



Tuesday, December 5, 2017

**Mark Kaufman Workshop presented by the Turf Publicists
of America: How to Leverage the Handicapping
Tournament Landscape to Advance the Sport**

Moderator:

Jim Mulvihill: Director of Media & Industry Relations, The National Thoroughbred Racing Association

Speakers:

Keith Chamblin: COO, The National Thoroughbred Racing Association

John Fisher: Handicapper, 7-time NHC Qualifier

John Hartig: Chairman & CEO, Sports Information Group, Daily Racing Form

Ms. Wendy Davis: Alright everyone, thank you for getting in the room so quickly.

I tell you, it's always a pleasure for me to introduce this session.

It, traditionally, is held right after the Big Sport of Turfdom is awarded, and it's the Turf Publicist's Mark Kaufman Workshop.

I don't know how many of you in the room remember Mark Kaufman, but he was just a delight when he was here at the symposium, so the name of the panel session means a lot to me and probably many in this room.

I'd also like to thank Daily Racing Form for sponsoring this panel.

Since we are running just a little short of time, I'm gonna just throw this right over to Jim Mulvihill, who's gonna moderate, I think, what's gonna be a really, really interesting session today about how to use what we do best, and that is play the horses.

Thanks, Jim.

Mr. Jim Mulvihill: All right.

Thank you, Wendy.

Hopefully, it will be an interesting panel.

We'll do our best.

Thanks, everybody, for being here.

I'll get right to the introductions because we have so much we want to talk about.

Starting closest to me, John Fisher is an eight-time NHC qualifier, and he already holds the maximum two entries for the 2018 contest in February.

He's retired from a successful career as an engineer with Boeing and now lives in Central Florida, where he devotes a fair amount of time to tweaking his proprietary handicapping software, which he affectionately refers to as Merlin.

If you hear him talking about the fact that Merlin gave him his picks, that's not collusion; that's actually just his software.

This year, alone, he's played in contests online and on track at Canterbury Park, Churchill Downs, Del Mar, Gulfstream, Hawthorne, Keeneland, Laurel, Monmouth, Santa Anita, and Woodbine.

He's also part of the NHC mentor program, which we'll talk more about later.

John Hartig — excuse me — John Hartig is chairman and CEO of Sports Information Group, Daily Racing Form LLC since 2009.

He's transformed the 123-year-old iconic newspaper business into a multichannel information company comprised of complementary digital and print assets, including online wagering and tournament operations.

John came into Median Publishing via the advertising and public relations world. Before the Form, he served as CEO of BrandPort, an interactive media company.

Previously, he was a key member of Hurst Corporation's senior management team as senior vice president of consumer marketing and development.

Prior to that, he was president and CEO of the Parenting Group, Inc., a division of Time, Inc. He also co-led the introduction of *In Style* magazine, one of the most successful consumer magazine launches in recent history and served as a senior executive at *People* magazine.

John, thanks for being here.

Keith Chamblin is chief operating officer of the NTRA, where he contributes to all of our key endeavors, including marketing, communications, industry relations, and federal legislative activities.

Since joining the NTRA in 1999, Keith has implemented several successful programs, including the industry's first national direct mail promotion to more than one million households, as well as the Breeders' Cup Challenge Win and You're In program and a national advertising campaign that just recently was inducted into the Clio Hall of Fame.

From day one, he's led the world's richest and most prestigious handicapping tournament, the National Horseplayers Championship.

Prior to joining the NTRA, Keith served as vice president of marketing at Hollywood Park.

His career before that included leadership positions at Remington Park, the *Blood-Horse* and *Spur* magazine.

Thanks to all of you for being here.

We got a lot of ground to cover today.

Oh, I should also mention that Tim Schram of the Breeders' Cup was a late scratch from this panel.

Tim sent his apologies. He said he had business obligations in Lexington that prevented him from being here.

As all of you in this room are probably aware, the Breeders' Cup Betting Challenge has been in the news quite a bit lately, and some of the top contest players protested the result of their contest last month.

There's an investigation still ongoing.

We are gonna talk about that, but we'll do that later in the panel.

I just wanted to make you aware that we are gonna discuss it a little bit.

Before that, we want to just kind of give more of an overview of the tournament world, why it's important, and why it's growing so much.

To kick that off, I want to start with our horseplayer here, John Fisher, who maybe can just give us an idea of his background, why he got into the contest world, and why it's become such a huge part of his own lifestyle.

I mean, it really is a lifestyle for you.

Mr. John Fisher: Yeah.

Basically, I'm a very competitive type person, and I like to kinda figure things out.

I like to learn, etcetera, etcetera.

As a teenager, going to Long Acres, I was fascinated with the sport, and got all the books and did all the reading.

It's been fascinating.

