal.

In conclusion, I would like to offer this thought. At present, Thoroughbred racing, in the United States, is at a standstill. A period of little or no growth. Our findings clearly demonstrate that many opportunities exist for the expansion and promotion of this sport. The opportunity is there. By applying the proper corrective action, I feel we can do much to get Thoroughbred racing back on track.

(Applause)

MR. PHIPPS: Thank you, Dick. . .

MR. PHIPPS: I hope there will be a lot of questions from the floor. Our panel will discuss Mr. Bruskin's remarks from their perspectives. As we have said, Jack Landry initiated and took the lead in this project, and as you know, with his recent operation, he could not participate today.

I asked Al Dragone to be moderator in Jack's absence. Al is member of the Board of Trustees of NYRA, and is past president of the Celanese Corporation. Al. . .

Panel Discussion of Study

MR. DRAGONE: Thank you, Dinny.

I spoke to Jack yesterday and he is doing just fine. He hopes to make an appearance at Saratoga before closing day.

I would like to outline the format that we will use this morning in our panel discussion. To start with, I will make a few remarks on the industry and then touch on what I feel are some of the major observations from Dick Bruskin's study. Next, each of the two speakers will give ten-minute presentations on how racing could increase media coverage and public interest in the sport. Of course, they will use some of the statistics from Dick's study as their launching pad. And lastly, after the two presentations, we will welcome questions from the floor.

Now, if I could, I would like to start off the panel discussion with a few comments. I be-

lieve racing in the United States is in a period of both positive and negative influences. On the one hand, we have decreasing track attendance nationwide, we have lotteries and casino gambling on the east coast, we have a proliferation of competition for the entertainment dollar, new sports franchises. Along with this increased competition for the entertainment dollar, we do not completely understand how to weld together simulcasting, tele-theaters, OTB in several states, phone-bets, cable TV. In other words, how do we proceed to marry the electronic technology that is available and continue to produce a product with long term fan approval.

Whether we accept it or not, all phases of the racing industry, be he breeder, owner, trainer, track management, state agency or state legislature, we are all partners with the

same long-term goal: the continuation and viability of our industry. Cooperative effort, from all of us, will be needed to ensure long term success.

On the positive side, I believe there is an introspection occurring in the industry. Certainly, an example of this, is our discussion today, which deals with an analysis by outside experts of our situation and our problems. This kind of study, along with change, will have positive results both short and long term.

There are two observations on the earlier presentation I would like to re-emphasize, and several observations of possible red flags which should cause us to think about changes in how we do business. First of all, no doubt, the most significant conclusion was the apparent discrepancy between how the media views the public interest in racing and in the fact, the true measurement of public interest.

Second, 85 per cent of sports editors and sports writers favor a central clearing house for Thoroughbred racing information. They think it would increase Thoroughbred racing coverage. This is an impressive statistic from a group that is not noted for uniform opinion.

Some of the other points brought out in the study. That advertising and promotional efforts have been relatively ineffective. Possibly, we should look at our advertising strategies. Next, the industry should get more television coverage as much as possible. There is certainly no surprise here. That simulcasting and Sunday racing are acceptable and sought by the racing fan. That family and group outings should be encouraged to come to the track. The difficulty of travelling to a track is the cause for some of the drop off in attendance. The corollary of that, of course, is the success of the OTB handle. Women are as much interested in racing as men.

The negative aspects of our industry are given equal weight by the media with the positives. I believe this just gives added weight to the need to close the gap on a continuing basis with the press. And lastly, the racing be considered legitimate was mentioned in 82 per cent of the respondents, of which 47 per cent thought that the racing they attended was certainly excellent in this regard. However, this leaves 35 per cent with yet some doubts. How do we remove these doubts?

If these observations are correct, doesn't it suggest a need to change or, at least, re-look at our marketing and advertising strategies. I would like to leave this thought with you.

Now, we have on the panel, two experts, Dennis Swanson and Alan Balch. They are somewhat similar. They are both aggressive. They have both caused positive change with their innovative thinking. And they have excellent results in their fields. Lately, both have had media attention. Dennis Swanson in "Sports Illustrated" and then Alan Balch in "The Blood-Horse" magazine. I would say the press graded each of them "A" or "A-" in these recent articles.

Dennis Swanson is the new president of ABC Sports. He brings a unique background to his job and to us today. He has a career spanning three decades in broadcasting where he served as network executive, station manager, an award-winning news director in Los Angeles, a sportscaster, writer and producer. He has, as I say, done it all, in broadcasting. He was educated as a journalist and holds a Master's degree in communications. Along with all this, his company has a long commitment to racing to which we are all very grateful. This year they televised all three legs of the Triple Crown. I believe Dennis Swanson can thoroughly comment and critique our industry and the Bruskin study. Dennis...

MR. SWANSON: Thanks Allan.

You walk in here and you look at those names down on those tables it is real impressive. I appreciate that you would have me here and talk to such a distinguished group. Actually, Alan Balch and I took a quick survey, and we decided that this was the poorest table in the room.

What I would like to do first is offer a couple of quick observations on the media part of the Bruskin study, and then discuss a little bit of what our philosophy is at ABC Sports and where we think things are currently.

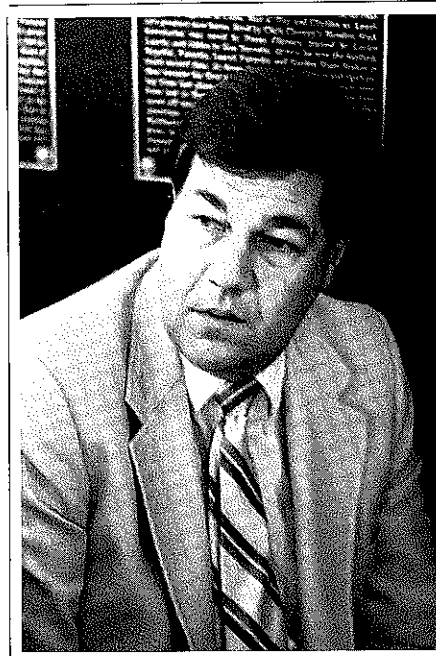
When you look at the initial findings and talk about the media perceiving public interest to be less than it really is, 10 per cent versus 20 per cent. I suspect that is true, and I don't think anyone should be shocked by that. People are products of their environment and the same attitudes that exist among the consumers would exist among the media people.

I think this presents a unique problem for horse racing and how you attract people into the sport. The editor is someone who grew up playing baseball, basketball and football. I'll give an example. The first racetrack I ever went to was Del Mar when I was 22 or 23 years old, stationed in the Marine Corps, and

was making 190 dollars a month, and had a grand idea of how to pay off car and uniforms in one fell swoop. My wife told me not to go and I should have listened to her.

You are dealing with people whose attitudes are formed out there on football fields, basketball courts and baseball diamonds. These people turn out to be in the media. So one would expect that they sort of have the same attitudes as the consumer does. It does present a unique problem in that horse racing has to figure out a way to attract people into a sport which they really don't have much contact with until they are adults and have formed attitudes about what to do with their spare time and dollars.

