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Making the Grade in North America

Moderator:

Andrew Schweigardt, Director of Industry Relations and Development,
Thoroughbred Owners and Breeders Association

Speakers:

Everett Dobson: Chairman, American Graded Stakes Committee

Martin Panza: Senior Vice President, Racing Operations, New York Racing
Association

Ms. Jane Murray: All right. We're gonna continue with our morning program
here.

We'd like to thank Premier Turf Club for the beverage break we all just enjoyed. It
either works or it doesn't.

Anyway, so on this panel Andrew Schweigardt who has graciously agreed to be our
moderator once again from TOBA and his panelists are going to give an overview
of the Graded Stakes Committee and how that process works.

Andy.

Mr. Andy Schweigardt: I'm here.

Amongst my duties at TOBA, is I serve as the secretary to the American Graded
Stakes Committee. We go on here.

I think how I'll handle it this morning is I'll take you through the nuts and bolts of
the process and then Everett and Martin will talk more about maybe their
approach to evaluating the races first from an owner/breeder, from Everett's
standpoint and a racing official perspective from Martin.

As well as Martin going more in depth on the NARC or North American Rating Committee rating process.

Let me get this working here. The purpose of the committee is simple.

It's to provide owners and breeders with a reliable guide to the relative quality of bloodstock. Simply, it's for identifying quality for the sales catalogue.

Sponsorship, marketing, promotion, that's all secondary at best.

A little bit of history about the committee, the process began in '73, actually at the request of European authorities because they had recently put together their European Pattern Committee and their pattern system, implemented the year before but they had been working on it since the late '60s.

Then, at the time Jacques Wimpfheimer was the TOBA president in 1973 and he took the initiative to form the first committee. It consisted of him, Kenney Noe, Jimmy Kilroe, John Bell, L.P. Doherty, the executive editor of "The Blood-Horse" and the editor of "The Blood-Horse" Because, at the time "The Blood-Horse" provided the information to the committee.

Now, it's provided by The Jockey Club Information Systems.

Then, in 1981 auction houses and breeders' organizations from around the world got together and formed what's known as the ICSC. The International Cataloguing Standards Committee looking to achieve uniformity in catalogue presentation.

At that time, they recognized TOBA's North American Graded Stakes Committee as the grading authority for North American races. They would recognize the grades, given by the committee in their sales catalogues. I should mention, prior to 1999 Canada was part of the committee, and so the name North American, but in 1998 they received permission to split off and form their own committee and grade the Canadian races.

Now, the committees, that being the U.S. and Canada, the standing comes from the SITA member auction houses. Another acronym there for you, SITA being the Society of International Thoroughbred Auctioneers and the major North American members of that group are Keeneland, Fasig-Tipton, OBS, and the Canadian Thoroughbred Horse Society.

Then, just to add another layer, the ICSC that was formed in 1981 was surpassed by another Alphabet group called IRPAC which is a committee of the International Federation of Horseracing Authorities and it's a similar composition to that original ICSC.

The composition of our current committee, it has gone through a number of iterations throughout the years but currently it's made up of 11 members, six TOBA members, them being owners and breeders appointed by TOBA's chairman.

They serve three-year terms.

They have a nine-year term limit.

They can serve three consecutive terms and five racing official members.

They are elected by the six TOBA members and they also can serve three consecutive three-year terms.

Representing TOBA this year, will be Everett Dobson, the chair, Barbara Banke, Reynolds Bell, Craig Bernick, Walker Hancock and Mike O'Farrell.

Then, the racing official members in addition to Martin, are Kevin Greely of Indiana Grand, Ben Huffman of Keeneland and Churchill Downs, Steve Lym of Santa Anita and Tom Robbins of Del Mar.

How do you become eligible for grading?

Well, simply starting with the purse level, you have to have a purse of \$75,000 available to all. It's the first step in a race being eligible. You also need to have a minimum purse of \$75,000 if you're a sign-listed status.