Now, with the tournament scene, it's even more enjoyable to apply those skills and attributes to competition.

Whether it's an online-type competition or a cash tournament, there's different strategies.

Of course, the aspect, possibly, of going to different racetracks and seeing those, which of course, I just love to go do.

My entrepreneurial side of me is always wanting to look in the mirror and look at the strengths and the weaknesses, how do I improve, ala Merlin, and then how do I win?

I mean, ultimately, how do I compete with the best players in the country, guys and gals, and be successful, knowing that tournaments can be won and lost by a head bob.

It's not mathematical.

There's a lot of skill.

There's definitely some luck.

The other aspect I think, which we all understand, is the comradery and the people side of it is just spectacular.

It's second to nothing out there.

As you know, 40 years of handicapping, a huge passion of mine.

Now, retired, this is what I get to do all the time.

I am very fortunate.

I have a great wife that supports my big, huge, wonderful habit.

It's just a great venue.

Having attended these panels, the last day and a half has really — it's given me some notes to talk to, but I think we're in a potential really great place to make some changes and changes for the good.

We've got to do things a little bit differently, but I'm very impressed with where we're at.

Some of the numbers I've seen in these panels and, then, potentially, some tweaking we can go do and some work at the racetracks out there, etcetera, to improve the sport and improve the game.

Mr. Jim Mulvihill: John, we want to hear more about those changes you'd like to recommend to us later on.

Mr. John Fisher: Yes.

Mr. Jim Mulvihill: For a little more setting of the stage, I want to talk now to these two gentlemen, who represent two of the most high-profile handicapping tournaments that are out there.

The National Handicapping Championship or Horseplayers Championship, as we now call it, is almost 20 years old.

Then, John, at the Daily Racing Form, they recently launched their own million-dollar contest.

Keith, maybe you can give us an idea of the scope of the handicapping contest world.

I don't know if you have specific numbers, but just give us an idea of what a big business this has become over the past 20 years.

Mr. Keith Chamblin: Well, it's really become a huge program and property, not only for the NTRA, but for nearly 50 organizations around the country that participate in the NHC by hosting handicapping contests throughout the year.

It's led to the creation of a tour.

It's led to a community of horseplayers that thus far this year nearly 5000 NHC tour members have spent \$14 million on track at contests and more than \$2 million online.

It gives you a little bit of an idea about how passionate this small group of players are about contests, about the NHC and about the stickiness of contest play and the potential if all of us as an industry can grow it beyond what it already is.

It started in 1999 as an event worth \$200,000.00.

This coming February we'll host the 19th NHC.

It'll have the largest field in history, upwards of 650 entries.

We'll have a record purse, we anticipate, of right around \$3 million.

That'll be another tipping point threshold that we hope to surpass, if we have a good December and January.

It just continues to grow.

When you look back at the last 20 years in our sport, other than advance deposit wagering, I can't really think of anything that even comes near

approaching the trend lines that we've seen with handicapping contests, the NHC specifically, that we're involved in.

They're just tremendously popular with the player, and we're constantly looking at ways to grow them even further.

We believe that, in the not too distant future, we can be hosting a contest that, hopefully, will be over \$5 million in prize money.

That's one of our goals.

We hope to be around to see it come true.

We're certainly, despite the phenomenal growth, we very much believe that we're still just scratching the surface.

I think no one could argue that when you realize we have 5000 players that are accounting for all of this activity in this space.

It's been phenomenal, but it's also got a great potential.

Mr. Jim Mulvihill: I think it's a reflection of that growth that the Daily Racing Form got into this business, so John, you've overseen a pretty vast expansion of all the businesses at Daily Racing Form.

How did tournaments fit into that?

Tell us about the strategy of launching your own tournament.

Mr. John Hartig: Sure, Jim.

I think, like Keith — I totally support what Keith is saying and just totally endorse it as well.

We acquired in fourth quarter 2013 the underlying, the operating platform behind the NHC and the BC qualify tournaments.

Just through our knowledge as a sponsor, a long-term sponsor of the NHC, our view was like, as Keith says, there's a lot of growth potential.

People want to play tournaments.

We saw kind of this untapped demand on the players' side for tournament play.

We thought, okay, well, how can we help drive that as an industry media company and a product company?

Through that acquisition, we started forming an editorial team to really promote the races.

Certainly, our marketing, we wanted to get behind it from a marketing standpoint.

Our view is that we're gonna invest in editorial coverage, we're gonna invest in marketing products and past performances, handicapping tools.

Then, we invested about a million bucks in a digital, in a mobile platform to allow players to wager on a mobile platform cuz they clearly wanted to play wherever they are.

From a players' standpoint, it's gotta be fun, it's gotta be social.

As John said, he's a competitive guy, and — amen — but it's gotta be social.

It's gotta be fun.