I would only echo what Allan has to say. Perhaps a real look at the marketing and promotion aspect at this point would be essential. The study goes on to say they didn't



DENNIS SWANSON—President, ABC Sports; Round Table Panel Member.

think the media has any real negative attitudes, that it suggested that is was more of an indifference. Again, I suspect that is true and for the same reasons.

One thing, I would look at the reverse of what the Bruskin study does. And that was Point Four. Where it says that it appears that sports editors may be letting their personal feelings about Thoroughbred racing impact upon the coverage given. Those interviewed

who are substantially less interested in Thoroughbred racing on a personal level than in their professional capacity. I would suggest that it works the other way around. Maybe it is my own defensive nature about the media because we are always accused of this, that and the other. But, I think, the editors are saying, or 35 per cent of them, are saying that they have no interest at all in horse racing, and yet only 12 percent are saying that it impacts on how they cover it. Somehow or other, it looks as if 22, 23 per cent of them are getting their personal bias out of the way and letting the coverage go on. It would be nice if there was no 12 or 13 per cent there, but I don't think that is the problem that the survey suggests that it is.

The media claims that its coverage of Thoroughbred racing sporadically increases for a major race, such as the Kentucky Derby or the Breeders' Cup, and for a story with a strong local angle. Horse racing isn't any different in this regard than any other sport, and that is that you need stars.

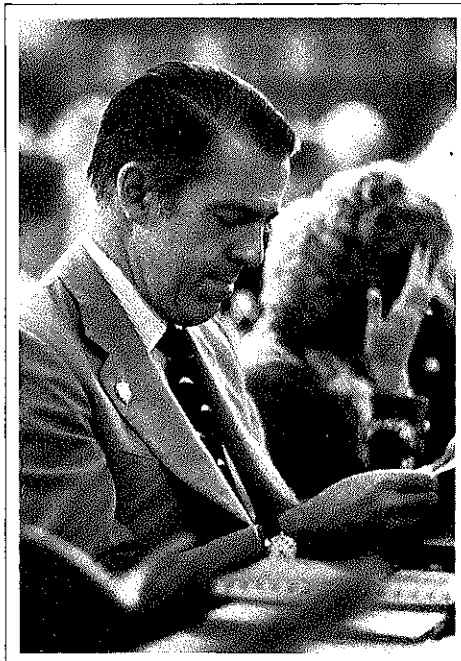
Again, this presents a particular problem I think for Thoroughbred racing, in that, the stars are three-year-olds. We don't even know who next year's stars are going to be yet. So how do you get a hype or build up behind that. When Don Mattingly becomes the All-Star first baseman for the Yankees, he is going to be first baseman and All-Star for the Yankees, barring injury, for the next eight, ten, twelve years. Jabbar is still playing center for the Lakers, and made the All-Star team. He was darn near twenty years in pro basketball. So it is much easier for the sports you compete with for fan interest and space on the pages of newspapers, for the competitor to come up with ink than it is for horse racing, in that it is hard to develop that star within the sport. Maybe, what would be a suggestion, would be to look at not only at the horses as stars but get some of the personalities involved in horse racing, the Woody Stephens, the D. Wayne Lukas, and people like this, in front of the cameras and in front of the sports writers more often. They do get coverage, but maybe it could be a more concerted effort across the board to accomplish that.

The last thing, it talks about, they need more televised races that would result in general media coverage and that's true. Our surveys, within television, tells us two-thirds of the people in this country derive as their main source of information, television. I know the newspaper people do not want to hear that. That, in effect, is the reality of

almost every study that has been taken. That is only increasing, not decreasing as people's confidence level in the quality of television news increases.

I brought my own set of statistics, which I would like to read with you. I'll try to get through this quickly. I am going to read share of audience for the Kentucky Derby, the Preakness and the Belmont over the last ten years.

If you take the Kentucky Derby from 1976 through 1981, the share levels for ABC in that period were: 49, 48, 48, 49, 48, 46. That's



JOHN HETTINGER—Program Chairman, 34th Annual Round Table On Matters Pertaining To Racing, and Member, The Jockey Club.

pretty consistent and is a terrific number. In 1982, it fell to 40, and we have never seen the forties since. It has been 37, 36, 32, 37. We came back five share points this year, over last year. I think probably two things are responsible for that. One, I think we at ABC did a little better job of promoting it up front. Two, I think we had a star going into that race, he didn't do very well and that was Snow Chief. There was so much media attention focused on that horse, particularly on the West Coast and in the Los Angeles market, I think that these two factors were responsible for it.

If you go to the Preakness, the story is

exactly the same. From 1976 to 1981, it went: 44, 42, 36, 38, 38, 36. Then in 1982, it falls down to 33, 33, 31, 16, 25. The 16, of course, is the year you didn't have a Derby winner go to the Preakness. That ought to suggest that a Triple Crown association does have some validity.

In the Belmont, the figures are even more staggering. If you start in 1976 and take it up to 1981, you go: 38, 53, 39, 30, 28, 36. You have never seen anything close to the thirties again. In 1982, it went 25, 24, 15, 16, 19. So you can see where the trend is.

Why is that a problem for us in television? It is a problem for us in television because those ratings translate right to the dollars we receive for our advertising. We are nowhere close to achieving the unit rates for our commercials in these events that we did a few years ago.

What that suggests is: why we don't see more races on television? Because we are in business to make money, too. I heard somebody earlier ask, do you think the races that are on ESPN benefit. I said, "Absolutely." Any kind of television coverage is very important. I think from ABC Sports point of view, we put together, with the ability to do the Triple Crown this year, we can see benefits of that internally. I don't know whether we will be able to have the same luck or magic in the future or not. It will depend upon our ability as negotiators in working with the people who control the rights to those events.

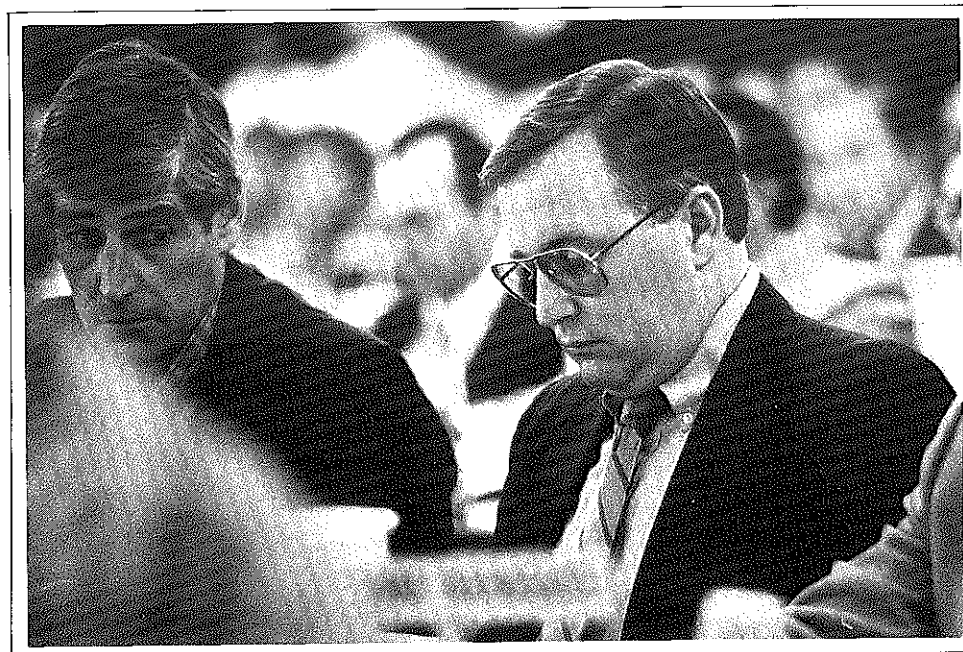
I think we also found that as we added the Santa Anita Derby back into our coverage this year, you build a story line. We are trying to build those stars ourself. I think it is incumbent upon us not to just skim the cream off the top of the bottle, but try to add some other events in with it. So that we can help in that star-building process because it only helps us at the same time. I don't want to dominate this, but we have some other panel members. I am sure you must have some questions which I will be glad to entertain at the end. Thank you.