Then, if you're a graded race, the minimum is \$100,000 for grade 3, it's \$200,000 for 2, or \$300,000 for 1s. The race has to run two consecutive years under the same conditions. A new race is typically and rarely eligible for grading unless it's an extremely special circumstance.

A race has to run two years before being eligible, satisfies objective criteria. If it's a grade 3, it has to compare favorably to the other grade 3s in its division. It's not restricted other than for non-winners of a sweepstakes which that condition was added last year. Pretty much open races, non-winners of a sweepstakes race is allowed.

Then, we have a couple of medication guidelines, one being there is a drug-testing protocol for graded stakes. The samples collected from those sources participating in graded stakes, the testing done on them must meet or exceed the guidelines in the committee's protocol as well as the jurisdiction must have adopted the RCI model rules on anabolic steroids and non-steroidals.

There were 807 races eligible for grading last year and there will be 844 races eligible for grading this year.

We take all those eligible races and they're broken and they're now 15 divisions, 7 for each sex. Two-year-old route dirt, route turf and sprint for both straight three-year-olds and three and up.

Then, the 15th division which was added last year is the turf sprint which is combined. Since there's not a critical mass for either sex, both sexes are combined into one division.

As well, with the two-year-olds, you can see with the three-year-olds and older horses, they're broken out by distance and surface with the two-year-olds again because of the number of races that they're all combined into one.

Dirt and turf, sprint and route are all together in the two-year-old and two-year-old Philly division.

What does a committee use to evaluate these races? Well, it has some statistical measurements it uses and it looks at 'em over a five-year-period and they're computed for all eligible races.

There's a point system assigned for best performance in unrestricted black-type stakes but also unrestricted except for non-winners of a sweepstakes.

Percentage of greatest stake winners in the field, quality points, which I'll explain. There's five charts in there for those five renewals.

Then, the NARC rating as well as the committee also uses Thoro-Graph figures. Then, the members are expected to take this data and apply their own experience and expertise to it, evaluate the races and come up with a decision.

This is a sample work-flow page. There's 15 of these books, one for each division, has two pages. T

his is the right page, the right side, the summary page with the chart with the most current renewal.

The left side has the other four renewals on it. All 15 books look the same. All the races are laid out this way. I'll go through each of the sections.

Starting at the top, they're the rankings. That's an annual look at how a race ranks compared to its divisional peers on NARC rates, points and percentage of graded stakes winners.

Then, with its five-year average ranking for each of those statistical measurements. Then, those numbers you see on the top right-hand corner above the line, that's the number of eligible races at that age and sex level. All three and up.

In this case, there are 279 races that are eligible for older males as well as that combined turf sprint division, followed by there being 38 grade 1 races for them, 50 grade 2s, 81 grade 3s, 54 listed and 56 eligible ungraded.

Below that, is those same numbers just for the, in this case three and up route dirt division.

Moving down the page, is simply the specifications of the summary of the major conditions of the race.

Then, the point system.

It's simply a sliding scale starting at 6 for a grade 1 winner and moving down. What happened to my pagination there?

To a 1 point for winning a non-listed eligible stake or just an open black-type stake. The section breaks down the points by the number of runners in each point category for each year and arrives at a total number of points and then calculates on the far right, the five-year average.

You can see that on the bottom right there. That would be 60 for this, the Breeders' Cup Classic last year.

Then in parenthesis, next to the numbers of runners which have won a graded stakes for that point value. For that first column there, there was seven 6-point earners.

All seven of them were grade 1 winners. Likewise, there were 4 point earners. All four of them happened to be grade 2 winners and so on. Just pointing that out for the reader.

Moving down, quality points. This is simply just a — you earn a quality point for winning a graded race.

The timeframe for these, I should mention is 24 months before and after the subject race.

There's a 48-month window in which a horse can earn statistical measurements and bring these points and quality points and its best performance measurements into the subject race.