People want to beat their chest and talk about strategy.

It has to be simple, really simple to play and not create barriers for new players coming in.

Cuz our view is we've gotta be talking to core players, but we also have to be attracting new players, and that's gotta be our mission.

Lastly, like I said, it has to be available to play on the go.

Truly mobile first.

We've been very excited about the three or four years that we've been working with NHC and BC qualify.

We learned a lot along the way.

From a business standpoint, to me, as Keith said, what in racing is growing?

I think over the three years of BC qualify, BCPC, it was we grew the players and handle about 3X.

We thought, wow, this is exciting.

What do players want?

Players want, again, simple, fun tournaments.

We love the idea that we can attract new players to the game and younger players.

Sorry, John.

You started this in what, 30 some odd years ago, right?

Mr. John Fisher: Yes.

Mr. John Hartig: We see through NHC, the combined data, looking at who are these players?

They're younger players, they're analytical.

They don't know anything about racing, necessarily.

I'll show you some numbers in a second.

A lot of players are just saying, I want in.

To our point, it's the original online game.

Why would we give up, see this as sports, other sports betting?

This is a game that people, once they get in, as Keith said also, very sticky.

Folks come back again and again.

Younger players, they learn to play.

As Alex referenced this morning, what, 40 some odd percent or call it 40 percent get into horse ownership of some sort.

Cut that in half.

Cut it by 75 percent.

It's a great way to get into the game.

You're an example of that.

We love it from the business standpoint and from the players' standpoint, and folks are responding.

Mr. Jim Mulvihill: I think John has a slide that talks a little bit more about the business aspect of DRF's involvement in tournaments, but maybe before we bring that up, you can also just talk about, does the idea of launching your own tournament, does that come from the idea that this is going to be a business segment or a unit unto itself or is it more about the customer loyalty and then driving them to DRF Bets or to —

Mr. John Hartig: Yep.

Mr. Jim Mulvihill: — make them a more loyal consumer of everything that DRF offers?

Mr. John Hartig: A little of both.

The tournament has to be embedded in the ecosystem of DRF.

Today, you can actually use your wallet, and if you want to buy Past Performances or subscription to *DRF Plus* — by the way, it should be on the pay wall because I had my porch light shut off on Horseplayer, I think.

Nobody's laughing.

I thought that was funny.

Judy's not even laughing.

Unknown Speaker: I'm laughing.

Mr. John Hartig: God, come on, Judy, give me a break.

It has to be an ecosystem.

Our vision is, I view if you're coming to play and it's a Tuesday, and there's a great tournament and it's at Parx, let's play tournaments.

There should be one wallet.

If I want to buy data products or content or make a bet into the NHC or bet through the pools, it's right there.

Right?

I've got DRF bucks.

Why wouldn't I be able to do it all under one environment?

It has to fit within our ecosystem, I think.

From a P&L standpoint, from a profit-and-loss standpoint, it is not a way to get rich quick because of the costs — and it was referenced earlier — the cost of operating a system, the cost of the takeout to buy compensation to the tracks, which is absolutely right, compensation to the horsemen, absolutely right.

All constituents should be compensated if we really want to embrace tournaments and drive it into a scalable business.

Then, there's just no margin to be — that's just a fact.

That's okay cuz it's doing what it should be doing, driving new customers, new players in who get the bug, and they want to keep coming back.

Mr. Jim Mulvihill: Well, it might not be a way to get rich quick, but hopefully, it's a way to get rich slowly over time.

Keith was talking yesterday and earlier now about the 5000 customers that are worth \$15 million in handle and such or in entry fees.

Keith, when we're thinking about trying to double that number because 5000 seems like a pretty modest number for all the business they're doing, it's amazing to me how difficult it can be to transfer a regular lifetime horseplayer into a contest player.

This is a question for all of you, but Keith, I'll start with you because of your experience trying to do this over so many years, but how do we do a better job of getting the people on track to participate in their on-track qualifiers, doing something that they love to do, but for whatever reason, it hasn't — the bug hasn't struck them yet?

Mr. Keith Chamblin: Well, I think it's a couple things.

One, I think there still is a general lack of awareness about contest play, lack of understanding.

It's a little bit complicated to get started.

It's also intimidating, somewhat intimidating.

I allude back to when I worked at Hollywood Park and how intimidated I was when I walked into the poker room at Hollywood Park.

I played poker all my life just with friends around the table, but whenever I'd walk into the poker room at Hollywood Park, I would feel like, man, these guys are just gonna turn me upside down and shake all the money out of my pocket.

Very, very intimidating.

I never sat down at a table and played, even at a very low end, low buy-in table.

I think there is an intimidation barrier.

Somehow, some way, we need to do a better job of working with our track partners, our online partners, and communicating to not just current customers but target customers that it's easy to play.