(Applause)

MR. DRAGONE: Thank you, Dennis.

Most of us agree that Santa Anita has led the industry these past ten years in marketing. A good deal of that success is due to the effort of Alan Balch, and possibly the Southern California climate, as well.

Alan joined Santa Anita in 1971 as Director of Public Relations and successively held the titles of Vice President of Marketing, Assistant General Manager, and Senior Vice President



MARTIN L. LIEBERMAN (L)—Senior Vice-President, New York Racing Association.
LEONARD C. HALE (R)—Senior Vice-President and Racing Secretary, New York Racing Association.

of Marketing.

In 1984, he supervised the management of the equestrian events in the Olympics. And as you recall, this was one of the highlights of the Olympics and no mean logistical task.

He is currently a Vice President and Zone Chairman of the American Horse Show Association, and a consultant to Santa Anita.

Balch was educated on the East Coast as well as the West Coast. You could say that he combines the East Coast sophistication and the West Coast showmanship. But above all, he does know our business. Alan...

MR. BALCH: Thank you, Allan.

I was very happy to hear Mr. Swanson say that the Santa Anita Derby was the responsible factor in increasing that share number. When we talk about rights next year, Mr. Kilroe, keep that statement in mind, please.

I am going to take a little different approach here and comment in a more systematic manner, maybe, on Mr. Bruskin's report. Because, I think, we saw a lot of things most of us in this room have seen many times before and it was largely a re-statement of a lot of things we believed and have been verified for us now. But it really re-stated the question and didn't give us too many answers, but I am going to give some opin-

ions anyway.

The research of the general public that we were shown largely reinforces most of the findings we have seen in private studies. In fact, almost of all of the industry studies that I have seen both from Santa Anita and elsewhere. Mr. Bruskin properly pointed out to me, earlier, if that is so then why in the hell haven't we done anything about it.

Secondly, the research in the media area confirms what those of us in racing have believed for so long, and that is racing has a far greater following than many sports which receive greater coverage. Both in the electronic media and print media than does Thoroughbred racing.

So are there any basic problems in the marketing of racing today or with the product itself? If so, what should be done or can be done about those problems.

I am not sure that we have the great overwhelming problems we seem to hear about. I think we have one major problem and that is a dangerous attitude of defeatism, which I have seen in the 15 years that I have been in it. It bothers me a great deal and should bother everybody in this room.

There are many, many positive things to look at. We are talking about declining

attendance. Remember, we are talking about declining daily average attendance. The supply of racing, all forms of racing, harness racing, quarter horse racing as well as Thoroughbred racing and the other wagering activities we have discussed, has just exploded in my 15 years in racing.

Where you see that the supply of racing has been held constant, the demand for racing has been constant or has even grown. Even in the face of the pronounced additional major competition that we have seen. Look at Del Mar. Look at Saratoga. Look at Canterbury Downs. Look at Oaklawn Park.

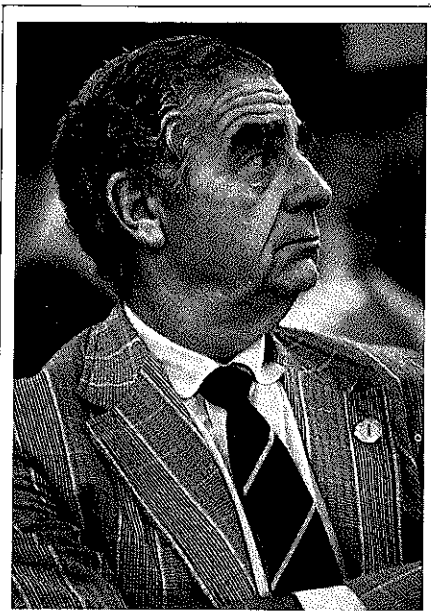
Oaklawn Park. As the supply of racing at Oaklawn Park increased, what happened? The daily averages fell. At Santa Anita where the supply of racing increased dramatically, the daily average rose for two years. It was only this year that we had our first down year in a long time and there were weather factors there. Ak-Sar-Ben was an example of constant or increased demand until the supply of pari-mutuel activities in that market area exploded, and then they are down. Oak Tree Racing Association in Southern California, where the number of racing dates has been held relatively constant, is a remarkable growth story.

So before we condemn ourselves for declining interest in racing, let's interpret the facts properly. In my opinion, there is not declining interest in racing. And I was happy to see that the Bruskin survey of the general public indicated that there is increased interest in racing as you would only expect when the supply increases so much. So don't be so deceived by daily averages alone.

The way I added up the Bruskin figures, 55 per cent of the general public attend as often or more often than five years ago. Now to me, that is a very impressive figure and a positive factor that we should dwell upon.

Now where the supply of racing has increased, the demand seems to decrease because of the daily average. But, in fact, it is roughly constant or even growing.

Look at Santa Anita, in the case of the lottery. We were impacted this year by the new California state lottery, but also by thirty inches of rain or so. We had one rainy Sunday where our attendance dropped from 70,000 a year ago to 40,000 this year. But isn't it remarkable that you can get 40,000 people to the racetrack on a Sunday in a driving rain storm? To me that is tremendous interest in the sport. Northern California's supply of rac-



JACQUES WIMPFHEIMER—Member, *The Jockey Club.*

ing increased dramatically because of simulcasting and Inter-track betting, and the gross figures were up 50 per cent.

I am not as familiar as I should be with the New York Racing Association figures. But isn't it remarkable that the NYRA has done as well as it has when it has been impacted not only by the lottery, all of the incredible combinations of lotto, plus competition—cannibalistic competition—within its own sport right across the state line in New Jersey? And with casino gaming at the same time.

If things were as bad as we sometimes tell ourselves, there wouldn't be anybody at the racetrack or betting off-track. So I think there is tremendous interest in racing out there.

So racing's problem, I believe, is a problem of supply and demand, and increasing competition. And our responses to that increasing competition are not always or even often correct.