A grade 1 point is simply, you win a grade 1 race, you get a grade 1 quality point. That's also recognized as a grade 2 and a grade 3 quality point.

You win a grade 2 race, a grade 2 and a grade 3 quality point. If you win a grade 3 race, just a grade 3 quality point. The superscript on this, indicates the number of quality points earned outside the United States.

Then, we have NARC ratings. This number serves as, as it's stated here, an expression of each race renewals quality based on an evaluation done by five racing officials whom comprise the NARC panel.

Martin will go into more detail than that, but basically every week, they go through and assess every open stake and any non-winners of a sweepstakes race with a purse of \$75,000 or more and assign a rating to it.

Then in each race, each year, the highest four NARCs earned regardless of distance or surface are added together, averaged, and coming up with an annual race NARC.

Then, those five race NARCs are averaged to get simply the five-year average. Then, also in the section, is the five-year summary for total points and percentage of graded stakes winners in the race. Then the race charts are all there.

This is the current race chart and then there'll be up to four prior renewals. Then, it's fairly explanatory.

We can all read a chart but just pointing out the C, the R, and the O under the NARC. There's three columns there. The C is the NARC rating earned by that horse in a specific surface and distance category.

The O is the best overall NARC that horse has earned in the calendar year.

Then, the R is the NARC that that horse earned in that race in question.

The FOR means that grade 1 win for Thunder Snow was won not only outside the U.S. but outside Europe as well because he had won that in the UAE. Then, the EUR just means Roaring Lion more than — was a multiple grade 1 winner in different countries in Europe.

The divisional index. This is what the committee works off within the meeting. This is the basis. This is where the meeting goes from here. There's one of these.

All these race pages, then are summarized in an index page in each of the books. Then that index page is then color-coded for the reader. The red indicates the statistical measurement is in the bottom 20th percentile of that divisional grade level.

The green means the measurement is above the bottom 20th of the next highest divisional grade level.

Then, the top corner is just the summary by grade for each of the average and the bottom 20th percentile for each of the statistical measurements. That being percentage of graded stakes winners' points, the three quality points, and the NARC.

Then, for the eligible ungraded races also is the race quality score which is used to determine non-listed black-type status. That's what those races are, the ungraded ones. That is also added there just for additional information for the committee members.

Then, as I mentioned before, we also receive Thoro-Graph figures from Jerry Brown and speed figures. It's just a different person's take on the races and how these are calculated.

The figure for the first four finishers. Not the best four, just the first four finishers are averaged to arrive at an annual race figure. Those five annual race figures are then averaged.

What you're seeing here is indeed ascending order. From fastest to slowest, is the five-year average race figure and the five-year average win figures. The figure for the winner each year.

Then, with all that information in front of them, the committee has their discussions focusing on a lot of times the races that were highlighted in red, in green on that divisional index.

Those races must be discussed by the committee. In addition, any committee member can ask for a discussion and a vote on any race. It's not just limited to those races that may be in red or green and I should go back here.

Each statistical measurement is highlighted in red and green. Then, if a race has three or more statistical measurements in red, then the race name is highlighted in red.

Likewise, the green ones.

Those would be discussed for downgrade, possible downgrade. The ones in green, would be discussed for possible upgrade.

Then, it would take 8 to form the votes out of 11 members to upgrade a race and only 6 simple majority to downgrade a race.

In the end, that last bullet point is a long way of saying, "This is just as much art as it is science. This isn't the BCS system, it just isn't the numbers."

Then, just looking at this year going into the grading session which will be held on December 17th and 18th in Lexington.

The numbers on the right is where the session ended last year. Those were the grades assigned coming out of last year's meeting.

Then, the numbers here on the left underneath the yellow columns is where the committee is starting this year's grading session.

There's been two graded races that have been canceled and over the last eligibility during the year, the grade 2 I believe is the Arcadia, Santa Anita and the grade 3 is the American St. Leger at Arlington.