It's fun.

It's another way to play our game.

It's fairly — it's not that complicated.

In fact, the online contests are just win-place.

You're just picking a horse to win and place in 10, 12 races.

It's pretty darn simple.

It's hard to win, but it's pretty simple to play.

The on-track contests, they vary greatly, and they can be much more sophisticated, much more complex because a lot of 'em, in fact, virtually all of them these days involve live money play involving not just win-place-show wagering, but exotic wagering as well.

Those can be more complex.

I just think we haven't found that message point yet to really move the needle.

I think, as the contests continue to grow, as the major events continue to grow, whether that's the NHC, the BCBC, or DRF's new tournament, all of those are gonna peak more and more interest from both current and target customers, and hopefully, we're gonna hit a tipping point here in some point in the not too distant future, where this'll bust wide open.

I think we'll see — I think the biggest growth and the most aggressive growth is still to come.

That's my hope anyway.

Mr. Jim Mulvihill: John, I'll go right to you.

It sounds like you got something to say.

Mr. John Hartig: Let me add onto that.

Let's try slide three.

See what that looks like, the Bell curve.

Mr. Jim Mulvihill: Oh, we have the Bell curve slide.

Okay.

John showed us this yesterday at the NHC workshop, but there are a lot of folks here that weren't able to be here.

Mr. John Hartig: One more.

Next slide.

Next slide.

One more.

Thinking about coming here and talking, I kinda said, well, what are we talking about in terms of leverage, and who are we?

I put this together as a pictorial.

It's not mathematically perfect, etcetera, but I think it talks to a number of issues, thoughts, comments.

The thought being on the left side in the Bell is us, the population of horseplayers.

There's many of us out there.

We're made up of — let's go to the bottom line.

I think there's two things that horseplayers really enjoy and why we keep doing it, some of us for over 40 years.

There's a skill involved and it's increasing.

You saw my bio.

You see I have a whole bunch of degrees and graduate degrees.

I like education.

I like learning, right?

I like winning.

I like doing better.

That's kind of a natural for me.

The real takeaway is I have listened to the last day and a half plus of panels.

I'm convinced more than ever that the second bullet of enjoyment, enthusiasm, is where we need to go focus on for our growth.

What the chart is saying is the white hash lines are, conceptually, today tournament players, some subset of the population, and what we want to go do as a team and as an industry is move toward the black line, ala growth.

As Keith was just talking, one of the things I think we need to go focus on in 2018 and on, is those three sets of players, the low player that has maybe low skill and decent enthusiasm or enjoyment or they wouldn't come back, right?

The large portion of the average/good handicapper/better, etcetera, etcetera, and then on the right side is the very skilled, very excellent players out there, and potentially, even tournament players.

The white, if you could see, it's kinda shaped more toward the right side of the Bell curve.

My thought is that's — there's more skills, in general, out there with the tournament players.

We really want to — where I was initially thinking about focusing on the average and the high players as far as education and coaching and mentoring, there's a large portion of the low skilled, okay enthusiasm players that we also need to market.

There's almost three different marketing plans to each of those populations to increase their skill, and most importantly, to increase the enthusiasm.

Enjoyment is a real big — it keeps it — it's gotta be fun.

I can go to Vegas without a lot of Brainiacs and go play craps, and I can have a great time.

There's not a lot of skill in that.

It's pretty much numerical, and if I can get on the hot roll, I can look like I'm pretty good.

A little bit similar in blackjack is you need to know a little bit of the rules, but me and my wife will sit there, literally, for hours, NHC in between the

tournament, and we'll just play for hours, knowing the rules and it's kind of an easy game.

In the horseracing world, the thing I've realized over the last plus days is we already have a great population that know how to read the Form, that know how to get to Formulator, that know how to read sheets and Thoro-Graph and know a decent initial piece of how to bet.

One of the things we need to go do is get that even more out there and help the folks become more skillful, and ultimately, successful.

Mr. Jim Mulvihill: I do want to dig into that more, especially because this is a Turf Publicist's workshop, even though we don't have a lot of Turf publicists in the audience, that is — part of the theme is how we raise awareness of this realm.

One thing that bothers me is how little attention the contests, the qualifiers themselves, get from their own racetracks.

We have these tournament directors, who are often the mutual directors or the marketing department, and they put on these amazing contests.

There are a lot of great stories there.

The tracks themselves, oftentimes, won't put out a news release on it or send us an image of the winner or something like that.

Maybe Keith can talk to, specifically, how tracks can raise awareness of their contests and of this world, and maybe also tell us who's out there that does it really well, that maybe the rest of us can look to and try to emulate.

Mr. Keith Chamblin: Well, we've heard this song before.

You should promote the trainers.

You should promote the jockey.

You should promote the horse.

You should promote the horseplayers.