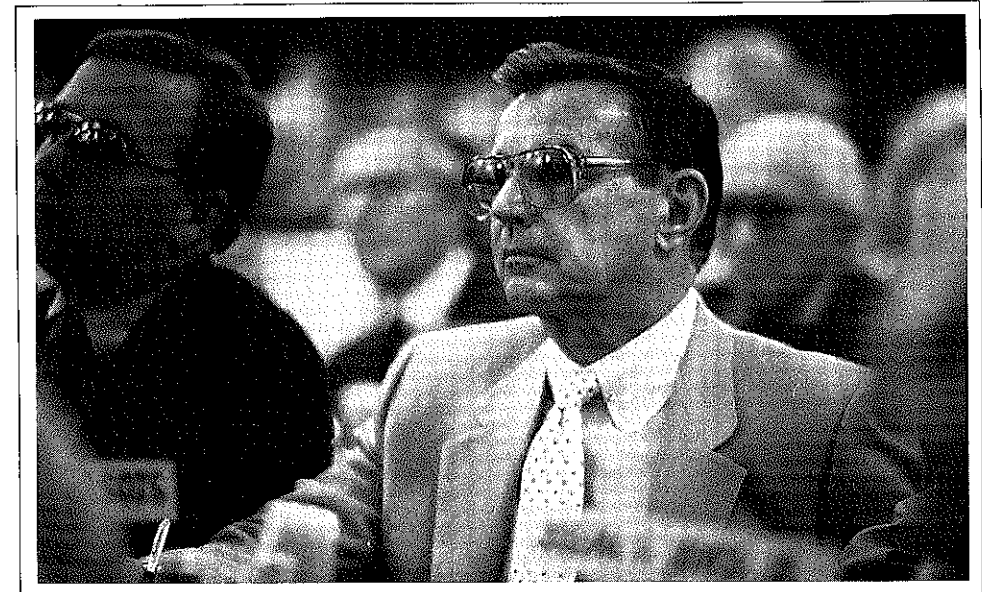
This is a critical point that I hope we all consider today very seriously, because we were as an industry for 45 to 50 years or more in certain areas of the country, such a protected industry and are having a very hard time adjusting to the real world of these forces, increased competition and so forth, that other enterprises have had to face constantly.

Now there are a great many business peo-

ple out here in this audience. Put yourself in your other business. What business is there that you don't have to face increased competition? We have been living in this promised land of racing for fifty years and now that all of a sudden we are being subjected to the same forms of competition that other business men have had to deal with other lines of work all this time, we are acting like the world is coming to an end.

We just have to wake up and start to apply the same principles all of these other business people have, over all of these years. I think we can do it. But we can't do it, if we think we can't do it. A very prominent person with whom I have worked, I had better leave his name out, told me that we have lost customers to the lottery for good, we'll never get them back.

Well, if that is the attitude racing has, I can assure you, we will never get them back. But if we have some confidence in our sport and the attractiveness of our sport and the assets that we have, we can get them back. If the people, who are impacted by the competition for Coca-Cola and Pepsi-Cola, just said, "All of those people are just going to drink Pepsi and we'll never get them back." Believe me, Coca-Cola would not be successful. We are the "old boys on the block." We ought to know more about how to do this, and we seem to act like we know less.



LEONARD C. HALE (L), RICHARD DUCHOSSOIS (R)—Senior Vice-President and Racing Secretary, New York Racing Association; Chairman, Arlington Park.

Now turning to the media, trying to rush along so I don't dominate this. I think we are far too submissive to the media for our own good.

I just heard Mr. Swanson here say that three-year-olds are the stars of our game. Who says? We have three-year-old stars. But to my way of thinking, I like the older horses in the handicap division. I like the grass horses. I like the international form of racing. To me, the ultimate of racing is not whether a three-year-old can win the Kentucky Derby, with all due respect to Churchill Downs and the Triple Crown. That is one category of stars that we have. The Breeders' Cup is a great asset in that area, by showing people there are other divisions of horses racing.

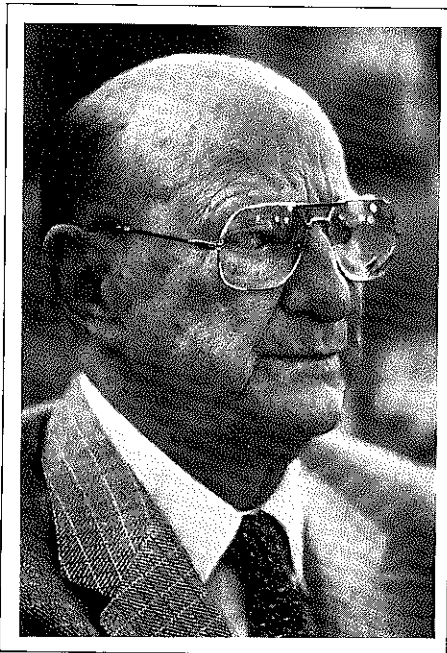
I think the tracks around the country have done a miserable job when compared to Churchill Downs and the way the Kentucky Derby was marketed until five years ago. We all just have to do a better job on that. And we have to be able to face up to the Brennan's of the world who say, "Hey! I am going to go out, compete, try to market other races and other divisions, too."

So I think we have to be more aggressive in telling our story to the media. A great deal more aggressive. It is absolute travesty that we are so timid when it comes to criticizing "The Los Angeles Times," "The New York Times," or the great print media leaders.

Again, with all due respect to Dennis, it is true, I have seen the research many, many times, it shows 66 percent get their news from the electronic media. But where does the electronic media do its homework? Jim Hill in Los Angeles starts every day by reading "The Los Angeles Times." And I can tell you the same thing happens in most markets across the country with major papers. The broadcasters take their cue from the print media. Not as much as they used to, and I hope that the broadcast journalists will become more independent, because the more independent they become the better chance racing will have to get more coverage.

But we have to be more aggressive in selling our story to all of the media, but in my opinion, to the print media first. We have to market racing to the media. Segment the market, the same way we segment the market to senior citizens, weekday customers, weekend customers, group customers, and so forth. We have to segment the media into print media, radio media and television media, and then go out and market our sport to them, with a positive aggression.

We are criticized very harshly by the people who write for "Thoroughbred Record," and say "The Blood-Horse," for taking on "The Los Angeles Times," a few years ago



LESLIE COMBS II—of Spendthrift Farm and Member, The Jockey Club.

about their truly pitiful coverage of a major sport in Los Angeles. I'll tell you it has had an effect. For those of you who don't know, we conducted a letter-writing campaign that got us front-page coverage in "The Los Angeles Times" with some of the most asinine letters you ever read. This is what happens when you take on somebody who controls the ink. Yet, the coverage of racing in "The Los Angeles Times," since the Santa Anita meeting, has increased dramatically. Sixty per cent increase in column inches. Sometimes you have to hit the mule over the head, you know, with a baseball bat to get his attention.

And racing is a major sport in all of these markets. Yet, everyone is moaning and groaning, and should we really take them on?

The same with the lottery. Where has racing's courage been? When it comes to putting up a comparative test of racing against the lottery? Santa Anita did it. We had a lot of people around Santa Anita coming up to me and saying, "You are demeaning yourself by taking on the lottery and by comparing yourself to the lottery! Santa Anita is supposed to be a classy track and why lower yourself to take on the lottery!"