Then, there were 11 listed races that were canceled during the year but there's been a market increase in the number of races becoming eligible for grading this year.

Then, it's broken down by the major categories to give you an idea of where the grades are. Then, beginning this year, you see 186 races.

That includes that route turf division as well as the two-year old races and the sprint turf races and any, if there are any graded races within the three-year-old sprints. There were 186 out of the 448.

Over 41.5 percent of all races starting the session are turf races.

With that, I'll hand it over to Martin and he can talk a little bit more about this NARC grading process and then, we'll have Everett speak.

Then, actually if you have any questions, we're here to answer 'em. We'll have some questions, I hope.

Mr. Martin Panza: Perfect. Thank you. All right. Good morning. Let's see if we can get this —

Let me go back one.

I'm gonna talk a little bit about the North American Rating Committee this morning, the NARC committee.

The NARC number is a rating for any given horse and we take a combination, the top 4 in any race. It's just one of the tools that the committee can use to basically give us an idea of the strength of that race.

I believe, this started maybe about 30 years ago with maybe Howard Battle back at Keeneland putting the committee together.

Obviously, the rest of the countries in the world are ratings based and they run their races off of ratings. The United States is not but through the NARC numbers, it gives us the ability to try and compare horses on a worldwide level and also to give us an idea on the strength of what we think our stakes are or what certain horses are.

When a horse, say is going to do, by a lot of times, they'll call us and say, "How do you have this horse rated?"

They'll be looking for horses that might be rated above 110 to get into certain races in a foreign country and they'll use our ratings.

We rate the races through a website every week. There's five of us on the committee.

Tom Robbins is the chairman from Del Mar Thoroughbred Club, Ben Huffman from Churchill Downs, Steve Lym of Santa Anita, Kevin Greely from Indiana Grand, and myself at NYRA.

We try to keep the committee regional so that we each follow the races in our region. If you've got a race or a horse that you feel very strongly about and you've seen it run, you can obviously stand up for that horse in your region and let the guys know that,

"Hey, look. We think this horse is special, that race was a powerful race."

By having it regional, it gives us a little bit better chance. It's hard for me to watch maybe a race in the Midwest or on the West Coast.

It gives us a chance as a committee with five of us to get a pretty good feeling of the quality of the horses in these races.

Through the Jockey Club, we basically have a website, a North American Rating Committee website, and every Monday afternoon, we get a new batch and that batch will be all of last week's stakes races.

We basically can go on to the website and we can do two things here. We can go to the report section that will give us last week's batch or any batch that we wanna search or we can go through a search and look up an individual race or an individual horse. You'll get your batches on a Monday and you basically have till Sunday to complete it.

Once you sign onto a batch, this was I think last week's batch and there was 44 races. It will give us a list of all the races we need to rate that week, and what type of races they were, where they were ran, what the purses were on those races.

You basically are going to click onto the race and we're gonna end up getting a chart of that race.

From that chart, it's gonna give us on that chart the last time he was rated and what that rating was, and also what his lifetime best rating was.

On the left-hand side, what we try to do, you try to key on one horse or you try to look at a horse that you're familiar with and understand what his previous rating was and key off of that horse to start giving yourself a basis for a rating in the race.

Moving forward, if you can click on an individual horse, the PP for that horse, the life-time past performance is gonna pop up for us. It's also going to give us the life-time ratings on this horse in any of the races he's run in, what rating numbers we've given in that race.

You've got a pretty good idea of, "Hey, the best this horse has ever run is, say an 83," or, "The worst he's ever run is an 83, and the best he's run might be 101."

It gives you a pretty good gauge that, look here, somewhere between an 83 and 101 and suddenly if it's popping up a 110, you've gotta look at that race a little more closely and understand what's going on in there.

Moving from that, we've got a — since five of us do — once three of us have rated the race, you can take a little bit of look to see if you're confused if it's not a region, you're familiar with or horses in the race.