That's really where we are today.

I do think there is some opportunity there with horseplayers.

We've got some real characters, and they really do — unlike almost any other sport or entertainment or game, they participate in horseracing in a big way.

We saw some of the strongest growth during the formative years of the NHC when the Esquire channel was running a show called *Horseplayers* that didn't draw huge ratings, or it would still be on, but it created a lot of buzz within our industry and really raised the profile of not only contests, but horseplayers, in general.

I think there is an opportunity there.

Some tracks do do a better job than others.

I think Keeneland, Santa Anita, Churchill Downs, NYRA do a good job of — Monmouth Park, Del Mar, they do a terrific job.

They've got greater resources at their disposal and do a pretty good job of promoting their tournament players.

We're even striving to do a better job on an ongoing basis, whether it's through traditional forms of exposure or through social media or digital media.

It's becoming more and more of a focus at the NTRA, and not just on the NHC, but on the various qualifiers taking place around the country virtually every weekend.

It's frustrating, but it's not surprising, in my view, and we just need to keep plugging away.

I think, again, as the purses get larger, I think — and if somebody gets lucky enough to win one of these bonuses one of these days, I think, again, that could really — yeah, maybe it'll be you, John.

Yeah.

That would really go a long way toward broadening the exposure and promotion of the contests.

Mr. Jim Mulvihill: Well, the one entity that I'd say nobody would argue has done more for promoting the contest world than anybody is the Daily Racing Form.

It's the only outlet where you'll find a staff writer that's dedicated to covering the contest world.

John, can you just talk about what Pete Fornatale does, but also, just in a larger sense, how what Pete does, reporting on contest play, actually does, in a secondary way, drive business?

Mr. John Hartig: Sure.

Sure.

Well, I think you look at the three Johns.

You have John Fields, you have John Kitchen, and you've got John Doyle.

You look at players, it is about storytelling.

It is about, as Keith says, it's about making the player the hero.

When we've done a number of campaigns showcasing the players from all walks of life, the response is terrific.

In a leader board, people want to see how they've performed on a leader board. Right? That's clear.

It's personal.

It's a passion, it's a commitment.

It requires that kind of integration so it's gotta be part of our news coverage.

Our job is to curate the best races for tournaments, to get the best races.

Tell people, give them the tools to play, to enjoy, and to win, and then showcase the players.

Give them different kinds of contests.

I'll show you just a couple of slides just because I think empirically it's hard — it's important to look at what's the data.

I mean, from our perspective, this is kind of our ecosystem.

I just pulled this out of the PanAm conference which I did earlier in the year, but within DRF, people are coming.

If we're gonna get a million people a month, they're gonna come through and they're gonna look, consume content.

They're gonna find out what is racing today, what is important.

Tell me what's important.

Where is a pick six carryover?

Something between Gulfstream and Santa Anita.

Don't miss it.

Run, don't walk.

Or if Martin Panza has something terrific at NYRA, give people a reason to play that track tournament.

Where will you see that?

You see that in content.

You see that in data products.

If you go to classic past performances for this Saturday, you'd see Santa Anita right on those past performances, there's a tournament today.

As the players, you'll have 80,000 people downloading data products to say, wow, the fourth race at Santa Anita is part of a tournament.

That's giving some excitement about, okay, shall I bet, should I play that tournament or not?

At least we're teeing it up.

Pete would be promoting that, right?

He'd be saying, hey, this is very exciting tournaments this weekend.

The live reporting is important, just giving people a sense of you've changed this condition, scratches, etcetera.

Within wagering, we do two things.

We have tournaments.

We have DRF Bets.

Then, mobile, my view is if you want the money through the pari-mutuel pools, that's your choice.

If you want to play a tournament, terrific, but let's make it easy and fun.

Maybe just go to the next slide real quick, if you could.

This happens to be — we just launched the World Championship of Handicapping earlier in the year, and this just happened to be the first few weeks.

Forgive me, it's sterile as can be, but we had 4000 new players.

This is after three weeks, 10,000 total entries, 899 were new tournament players that said — this is self-described, I've not played a tournament before.

These are new players to racing.

Again, what they've said is that 461 of these folks, I've never been playing in racing.

Mr. Jim Mulvihill: That's amazing.

Mr. John Hartig: Half of 'em said, "I'm gonna play with my phone."

That's what they've said.

They have informed us about the WCH, and what was important is they said, "It's gotta be online."

For some people who prefer not to travel, we want the whole thing online.

We provided a zero percent takeout in the final.

Again, listening to what the players wanted, this is something we divined.

Again, it should be just one more game or contest in their menu of playing.

Then, you could say, well, obviously, how do we get the tracks to buy in because one flavor of racing tournaments are the live money in terms of the weekends.