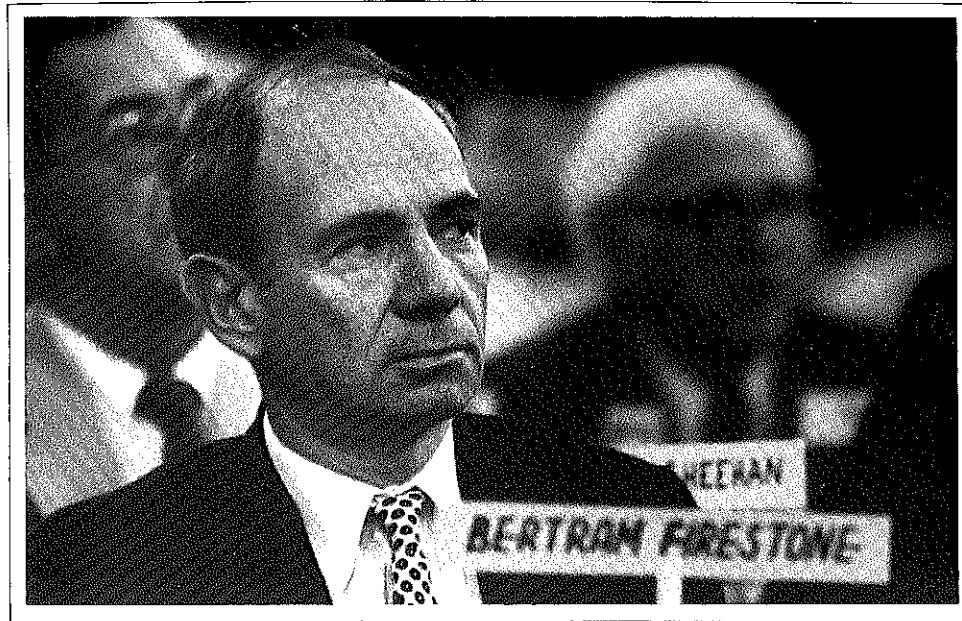
Yet those people were all talking about how the races compared to the lottery and without even knowing it, they were at the racetrack more often. And while we were conducting that campaign against the lottery, our handle was up 17.5 per cent, against that gigantic competition.

I think we are much too timid in not taking on our competitors.

So, to conclude, I really don't think racing, itself, is in any trouble at all. We have a wonderful, wonderful product. But the leadership of racing is in great trouble.

I was at a TRA meeting the very first month that I went to work for Santa Anita, I heard this same type of discussion take place 15 years ago. What are we going to do? Is there anything we can do? Maybe, I am overstating it, but I don't think so. We must be thinking positive on this. We can get those customers back, if we think we can. We can develop new customers, if we think we can.

I would take issue with one thing that seems to permeate the Bruskin approach which is that there are customers that used to go to the races and that we could somehow get them back. There are people who have fallen away from the races, and so forth. I think this myth that people have to be in love with racing for their whole lives, the way we are. In most optional forms of entertainment,



BERTRAM FIRESTONE—who, with his wife Diana, own Cotactin Stud here and Giltown Stud in Ireland. Kentucky Derby winner *Genuine Risk* raced in Mrs. Firestone's name under their green and white silks.

shall we say, let's take movie going as an example, you can take bowling, golf, or anything you want to. People flow through and go through stages in their life. I am sure you have in this room. You used to go to the movies and now you don't. You used to go to the races, a lot of people did, and now they don't. That's only natural. You can't expect a person, a member of the general public, the average John Q. Consumer, to be interested in racing his whole life. He just is not going to be. Sure, we want to hang on to him, but what we need to do is replace every one that falls away from racing because he has done it and he wants to do something else now, with 1.1 people, new people. That's market development.

There are only two ways to increase attendance. Very, very simple. Get your existing customers to come more often and get people, who have never come, to try it. The pool of patrons out there is gigantic. Gigantic. Much larger, our research shows, than anything we ever thought it was.

I want to touch on the Breeders' Cup, before I close, just so I can offend everybody in the room.

The Breeders' Cup, I think, is a tremendous asset for racing. Don't get me wrong. It is an example, to me, both the good and the bad of what I talked about here today.

You will remember when the Breeders' Cup was started, people said, "Well, can it be done? Will it be done?" This conservative element of racing came out. People had to be very persistent. Mr. Gaines and the Breeders' Cup Board had to really make this thing happen. I know some of them are in this room today. I think that is admirable that against all of the conservative element in racing, it really got together and made this thing happen.

Now that they have made it happen, let's not see it become the tail that wags the whole dog. I said to the interviewer from "The Blood-Horse," the Breeders' Cup is in danger of mistaking the forest for the trees. It is not the forest. It is a tree. It is a big, important tree, but still a tree. We cannot make the mistake in racing, of directing all of racing just to the Breeders' Cup. I don't think the Breeders' Cup people really advocate that. I'm sure they don't. But I think there is a danger of that, putting all our eggs in that basket. We can't do it. It is one day of racing. It's one very important day of racing, but racing is an awful lot bigger than that.

One final thought: intensive capital improvement, which Mr. Bruskin touched on. I think one of the critically important points he made was that our racetracks are old. I mean old. One of my major disagreements with our

people at Santa Anita, which I think is the most beautiful track, in my opinion, probably in the world. We haven't spent enough on capital investments and we're only fifty years old.

To grow a market, it isn't enough to compare your racetrack to another racetrack in your market area or in another market area. You have to compare it to the most modern stadium or theater or entertainment place. The amount of money that needs to be invested in our racetracks now, at the expense of short-term profit is mind boggling, but we had better do it or there won't be any long-term profit.

(Applause)

MR. DRAGONE: A moderator's dream. Disagreement on the panel.

Quickly, Dennis made three big points: that we ought to attract patrons to the sport at a younger age, the sport needs more heroes not just three-year-olds, and, thirdly, that the television ratings have dropped precipitously in the last three or four years, and we ought to really concentrate on this.

Alan made a number of points. He said that the defeatist attitude is too strong in racing right now. That actually, attendance and interest were up, but daily averages were down. He also disagreed with Dennis as it related to heroes and he disagreed with Dick as it related to print media. He felt that was a key spot to start to change things. He also felt throughout his talk the theme that we think positively about racing and what had to be done. And that we ought to be running our business on a competitive basis and that we have been deluded into floating around. Now that the real competition is here, we ought to approach it just as other businesses do; pull up our socks and get at it.

I think this is the point where we ought to open it to questions from the floor. Now, do I have a first question from the floor? Tom. . .

THOMAS BANCROFT: Your whole study is based on a sample of 900 odd people. Could you explain to us how you go about picking those 900 people and how you feel that it really is an accurate sample?

MR. BRUSKIN: I certainly can.

In doing our sampling for this particular study, and for most of the research we do, we use what we call a random, digit dial type of sampling. Just very quickly, I will explain that.