If three of our committee members have done their ratings, on the left-hand side you can see what everyone else has rated it for an average. It gives you a little bit of help if you need help with horses, you're not familiar with.

There's a range that we try to use and basically a grade 1 race, your NARC ratings are usually 115 to 125 on the winner.

Grade 2s can be 110 to 115.

Grade 3s are 105 to 110, and listed races are usually 100 to 105.

This is only a guideline and it doesn't mean that that's what every race falls in between.

If we have a very strong grade 1, sometimes it can be 127 for the winner. It can be 124.

If we have a weak grade 1, you might come in and rate it as a 112 or a 111. These are guidelines we work off but it's not exact.

A lot of times in listed races, you'll get a horse coming back off of a long layoff. He might be a 120 from the previous year but this is a listed race and he's coming back and you might rate that race at say a 110.

Guidelines to use, we try to fall within those regions but it's just a guideline.

The Europeans on the other hand, to keep the races at these levels, they need to try to hit those standards.

We always have a little bit of an argument with their European counterparts.

We don't feel that same pressure in the States because, as Andy explained, there's a lot of different numbers we use in determining how we're gonna grade a race, not just what these numbers are.

The Europeans are more rating eccentric, and so their numbers have to meet these guidelines to keep horses or races at those grades.

A lot of times, especially around Breeders' Cup, when the Europeans are coming over, we have pretty good arguments about some of their ratings and they argue on some of our ratings as well.

Look, it's not an exact science. We had this year in the Breeders' Cut selection committee process, we had a European horse, basically not hit the board on seven and eight of his last starts but he had run in a group one and he had finished fourth and got beat two lengths. Because of that, got an extremely high rating.

He ended up getting into our race and ended up finishing eighth or ninth. The ratings aren't everything but it is a tool and a guideline that allows us to try to understand the strength of a race.

The way the system works, and this is for turf races, lengths beaten in a race, you're going to lose some points.

If the winner beats you by a length going a mile and a half, that might be worth half a point off of the winner's rating.

If it's a sprint race, if you get beat a length, that might be three points.

The turf races have one area or one chart because most turf races, tend to be a little bit more combined in the field.

They run a lot closer together and a lot of times, the finishes are much closer together.

The dirt side of it, once again, a whole nother chart for the dirt end of it. If you get beat, three lengths in a mile race on the dirt, it might be worth two points off.

If it's a sprint race, it's gonna be five points off for getting that.®

I think Andy, was instrumental in the last year, Andy and Tom Robbins in having an adjustment on the dirt races because what we were finding is our dirt fields are much more spread out.

The further you get beat, obviously the lower rating you're gonna get and we are finding that a lot of our ratings in the dirt races, someone was winning by three, someone was running second, five lengths against the third place horse.

That was affecting the rating numbers and those races on average were getting rated very low compared to our turf races when those fields are more condensed.

This last year, I think we went through a three-year study on races and they changed the charts for the dirt for lengths beaten to basically probably give us a better or a fairer rating for the dirt races as we're one of the few countries in the world that actually have dirt racing.

The back of the site allows us to basically go in and we can search a horse, or we can search a race or we can search a batch.

It's very handy and if you look up a horse, it will give us every race that he's running and the ratings in those races and you have the ability off of that to go ahead and look at that individual race.

Ratings work for us in our grading system from Breeders' Cup to Breeders' Cup. That's our calendar year that the rating is live on.

The rating will stick with the horse and so if a horse wins the Jockey Club Gold Cup in October, and Vino Rosso and we give him a rating of 120, when he goes on to run the following year, we can see he's a 120 but it doesn't mean in February or March that he's necessarily gonna be a 120 in that race because it kicks in again new for that new calendar year.

It's a tool that we use, it's not an exact science. There are five of us doing it so we take an average and we revisit races about every three to four months. These ratings can move.