Again, if Tim Ritvo or Martin said, hey, we wanna drive attendance and handle with this Belmont tournament, could we create that?

Well, absolutely.

Let's see if we can drive that attendance and handle.

That's all good.

This last slide just is important, I think, because we had — I had to prove to myself because we're gonna invest a lot of money, we're gonna demonstrate commitment.

I'm a dope.

We're acquiring new customers and they're trading out dollars out of pari-mutuel wagering, and this is out of — just took a cohort of players who were in our DRF Bets account, 773 so that ADW average handle per user before playing tournaments was 14,500.

After playing tournaments, their ADW handle went to 15,960 or up 9.8 percent within their ADW account.

This is new revenue.

Fifteen hundred dollars is what people were spending in tournament money, totally separate and apart, and that actually grew \$2900.00, so that went up as well.

You have a total growth in handle with tournaments up 20 percent.

You have people who are committing, they're playing with more frequency, it was more fun, and as Keith said, again, which I can't agree more, it's sticky, it's fun.

It's cool.

We've got to continue to get people playing, and we don't do a good enough job of actually showcasing the winners, right, and saying, hey.

A couple weeks ago, we did a tournament with Sky Racing.

I know Sky Racing folks are here.

I think we generated maybe \$1600.00 this tournament to bid on Australian racing, and the VIP, the winner has got a VIP trip down to Australia sponsored by Sky Racing.

It was cool as can be.

The Hong Kong Jockey Club wanted in tournaments.

We do a lot of things with buy-in in tracks, but other international.

I think the demand is there if we tell people why it's cool, it's fun.

Mr. Jim Mulvihill: I think this is an important slide for the people in this room because there's always a lot of suspicion.

A lot of you are understandably very protective of your purse accounts, and people worry about, as it's put right here in the slide, whether contests are cannibalizing pari-mutuel wagering, taking money away from the horsemen, but I think anybody who's involved in the contest world will tell you that contests actually inspire people to play a lot more money.

They end up studying the races, and they want to play those races on the side, regardless of the format of the contest.

John, before we get to you, I'm just wondering if Keith has any thoughts on that because it's something that I hear often, and a lot of the feedback that we get when we're out trying to sell contests to racetracks and such, people are concerned where is that money going, and it's not going into our handles.

Mr. Keith Chamblin: We absolutely agree. I mean, the number one—the mission of the NHC is to drive interest in pari-mutuel wagering. That is the way we view everything, through that prism, when we're considering what we're going to do with the property. I think the numbers speak for themselves.

We were talking about it just recently, and then we heard yesterday, we don't know of a track out there that's running on-site contests that are mythical betting.

They're all, virtually all of them, to our knowledge, are now live bankroll contests on track.

You heard me reference the numbers earlier.

We've had \$16 million dollars in entry fees this year, over \$14 million dollars of those entry fees have been in on-track contests with live bankrolls.

They're definitely playing through the pari-mutuel windows with 90 percent of the NHC activity.

It varies online.

There's some mythical formats, and there's some live money formats online through the ADWs, but more than 90 percent of the revenue being generated is on track and through the pari-mutuel windows.

We love that.

The one area where we don't think we quite have it right is the price point to enter these contests.

When we look at them right now, you look at the data, an average on-track contest costs over \$1600.00 to enter.

Of course, it's being driven by the big contests, the BCBC, the Kentucky Derby Betting Challenge, the Belmont Betting Challenge, these high-dollar contests.

The average is more \$1600.00 to play in an online contest leading to the NHC.

The average to play in an online contest, to play, to try to qualify for the NHC is \$79.00.

We think there is a place, obviously, for online contests because it's moving people up the ladder.

Frankly, we think that we need to work harder with our racetrack partners because what we've always preached is that contests shouldn't be a one-off at your track.

They should be part of an overall marketing program, part of your marketing menu and that you should — we understand why you want to have high-dollar, high-bankroll contests.

It makes all the sense in the world.

You've gotta have some other contests that can feed into the — create players who eventually, because they did well in \$100.00 or \$200.00 or \$300.00 tournament, eventually want to play in one of those \$3000.00 contests at Keeneland.

They do it very well.

They have a \$400.00 contest on one day, and they have a \$3000.00 contest on the next day.

That's what we're looking for is a greater mix of contests, greater variety.

We think that's important.

These players, for the most part, are highly sophisticated, the John Fishers of the world.

Fifteen percent of NHC tour members bet over \$3000.00 each day they play the races.

Twenty-five percent play, bet over \$2000.00, and about 35, slightly less than 40 percent, bet over \$1000.00 every time, every day they play the races, whether they're on track or online.

The average NHC tour member bets nearly \$400.00 each day they bet on the horses.

They're a high-profit, high-volume player.

We know they're a great group, they're ego driven, they're aspirational.