The phone numbers we use for our sample are computer generated. What's happening in America today is that you have a very, very high percentage of unlisted telephone homes. Perhaps as many as 30 and 40 per cent in certain parts of this country. Therefore, if you only use a telephone book sample, you can't possibly get representativeness throughout America. Everything being computer generated gives us also a random selection of phone numbers. So what we do is that we select, through the computer, a sample that is representative of the total U.S. population.

A thousand is a large sample. It is not a small sample. Someone used to say, "If you don't believe that a thousand people can be representative of all of the people in this country, the next time you go to have a blood test, instead of having them just take a little blood, have them take all of the blood out of your body."

Basically, what we are doing is sampling the U.S. population. We know that if we did another thousand interviews, we would end up with exactly the same type of response or within two or three percentage points. So we do know that we have accuracy within the figures.

As far as the press goes, you haven't asked this, the press sample was a more limited sample. We had interviews with some sixty members of the press. We really were looking for indications there. I don't think, I can stand here and say that this is statistically reliable. But our direction, I am sure is quite proper and quite accurate, when we report on how the press feels about Thoroughbred racing today.

MR. DRAGONE: Any other questions on that point. Another question? The back of the room. Thank you. . .

QUESTION FROM THE FLOOR: I have a question for Mr. Swanson.

Can you see the day when the product will be produced at the track, but marketing will be shown through paid cable television, with a black box attached to the television, enabling a stay-at-home fan to participate? If so, when? And what prevents it from happening now?

MR. SWANSON: I guess in the years I have been in business I remember when it used to be real simple, and you didn't have to be an engineer to figure everything out. I am sure glad I got promoted before it came to that.

We are seeing so many things go on in this business now. The question you ask is real valid. I can't give you a timetable because I don't know that anybody can. But the things you are going to be able to do electronically with your television set in your home, you are beginning to see some examples of that with this home shopper's network. It just being announced that it is going into effect now.

There could very well be the day when that could happen. I don't think there is any question about that. It should enhance, I would think electronics would only enhance the ability of people to spend their money on horse racing, not detract from it. Which is what OTB and all of these things have set into motion. The simulcasting, the things of this nature, I think you will only see an acceleration of that, not diminution of it. As to when it would be in the home, directly, I think you and I will be alive when that happens. I am 48.

MR. DRAGONE: We like to deal with specifics. The back of the room.

QUESTION FROM THE FLOOR: I have a question for Mr. Balch.

Do you agree with the conclusion that racetrack advertising and promotion appears to be less than effective? And if so, why is that?

MR. BALCH: Well, if the daily averages are declining, then it is certainly less effective than it ought to be. I think racing's, this is something that I have talked at ad infinitum at the TRA conventions, I think racing's advertising is still in the dark ages, including a lot of it that we have done, because it is so hard to convince an advertising agency of the important essentials of what the racing experience is. The entertainment aspect, the fun aspect of it, the betting aspect of it, and everything together. I believe it is difficult to advertise properly, but I think we can do it a lot better than we do.

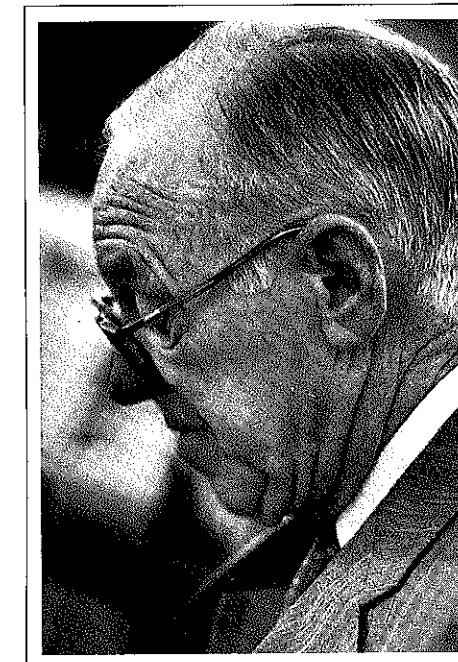
I am a big believer in event oriented advertising. I think while you are advertising your major events, I hope there are some horsemen in the room, one great reason you need high percentages, relatively speaking, for stakes in the purse program is because we need these events to advertise.

All of racing should take its bearing from the big racing. You need to advertise those events. As you are advertising the events, and the excitement of the events, you are also doing generic advertising. The advertising, I see so much of still, such and such park is

open now and post time 7:30 p.m., drives me right up the wall.

Del Mar shows a very successful meeting, doing very generic advertising. I think their advertising is terrible. It wins a lot of awards, and their meeting is doing fine. I just think how much greater their meeting could be, if they did event oriented advertising.

Advertising is like having a bottomless pit. You spend a gigantic amount in it. It is endless. So you have to figure out ways to make it accountable. One way to make it accountable is through event oriented advertising.



BAYARD SHARP—Member, The Jockey Club.

My whole philosophy, as I think a lot of you know, why don't we find analogs in other businesses and apply them to racing. We just don't do nearly enough of that. The sales-promotion tools that we have used at Santa Anita, with some success, are virtually none of them are original with us. All I do is read the newspaper and watch what Proctor & Gamble is doing, and then see what the application is in racing. Whether it is discounting, couponing, contests. You name it? There is an application for it in racing. We should be learning the way these other companies are, and we don't seem to be.

MR. DRAGONE: Also on that same subject, in the report, which you might pick up on the



STEPHEN ABRAMSON—President, National Association of State Racing Commissioners.

way out, there is a section on dealing with recognition of advertising and promotion, and it has some shocking statistics. The Breeders' Cup, for example, and the Kentucky Derby have like two or three per cent recognition, which backs up the question.

MR. BALCH: Let me just jump in right there on the Breeders' Cup, again. I won't even charge my hourly rate for this free advice.

The Breeders' Cup is, in my opinion, doing some generic advertising which they shouldn't be doing. We did a survey at Santa Anita a few months ago, an informal survey to be sure. It is shocking to know how many people who come to the races day-in and day-out who don't have any idea of what the Breeders' Cup is. And it's going to be run at Santa Anita on November 1st.

Well, what is the Breeders' Cup? "Well, I think it is a big race."

One race or many races? "Oh, just one race."

When is it? "Sometime in October."

What's the purse? "Oh, I think \$100,000."

You can't believe how much education people need on the Breeders' Cup. Defining what the Breeders' Cup is, is extremely important. Granted, it is only in the third year. But full-page ads in the "Daily Racing Form," saying "A Day of Champions."

Excuse me, gentlemen, John where are you, doesn't get it. Doesn't get it.

MR. DRAGONE: Another question? Ned...

QUESTION FROM THE FLOOR: A local or regional basis or national basis, if you have a plan what organization, entity, would you feel is the appropriate one? You have heard Mr. Bruskin talk about a central information group. Would this form part of your recommendation so that we could run with your recommendation?

MR. BALCH: Well, that's a real dilemma for me. Because I think a lot of discussion I heard today, and in the past, whether it has been TRA, Jockey Club, Breeders' Cup or whatever, has tried to use the NFL, or Major League baseball, as an example. This clearing house idea is sort of the same thing.