You might look at a race — a perfect example would be the Carter from this year that was ran in April and Vino Rosso was in there and finished fourth.

At the time, you might look at the race and say, "It wasn't that strong of a race." When you go back and look at it from a November standpoint, you look at it and say, "God, the Breeders' Cup winner was in there, so and so was in there, it's a much better race."

This is a living project during the year that, at any time we can go back and revisit races and we can change ratings.

We do it frequently, but there's discussion in it and it's much harder with the three-year-olds and the three-year-olds because they can change really quickly. They can get much better overnight and a lot of times with a two-year-old or a three-year-old, we might think, "This is gonna be the best horse."

Then, he putters and he goes the wrong way. We're always analyzing these ratings about every three or four months and we do go back and make adjustments on 'em.

I think it's a fair system. Our ratings do get reported to the Wetherby site internationally so they go onto an international site.

We have the ability to look at the international handicappers' ratings in our races as well.

The Irish handicappers, the English handicappers will come in and rate our races as well. We do have the ability to look at how they're rating our races. If we get horses from Europe, we need to know, "Okay, how are you rating that horse in Europe?"

To give us an idea of what type of rating we'd give in one of our races.

That's it. Thank you.

Mr. Everett Dobson: Good.

I think I can stay here assuming the mic's working fine.

I believe it is.

I want to give you some perspectives about the chairman's role and I think that somewhere I saw the title of this section was somewhat of an inside look.

Maybe, I can give you a little color on how we ultimately get to the end result which is a culmination of a lot of our hard work.

We start the year as it's been described, we are expected as a committee to look at a lot of races, watch a lot of races, understand a lot of races.

Most of the committee members are on the TOBA side or owners and Craig Bernick and Barbara Banke and people like that and myself have raised a lot of voices.

There's question that our knowledge rests on the secretaries on a lot of fronts as Martin just mentioned and the NARC grading is very important to our analysis as is all the grading points that Andy would know.

One thing I can — and probably a good time to point out, Andy went through a lot of information and all of that information is on our website at TOBA.

In fact, if you go to TOBA's website, it's such a great tool for the committee members because it is a summary of a lot of our rules and a lot of our history and well, why we're here and what we're charged with. It's a valuable tool and I encourage you to go look at it.

As I said, we start the year just making sure that we've got the right team in place to analyze the races. We have periodic conference calls if something arises.

A good example is if a race comes off the turf, it's automatically downgraded. We do have an option to upgrade that race back to its original level within, I think, five or six days.

Now, that's an example we all gather up or cast our votes and if necessary, have a conversation about it.

We typically meet once a year outside of the grading session. In the last few years, fortunately it's been done in Saratoga which is a good place to have a meeting.

At that time, we'll get together and basically discuss general trends we're seeing in the sport as it would affect our assignment. A good example would be the foal crop.

Ultimately, our goal beyond the grading is to try to make an assessment as to the quality of our Thoroughbreds against the backdrop of the number of stakes in the specific grade stakes that they're assigned or awarded.

If every stake is a grade 1, obviously we wouldn't have a graded stakes system. It's really important for us to take a step back and try to determine, how is the grade changing?

Get some clues on that.

Obviously, when our horses race in Europe, we understand the relative comparison against Europeans and vice-versa. It's not black and white needless to say.

If a horse comes over from Europe, you need to understand is this a grade 1, or group 1, 2 or 3 performing over there? You need to look at the time form, right, and you need to understand the competition that they run against.

As a general rule, we wanna go through the year trying to understand how is the Thoroughbred in the United States comparing against its prior generations as well as its mostly European counterparts?

I would throw candid in that equation as well.

Then, we go into the meeting.

We assign the ratings in December typically. We've got everything starting I guess next week don't we. It's a full day and a half.

In order to get ready for that meeting, and I don't know about all the committee members but we have a stack of books that's literally about that tall. Each of the 15 categories comes with a booklet. It's also available in electronic form.