They're very competitive, as John alluded to, and they're looking for ways, they're looking for new ways to play our game, and contests are, man, it's right in their wheelhouse.

It's exactly what they're looking for.

Mr. Jim Mulvihill: John, I want to — go ahead.

Mr. John Hartig: I'm chomping at the bit.

I'm chomping at the bit.

Mr. Jim Mulvihill: I can tell.

Go for it.

Mr. Keith Chamblin: Can I go back to the previous slide?

I want to leverage off John's slide; I think one of the base points that we need to talk about — and before.

Is that it?

Is that it?

Mr. Jim Mulvihill: What are we looking for?

Mr. Keith Chamblin: ADW spend.

Mr. Jim Mulvihill: I'm looking for new players.

Maybe it's that previous one.

Mr. John Hartig: Oh, yeah.

There we go.

Right there.

One of the things, when I see this slide, and I saw it for the first time a couple minutes ago, and I see number of new players.

As a person that wants us to grow and be successful, I start drooling.

I start to get excited.

Because there they are.

They're in a tournament.

One of the things I'm part of, and it's extremely fun and gratifying, is the mentor program.

As I see 899 in the players, I want that list.

I want to call 'em, I want to put together — first I want to understand their demographics.

You think of that Bell curve.

Are they new players and got lucky for a day or novices?

Are they probably medium seasoned players and did well, and then, of course, are they "expert" players.

Each of those groups of folks in my opinion should — there should be out there some kind of education.

How do I move to the next step?

You can do it my way and you could spend lots of dollars and travel all over the country.

It's a little bit expensive.

It's very fun, a little expensive.

Or, like education, right, is — or you could have some training classes, something predetermined where, via mentoring and coaching, we can get those players to the next level.

Ultimately, we want players very likely playing the cash tournaments, playing the high-end cash tournaments because we're talking about churn, we're talking about putting dollars back in the racetrack's pockets, and for a player, and having a venue where it's very fun and very competitive.

Maybe I could win one and get some prestige.

Maybe I can win the million-dollar bonus, etcetera, etcetera, etcetera.

When I think about all of our avenues out there, whether they're tournaments or ADWs, Daily Racing, wherever we can get a list of folks, right, we can potentially — now, some of them probably don't wanna, hey, leave me alone, right?

I had a gentleman last night after one of the panels, excellent handicapper, and he says, "Hey, would you like to mentor me," and we chatted, and I am, and it's fun.

I have in my hand — the hard part's done.

He's a seasoned, very good handicapper.

What he's not familiar with is how do I go into the shallow end and play tournaments.

He came to me a few minutes ago, and hey, there's this horse tournament he's won online, and what does this mean?

To have me or there's 13 or more of us out there this morning but have someone to go to that has the time and the passion to help them, knowing full well, probably in six months I'm gonna be competing with him, and he's probably gonna beat my butt on some tournament.

That's the fun of it, right?

The fun of it is growing the people out there and helping them be very successful.

Mr. Jim Mulvihill: Well, and — oh, go ahead, John.

Mr. John Hartig: No, I think John is right.

It takes all types.

The third largest source of our customers at the tournaments right now, where do you think they come from? ESPN.

We're providing all the daily content on ESPN.com.

You go there for horse racing, you're gonna see all of our content. We promote tournaments there.

We say it's fun, come play. What you need is sort of tournament in a box.

We believe that that's — whether these folks are sticky or not, we track them along the way, do they continue playing?

Do they upsell into ADW wagering, DRF Bets or not?

Do they buy products from us where we actually do make money, like data products?

We believe we're gonna have to fish outside of the local, the local pond, so to speak.

Within the pond, you have 450,000 ADW registrants right now between the top ADW, roughly 450 to 500,000.

We have 25,000 players in our tournament database, 25,000 who play with some level of regularity.

There are a lot of players to say within the universe of you're playing ADW wagering, terrific.

Well, a lot of people are actually migrating from ADW to tournaments because they're winning with more frequency, they're finding that it's cooler, it's fun, they like the mobile application.

You gotta do both.

I think where maybe we are a little in disagreement with — I don't believe in tour memberships.

I think let's knock down barriers and let's create price points.

Our tournaments today, you'll find, are free today.

We're gonna get people in.

They're gonna play a free tournament, and it's not economic for us.

We step 'em up into a tournament that's 11 bucks.

Then we step 'em up into a tournament that's 19 bucks.

There's one for \$580.00, you can play that, but I'd rather have 53 people playing an \$11.00 tournament than one person playing a \$580.00 tournament.

I mean, think about that for a second.

You got 53 people we've onboarded with an \$11.00 tournament, and we're gonna step 'em up over four cycles.

That person's gonna become a player with some level of consistency and commitment.

Let's knock down the barriers.

Let's create these events, give 'em the tools to play with, and like, hell, have fun.