We are not the NFL. We are not Major League baseball. In short, we are not a franchised operation. We have poorly operated tracks. We have beautifully operated tracks. We have old tracks. We have new tracks. We don't have standard guidelines for conduct. There are a lot of tracks that aren't TRA tracks. We have different medication rules. We have all kinds of different things, day racing, night



MRS. BAYARD SHARP

racing. We don't all play by the same rules, in short.

So that's one reason we have the TRA, The Jockey Club, the Breeders' Cup and all of this. Now, how you take a non-franchised, fragmented industry and unite it, is just the question, I guess, we all have to address. Maybe, it can be done. I am sure not going to sit here in this room and say The Jockey Club should not try to do it. Maybe, The Jockey Club should try to do it.

I seriously question its practicality, at least, in the short term. There has to be a will for all of these organizations to get together. So that's on the national question, you asked.

As far as the other, again, I sort of tried to answer that before. It takes a lot of money. It takes a strategy before it takes the money. There is no consensus within racing that my opinions, and that's all they are, are valid. There are a lot of very sharp marketing and advertising people, who say, "You do what Alan Balch says, on event oriented advertising and sales promotion and you're going to be in trouble." And, John Nerud is one of them.

MR. DRAGONE: John, we'll give a chance for rebuttal.

JOHN A NERUD: I agree with Alan that there are lot of people out there that don't

know what the Breeders' Cup is. There is not very many people in this room knows what the Breeders' Cup is and what its motives are. The Breeders' Cup is only a vehicle for PR, marketing and awareness of racing. That's what the Breeders' Cup is. A lot of people seem to think the Breeders' Cup is animal. It is only a vehicle.

We are going to have promote more aggressively, just as you say.

I think this survey missed the big thing, we have. None of us have mentioned the price. Today, theaters, football, baseball, they have priced themselves out of the business. A family can come to the races, a man and his wife and four children, for less than \$40 and bet every race. No one ever in the survey came up and I haven't seen much publicity on this, and I think this is something we have missed.

MR. BALCH: I want to jump in on that, too.

That's a very important point. Remember, until a few years ago, FCC and National Association of Broadcasters prevented you from talking about betting.

We have had a very difficult time at Santa Anita with some high-powered lawyers even, trying to get stations to accept advertising that will allow us to tell people how many wagering pools a day there are, what the minimum bet is, what the exacta is, what the pick six is, what the pick nine is.

Now there is something that a national organized group of racing ought to attack frontally, and get the broadcast standards and practices people into the modern ages. So we can tell people what goes on at the races and how much fun you can have for a reasonable price.

How many things do you see advertised on television that don't have the price? Horse racing? Anything else.

MR. BRUSKIN: If I may, I would like to comment on that point.

In the study, we actually did obtain information on the price of going to the races. Many different items that we did cover I didn't report here because of time limitations. I think you will find many of these things in the booklets that I passed out.

In any case, we did find many people who were comparing horse racing, going to a Thoroughbred track, with going to a casino. Now this is somewhat the opposite of what you are talking about. They can go into a casino free. It doesn't cost them a penny and they can gamble. When they go to a racetrack,

why should they have to pay? This was a point brought up by a number of people within the study. I don't think very many of them complained that the two dollars or three dollars or whatever the cost might be, that represented a great investment on their part. But a lot of them are suddenly comparing it to casino gambling.

MR. DRAGONE: I would like to have one more question for Dennis Swanson.

JOHN M.S. FINNEY: For Mr. Swanson. It seems generally agreed that television effectively sells racing. You point out that racing, at least since 1981, has not effectively helped you sell television. What I would like to know is what can or should we be doing, as an industry, to help you in the star-building or any other processes that will make you want to give us more coverage.

MR. DRAGONE: An excellent question.

MR. SWANSON: There is no easy answer to it.

The example I used about the three-year-olds, Alan there is nothing I would rather see than four, five, six and seven year old stars as well. The reality isn't that many horses run at

the older ages. There are older horses. God bless John Henry. There aren't very many of them. The Foregos, Kelsos. Those are few and far between.

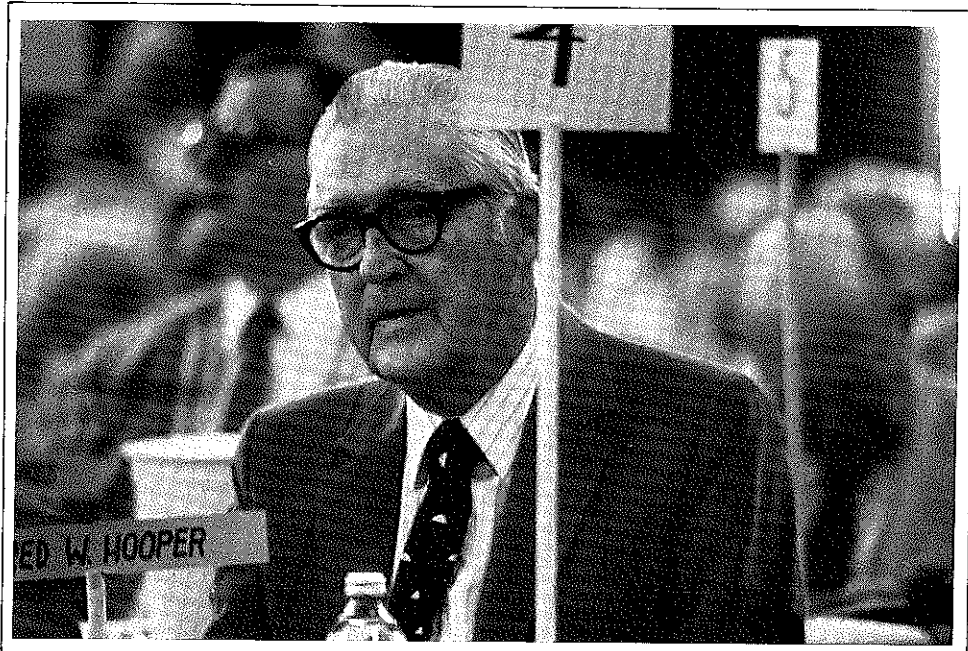
If you take a look at the 1970s, I suppose you folks in the room probably knew it at the time and I am not sure that all of us in the media did. We didn't realize what a Golden Era we were going through until we got through it. That period, Secretariat in 1973, you wind up with Seattle Slew, Affirmed-Alydar and Spectacular Bid.

You are seeing it in tennis now. McEnroe and Connors, both lost up the road and Becker and Lendl won it. And American tennis has taken a dramatic downturn, and on television, as a result the Wimbledon ratings were down considerably, even though you had a terrific final.

Pro golf, article after article is written about who is going to come along and be the next Jack Nicklaus. Well, maybe Greg Norman is. I don't know, but he is an Australian.

That's a problem that any sport has. There is no easy answer to it. Some of it is cyclical.