I may be a little slow but it takes me about three hours to get through each category. I go through and analyze as many rates as is warranted and obviously, I don't spend a lot of time on the Breeders' Cup Classic because that race doesn't go anywhere. You see that in all the divisions.

When we get into the gray areas, horses that are going to be — clearly need to be discussed, then I'll spend a lot of time.

I'll even go look at videos.

I'll pull up a particular race that I may have not seen but maybe I deem to be important in the analysis.

I think everybody on the community does it pretty much that way.

As a racing secretary, Martin's probably closer and on top of it in a periodical basis across the year, throughout the year more so than I am.

For me, I gotta do a lot of homework leading up to the session to be prepared.

Once we get into the meeting itself, we start with an individual category and there's no particular sequence.

We'll typically try to — if there's gonna be a contingency or a category that's gonna take more time, we might start with that early in the morning and spend a little bit more time — be prepared to spend more time on.

I can also tell you that every person on the committee, any of the 11 committee people can ask to consider a race for either upgrade or downgrade and can ask for a vote and that's frequently done.

I can also tell you, that it's not uncommon to have a unanimous vote but I would say the majority of our votes are split.

They're typically an 8 to 3, 9 to 2 category.

Occasionally, it'll get down to 6 to 5.

Another little quirk of our process is if somebody doesn't even like — if they don't like the outcome, they can ask for a reconsideration before our two days have expired.

It's not uncommon that somebody sees a race getting downgraded typically and says, "I'm not sure this is warranted. Can we go through the whole process and come back at the end and revote on?"

I can also tell you; I don't know that I've ever — remember one getting reconsidered or flipped from the original vote but at least there is that process that gives everybody comfort that there's absolute thorough analysis on how we go about it.

Once we get through the discussion, it's just a matter of coming to the vote and there's —

I made a comment when I was an observer and we do require that everybody observe a session before they can actually grade a session, become part of the committee.

I made a comment that I was astonished at the civility of everybody in the room because obviously you've got a lot at stake.

Maybe, you've got a lot of racing secretaries and particularly that are representing a constituent back in your jurisdiction. They really do approach it with a mindset, this is about the betterment of our breed and to make our breeders and owners and buyers more informed.

I really do believe that the system is very good in that regard but at the end of the day, we take a vote and sometimes it affects regions.

Obviously, California was pretty significantly affected last year in our grading session. Overtime, the function of low field sizes and the like, has caused California to have a bit of a problem in the terms of the sheer number of graded space that they've had.

I'd also point out, they're still part of New York in terms of the number of graded stakes that they conduct every year.

At the end of the session, Andy, who by the way, it's time to probably point out, we couldn't do this job without Andy. He's the one person in this sport that may be indispensable in my opinion but I guess we'd survive but I still don't know how we would. At the end of the session, we start again for the next year.

The next year involves, again as I stated, we have general discussions about where the sport has been, where it's going, is turf becoming more relevant?

Are the turf performers becoming stronger?

By the way, I think that's an obvious that, at least on the turf races becoming more relevant. We are running more turf races, we move more graded stakes and listed stakes up from the turf side and lower a few or lower more on the dirt side because, frankly we're seeing strength in turf.

Strength comes in part from the volume. We've seen a lot of obviously more races written.

That's a general observation that we take and field size being another good example and there's a lot of other independent variables that we'll analyze and look at.

Finally, at the end of the day, I think the process works for us in a way. We've never suggested that this works against parts of the world as — I don't know.

If I went back at my time on the committee, I look at the individual races and I look at the direction where we've gone. I think we're moving in the right direction.

I'll finish on this.

We have what we call a pyramid tarp in that we try to have roughly 20 percent of our graded stakes be grade 1s, 30 percent grade 2s and the balance of 50 percent, grade 3s.

That's a guided principle but it's not an absolute number.

You see variances throughout the categories that would cause that to sometimes shift up or down. We start with that principle.

