

# Ownership Initiatives

2017 University of Arizona  
Symposium on Racing & Gaming

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# McKinzie Report

## 2011 Jockey Club Round-Table

### Sources of Insight:

- Analysis of 600,000 races spanning 11 years
- 150 interviews with industry stakeholders
- 1,800 current & potential fans surveyed
- 30 in-depth fan interviews
- 200 interviews with regulators & opinion leaders
- **920 Thoroughbred owners surveyed**

# McKinzie Report

## 2011 Jockey Club Round-Table

### Executive Summary:

- Core value of racing still powerful, but losing battle for new fans and new bettors.
- Without new growth strategies, Thoroughbred racing will decline in the next 10 years:
  - 25% in wagering
  - 27% in viable racetracks
  - **50% of ownership base**
  - 9% in foal crop

# McKinzie Report

## 2011 Jockey Club Round-Table

### Recommendations for New Growth Strategy:

- Refocus on best racing through television, integrity reforms and elevating best product.
- Retain the core bettor by innovating wagering and providing an integrated on-track and off-track wagering platform through a track integrated ADW.
- **Re-enhance the ownership experience through additional tools and transparency.**
- Reinvest in new fans through simplified betting, social games and promoting innovations in on-track experience and new look OTB's

## Trends: Owners

| Year | Owners | Year | Owners | Year | Owners |
|------|--------|------|--------|------|--------|
| 2017 | 24,128 | 2010 | 33,816 | 2003 | 38,731 |
| 2016 | 25,929 | 2009 | 35,598 | 2002 | 38,682 |
| 2015 | 26,573 | 2008 | 37,081 | 2001 | 38,285 |
| 2014 | 27,822 | 2007 | 37,878 | 2000 | 38,405 |
| 2013 | 29,423 | 2006 | 38,075 |      |        |
| 2012 | 31,414 | 2005 | 38,085 |      |        |
| 2011 | 32,253 | 2004 | 39,062 |      |        |

DECLINING steadily since 2004

<http://www.equibase.com>

## What is OwnerView?

**Developed as a result of the McKinsey Study** as one of 9 industry initiatives announced at the 2011 Round Table to Build Sustainable Growth in our industry.

McKinsey surveyed nearly 1,000 owners and revealed a need for new resources and tools to encourage Thoroughbred ownership.

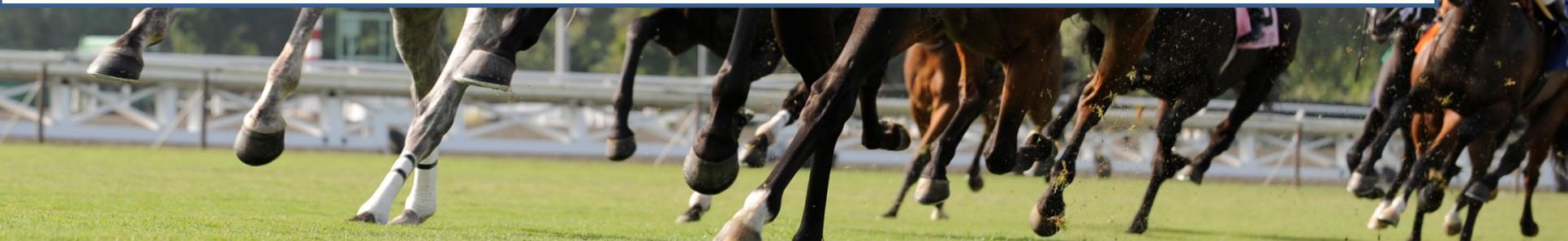
### OwnerView.com

- **Launched in May of 2012 to bridge the information gap that McKinsey exposed.**



## The Website: Ownerview.com - Analytics:

- **622,000 Visitors**
- **2,200,000 Page Views**
- Recognized by industry as the “go to” source of information for owners!



**Promoting and Supporting The Lifestyle of Thoroughbred Ownership**



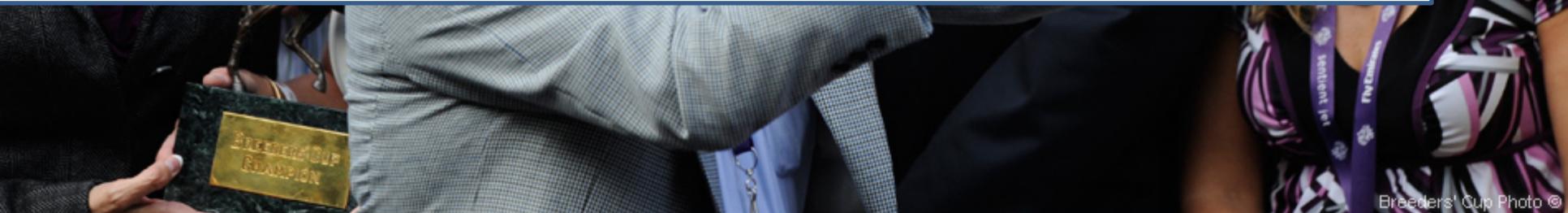
The Website: Ownerview.com - Feedback:

*"Sorely needed to protect the all important investors in our business"*

*"Excellent information always needed for horse people"*

*"What a great program that you are running for both current and new owners!"*

*"I love this site!"*



Breeders' Cup Photo ©

**Promoting and Supporting The Lifestyle of Thoroughbred Ownership**



## National Thoroughbred Owner Conference

**Organized by OwnerView to further encourage ownership and give current owners an annual conference to network, meet other owners and learn more about being an owner**



## Thoroughbred Owner Conference:

- Inaugural Owner Conference held in 2014 at Keeneland
- **More than 300 attended**
- Positive Feedback was “Off the Chart!”
- Subsequent conferences held at Gulfstream, Santa Anita & Del Mar
- 2018 Owner Conference planned for Churchill Downs week of Breeders’ Cup



THOROUGHBRED  
**OWNER** OCTOBER 13-16  
CONFERENCE



Breeders' Cup Photo ©

**Promoting and Supporting The Lifestyle of Thoroughbred Ownership**



## Survey of Conference Attendees

- *We had never been owners until the conference.*
- *The conference is a great tool for existing and new owners.*
- *It did play somewhat of a role in advancing my ownership role.*
- *Love the conference. It is a first class networking opportunity.*
- *It helped make the decision to become an owner. Gave me more confidence to buy.*
- *It was a very worthwhile, educational experience for my wife and I as future owners*
- *We have purchased a stake in a yearling and I'm sure it won't be our last experience.*
- *The Conference stoked the "fire" of horse racing dreams.*
- *It was a fantastic experience.*
- *It was a wonderful experience. To share with all these people and speakers enhanced my thoroughbred industry vision. Thank you very much.*

# Racing Clubs

- **Racetrack sponsored horse owners partnerships**

**Churchill Downs**

**Arlington Park**

**Fairgrounds**

**Remington Park**

**Emerald Downs**

**Oaklawn Park**

- **Prairie Meadows Racing Club**

- **\$300 per share**

- **93 participants in 2017**

- **\$5,000 claimer won two races**

- **Refunded \$275 per share**

- **Several racing club members bought horses for 2018.**

- **2018 racing club already has 85 members.**



# Ownership Seminars

- **2017 TOBA Ownership Seminars in Maryland, Indiana & Canada.**
- Topics included:
  - Acquisition and claiming
  - Partnerships and syndicates
  - Trainer and owner dynamic
  - Veterinarian perspectives for new owners
  - State bred programs & development funds
  - Industry resources and information
  - Retirement and aftercare



**TOBA also hosted a Breeding Clinic in Kentucky and Pedigree & Conformation Clinics in Florida, New York and Kentucky.**



# Owners' Concierge

The Thoroughbred Owners and Breeders Association's Owners Concierge is dedicated to the encouragement of excellence and growth in the horse racing industry by providing owners with exceptional customer service, timely information and access to local resources.

**The goal is to ensure an exciting and successful off-track as well as on-track experience by serving the diverse needs of Thoroughbred owners.**

- Assisting with hotel and dining options
- Car rentals
- Race day tickets, programs and informational accessories
- A liaison between owners and racetracks
- Free to all TOBA members



# Owners' Conferences

The Thoroughbred Owner Conference showcases top industry trainers, veterinarians, business experts, advisors and owners from across the country who are eager to share their perspectives and knowledge about Thoroughbred ownership.

The conference is designed to for experienced Thoroughbred owners and new to the game fans a like.

THOROUGHBRED  
**Owner View**

**Up next: 2018 Breeders' Cup**  
**October 29-31, 2018**  
**Louisville, Kentucky**



# National HBPA Ownership Initiatives

- Establishing the Horse of the Year honor for the National HBPA/TOBA Claiming Crown Event.
- Financially and publically supportive of the OwnerView New Owners' Conference .
- Establishing qualifying races at several racetracks in hopes of establishing greater owner participation in the Claiming Crown.
- Assisting with leading positive social media campaigns about the horse racing industry.

# National HBPA Ownership Initiatives

- Working to assist, mentor and lecture students about the industry and working in the industry in hopes they lead to future owners as well.
- Working on labor force initiatives to establish a work ready group which can keep trainers looking for more horses as long as a workforce is available.
- Working with the Stewards and Commissions to make rules of racing fair and equitable for owners to keep them in the game and to help prevent unintended consequences.
- Working with other organizations to educate the importance of the legal owners representative groups, and ensuring that revenue sharing has the owners' best interests in mind during negotiations.

# National HBPA Ownership Initiatives

- Being on the forefront in media issues with news releases intended to be in the best interest of owners and our racing industry.
- Securing and providing owner/trainer liability insurance coverage as a secondary policy for owner protection.
- Sponsoring Fire and Disaster coverage for owner/trainers at over 40 racetracks and training centers.
- Acting as a clearinghouse for communications by encouraging all participants to link to HBPA database in order to collect and disseminate vital information.