Alan doesn't want to say it so directly. I lived in Southern California for a number of years here recently. Santa Anita was aggressive and did a smart thing by taking on "The Los Angeles Times." It is not a two newspaper



FRED W. HOOPER—Breeder/Owner of some of the top Thoroughbreds of the past 40 years. A member of racing's Hall of Fame. His very first horse, Hooper Jr., won the Kentucky Derby.

town. It is really a one newspaper town, and a bunch of regional newspapers. You need that print coverage in the LA Times, and it didn't spend a whole lot of effort covering horse racing.

I am not sure that this clearing house is the answer, either. It is up to each individual association working with his local media, be it print or television. I think you need to do both. I believe in that personal contact.

The easy answer is to take a bunch of people to the Kentucky Derby every year. If they ever went down to the Derby and spent a Friday and Saturday, they would all fall in love with horse racing.

To give you a quick formula answer as how to develop more star value is not an easy one. I wouldn't be trying to put these races on television, if I didn't think there was an interest there. I think what we have to do from our viewpoint is to work with horse racing.

Not to be repetitious, not just try to highlight a couple of races. We are also guilty of that in auto racing. We sit there in auto racing and ABC brings you the Indy 500. We don't put any other Indy races on. Next year, we are going to put five other Indy car races with it. Some before and some after it, so we get some continuity to it. We think we are a partnership and so it goes for you, so goes it for us. We ought to be closer together.

MR DRAGONE: I think we have run out of time. Dinny...

(Applause)

MR. PHIPPS: Al to you, my appreciation. Alan, for taking the red-eye in here from California. And, Dennis, we know your busy schedule and we really appreciated you making the effort to be with us today.

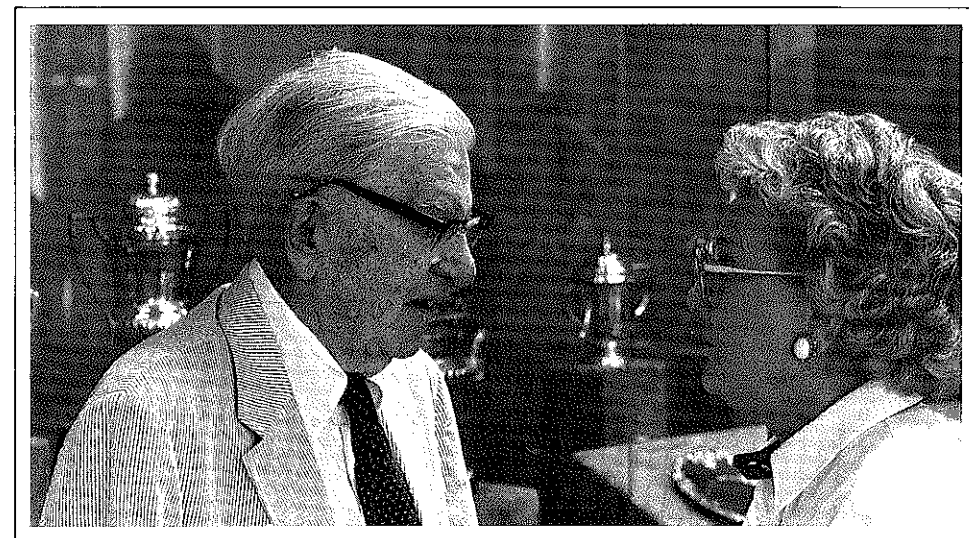
Well, there is disagreement on the panel. There is no question about that.

You have heard that we have a challenge and opportunity facing us. So ladies and gentlemen, in this room, should make a difference. The racetracks have a job to do. We are going to send them a copy of this report. I think it would be in their best interests to listen to the patrons and implement improvements for our industry.

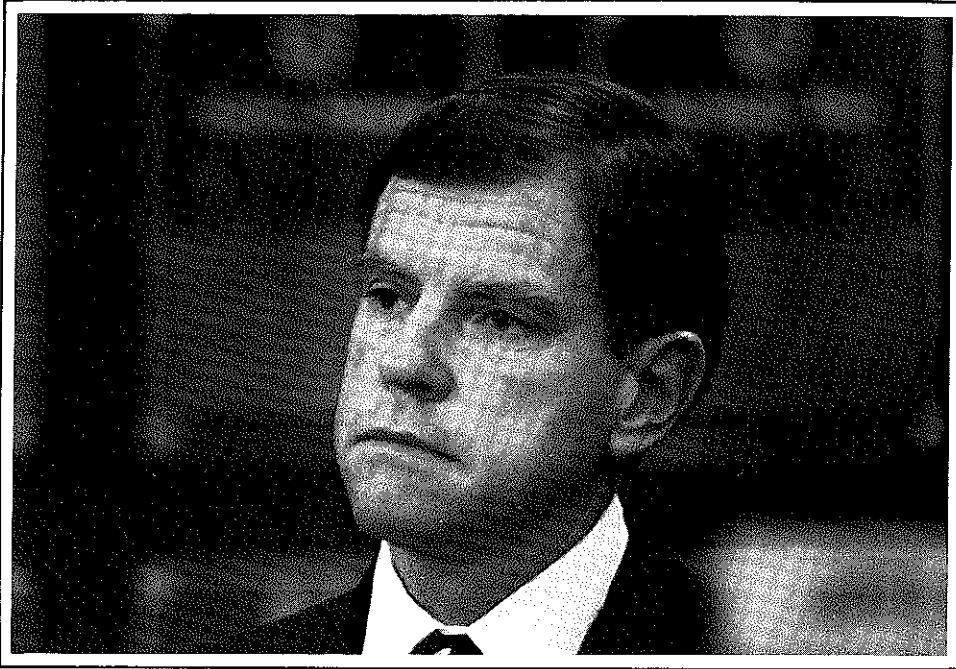
Secondly, following the results of this media survey, The Jockey Club believes a national press office should be started. I talked with Ted Basset of the TRA, Gib Downing of the Breeders' Cup. I am very encouraged by their enthusiasm.

If either organization joins us, such as these I have talked about, and others which are so important to our industry, and contribute to this national effort, The Jockey Club will commit \$250,000 a year. We believe that this, at least, a five-year starting period. We, everyone in this room, we, the industry, must make this happen.

Thank you very much for attending. We look forward to seeing you next year.



FRANCIS P. DUNNE—Retired Steward, New York State Racing And Wagering Board and **MRS. THOMAS FITZGERALD**—Wife of retired former New York Racing Association President.



WILLIAM S. FARISH—Vice Chairman, The Jockey Club.

OBSERVERS:

William H. Anderson	Paul R. Rouillard
Robert P. Benoit	Susan C. Small
Michael Brod	Joseph Solomon, D.V.M.
Harry L. Buch	Jennifer Spencer
Diana De Rosa	Susan Steeves
Mrs. Allan R. Dragone	G. Edgar Steffee
Richard L. Engel	Gene Stevens
Mrs. A. Gary Lavin	George Sullivan
John E. Lowe, D.V.M.	Bradley Telias
Robert Manfuso	Richard Turner
Delores O. Mitchell	Richard A. Violette, Jr.
Dr. Eric C. O'Brien	Peter von Wiesenthal
George W. Pratt	Mrs. Peter von Wiesenthal
Donna Ross	Barry Weisbord
	Henry A. Zeitlin