The other thing I can point out, we don't have — we check our biases at the door. In fact, it's very important that we come into the room without regional or turf track biases primarily.

Even though the tracks are representing, in the case of Martin's case, he's representing NYRA. He can be an advocate at times but I can tell you, Martin is very good. He's critical at times.

He will flat-out tell you that, "This race doesn't meet our standards of this grading session." He's the first to tell us and I think it's true with all the racing secretaries.

There's not any — we really, they work hard to make sure that there is no regional or track biases in our analyses.

I think that, I as chairman, I'm very focused on that. We just don't think that's appropriate or proper, we wanna get to the right answer on behalf of the group.

With that, I wanted to give a little bit of time — I think we've got — well, maybe we don't have but if there are questions that are burning questions, I think we gotta a little bit of time perhaps.

Mr. Andy Schweigardt: Here.

None?

Thank you, guys.

No. Wait a minute. Keith.

Audience Participant: A question for Martin.

If you're an Eclipse Awards voter, do you think any of this data should be put in front of all of the Eclipse Awards voters each year? The NARC ratings or any other data that you think would be helpful to voters because currently, you give them past performances on every horse, we give them a list of all the grade 1, grade 2, grade 3 winners, a lot of statistical data but we don't include any of this data.

I'm just curious.

Mr. Martin Panza: Yeah, I'm not sure from an Eclipse Awards voting standpoint.

I think given the past performances and you're looking at the body of work that that horse has had for the year, and what races he's run in and what his record has been.

I'm not sure that a quality point, it is basically a derivative of how many grade 1s did you win?

If you won four grade 1s, you've got six quality points for each one of those 24 quality points.

You can see that on your PPs on each horse.

I'm not sure as a voter for the Eclipse Awards and sitting on this committee as well, I'm not sure that this information would really come into play.

Audience Participant: Now, Andy do you have any thoughts on that?

Mr. Andy Schweigardt: I agree.

I don't find myself as an Eclipse Awards voter, going to my NARC numbers or to our grading books to make a decision on a horse towards the Eclipse Awards.

I think — and some of the things that Everett's talked about in over the last few years, the Europeans have gone into some of their categories, the filly and mare turf maybe about 10 or 12 years ago.

They basically, wanted to lift that category up and they basically came in and promoted larger races to grade 1s to help promote that category in filly and mare racing in Europe.

Most recently they took a three-year-old sprint stake at Ascot The Commonwealth made it a grade 1 race to try and help sprinting in Europe on the graph.

I think, under Everett's lead in the last few years, we've tried to help the American racing scene and the Breeders'. We've come in with our turf sprint races which if you went back 20 years ago, there really wasn't turf sprinting in the United States. Now, it's becoming more and more popular and a bigger thing worldwide.

Whereas, a committee we've come and then said, "Okay, we need to try and help grow this category.

How can we award?

Maybe somebody listed races need to become grade 3s, and some of the grade 3s become grade 2s.

We've taken a little bit more role in trying to help with each division and try to grow the sport a little bit which I —

Mr. Martin Panza: You can't force it either. It's important to recognize that we're sprinting more in the U.S. and we're sprinting more on turf.

It's — unless we start to assign grading to those races, they'll stay lifted forever and that's more of a function of what we're seeing versus, "Let's just go assign, a grade to a category and see what happens." I think that's the way I would describe it.

Wouldn't you?

Mr. Andy Schweigardt: Yeah, I think that's exactly right.

If a category doesn't exist, you have to help it to just start to exist.

I think we follow Europeans' lead on that.

I know they went into their staying races, their two-mile races and try to lift all of that up to get people to start to try and own those horses and make those horses a little bit more valuable.

While we're looking at races and grading and looking at the history of how they are run, we're also probably taking a little bit more active role in trying to help promote American racing and the breeders of America by addressing some categories that are starting to become more prevalent.

Audience Participant: All right.

Thank you.

Thank you, guys.