# USTA Ownership Initiatives

## ▶ Online Resources

### ◦ [HarnessRacingFanZone.com/Own](https://www.harnessracingfanzone.com/own)

- Harness racing's prospective owner landing page
  - Part of Harness Racing FanZone website, the social media hub for harness racing operated by the USTA
  - Informational and aspirational content
  - List of fractional stables offering shares
  - Contact form for more information

## ▶ "New owners are made one at a time."

### ◦ USTA team that focuses on personal interaction and personalized resources for new and novice owners.

## ▶ Mentor Program

- Those who contact USTA and want more than fractional shares are put in touch with a pre-approved "mentor," a USTA member who is typically a current owner who can help them find a trainer, buy a horse and navigate licensing.



# USTA Ownership Initiatives

## ▶ Owner Concierge Hotline

- 877-800-USTA ext. 5555 or [owners@ustrotting.com](mailto:owners@ustrotting.com)
  - Monitored during business hours by five members of USTA Ownership Committee
  - Owners can call with questions and USTA staff will work with them one-on-one to help them find answers

## ▶ Owner Seminar Resources

- Provided to tracks and horsemen's groups wishing to conduct new owner educational events
  - "How to Conduct a New Owner Seminar" booklet
  - Program ad design and social media marketing help



# USTA Ownership Initiatives

- ▶ **2018 plans – Trainer Educational Resources**
  - **Help trainers find new owners and professionally market to them**
    - Business **website**
    - Social media **marketing** education
    - Print ads & business card design and creation



# USTA Breeding Initiatives

- ▶ **Addressing declining foal crop through breeder education**
  - **“Breeding Basics” series**
    - Educational **feature articles published in *Hoof Beats*** magazine from December 2016 – July 2017
      - Topics ranged from selecting a stallion to yearling sales prep
    - **Repackaged into “Breeding Basics” booklet**, a 16-page, full-color booklet offered free of charge to any horsemen’s association or state breed development fund to distribute to their members
      - **1,000 copies** printed in October 2017; all have been **distributed**



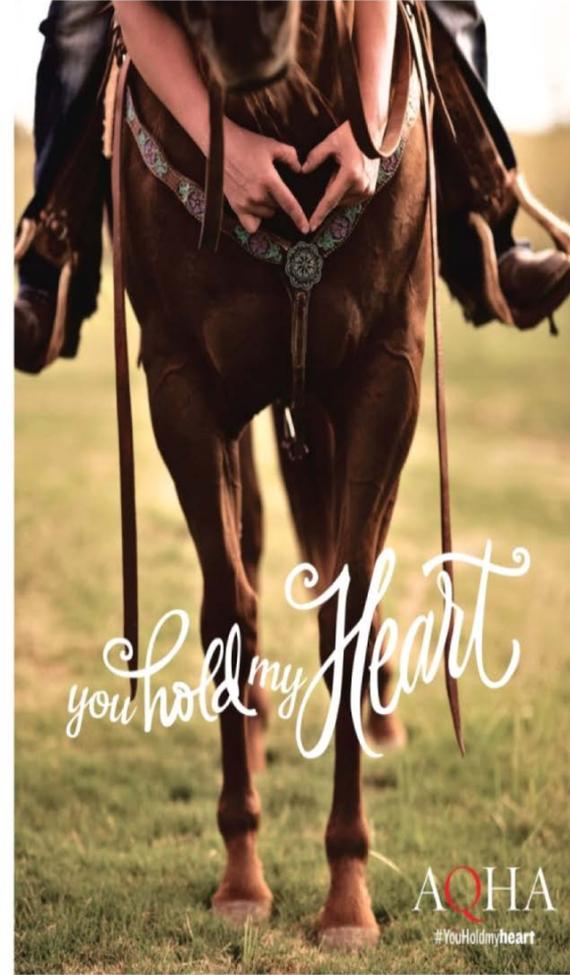
# Current AQHA Ownership Initiatives

## Situation Analysis

- Diverse horse interest
- Members scattered around the globe
- Aging membership
- Limited budget

## Marketing strategy

- Encourage Ownership: Ownership is about the relationship
  - 75% female
  - 47% recreational riders
  - 76% keep their horses at their homes
  - 61% own 1-5 horses
- Grow Membership
- Engage Members



AMERICAN  
QUARTER  
HORSE  
ASSOCIATION

# Racing Specific Initiatives

- Racing Experience protocol distributed to AQHA Racing Affiliates and AQHA Racing Committee for implementation in all jurisdictions.
- AQHA Racing Department is creating educational information for tracks, AQHA Racing affiliates and other groups regarding ownership syndicates and programs to encourage new participation at low cost.



*You hold my heart.*

**AQHA**  
**#Youholdmyheart**  
[aqha.com/myheart](http://aqha.com/myheart)

# Future Initiatives

- Several transformations will take place in 2018, including technological improvements and new strategies.
- Watch [www.aqha.com](http://www.aqha.com) for details
- Announcements will be made at the March 2018 AQHA Convention