Listen, it's — well, you've heard me and Ron.

I think the coverage is the important part, the storytelling we listen to about Penny Chenery.

Having Pete, we need all of our handicappers, Watchmaker, Brad Free, Steve Anderson, we need other people talking about tournaments.

I see Mike Tanner out there.

Why don't we have a great harness tournament between Meadowlands and fill in the blank in Yonkers?

Why don't we have a quarter-horse tournament and call Scott Wells and the fellows out at Los Al and create a quarter-horse tournament?

You've got the best quarter-horse racing right now, over the next three hours, these two tracks.

Come play, have a great time.

I mean, it's not that hard.

Mr. Jim Mulvihill: No, all these things are possible.

We just have to give them a try.

Mr. John Hartig: Right.

I mean, they may not be economic for USTA or maybe for us because the pools would be so small, but — the prizes would be so small, but — and I know they've been done, but we're not thinking about these things on a daily basis.

We should be.

Mr. Jim Mulvihill: Well, related to that now, John Fisher, I have a fun question for you.

You started off by saying that you had some ideas you might want to share with us today.

There are a lot of horseplayers that dream of an opportunity to sit in front of a room of track executives and tell 'em what they think.

Tell us what we can be doing better in the contest world to make your experience more fun and to attract new players.

Mr. John Fisher: Boy, that's a loaded question.

Mr. Jim Mulvihill: Yes, it is.

Mr. John Fisher: Lots of things.

Ultimately, it's probably multi-tiered, but it's centered on, as you saw on that Bell curve at the bottom, it's centered on two things, right?

How do we skill up, more skill, the players, right?

They already have the enthusiasm, right?

Then, how do we create a venue that increases, enhances, the enjoyment.

One of the keys, right, as we create tournaments, host tournaments, one of the things that — actually, one of the takeaways, I think we need to go do coming out of this two or three days is—and Jim Goodman in the corner there made a comment the other day — I think there should be for all of us hosting tournaments a minimum set of what I call tournament setup requirements, where when I go to these different tracks — first of all, I'm just excited to go to the track and compete, and I think I can do decent now, but I'm actually very surprised at the lack of consistency.

I have a laptop and take Merlin and the monitor everywhere, but I need a plug-in.

I need a plug-in, right?

Mr. Keith Chamblin: You mean a literal plug-in?

Mr. John Fisher: A 110 into the outlet so...

Mr. Keith Chamblin: Not a 220?

Mr. John Fisher: A 110.

You would need a 220.

I only need a 110.

Many of us nowadays compared to five and ten years ago, we all have laptops, right, in one form or another, and phone charging, etcetera.

That should be a basic.

I was tickled.

Brian Skirka on Monmouth yesterday made this comment.

He's a very good host out at Monmouth, and I go to his tournaments, and he has fun ones, and he's one of a number of 'em that do it right.

He said this, he goes, "Wow! I went to the NHC a couple of years ago."

First of all, it was spectacular, and it was fun, but one of the takeaways is at all of these HC circular tables we all sit at in a big room, he goes, "Every table underneath the tablecloth had an outlet, so the players could plug in."

How many times, if you'd seen me, I run cords across rooms, and of course, I'm thinking about safety.

I bring tape to cover those cords that reach across cuz I need that.

His comment was, he took that away, and he said he stole it, but this was smart, and he now brought that back to Monmouth, and in his last tournament in July, there they are.

There's all the tables.

It's all hooked up.

When I come to a tournament, one of the things I try to create is a comfortable environment.

Have I been there before?

Do I know what the setup is?

If I haven't, I better get there the day before type of thing.

Can I execute flawlessly under the pressure of competition and odds changing and all that?

The setups go a long way.

That would be something I think — and as I talk to certain hosts out there, especially in their first year, I literally got some pushback ala they knew it better than "I did" and a couple of 'em learned painfully that you need some outlets, right?

There was one particular tournament four or five years ago, bottom line he wouldn't do it cuz he knew everything, and okay.

I'm sitting in the corner setting up.

Fifteen, 20 minutes later, 20, 30, 40 people are coming in with laptops, and you saw this huge scurry of facility folks getting outlets at the tables. All I did, I didn't say "I told you so."

I wanted to, but I'm just smiling because that's a basic.

It just said he didn't have a tournament setup checklist.

He thought maybe he knew, but times have changed, right?

Demographics change.

There's more laptops, etcetera.

Mr. Jim Mulvihill: Okay. We're all making a note.

Power strips.

Mr. John Fisher: Next.

Yeah.

Mr. Jim Mulvihill: We're actually unbelievably short on time already.

We've only got about 10 or 15 minutes left.

I did want to bring up the Breeders' Cup Betting Challenge.[®]

We don't need to dwell on it because it's not — it's not necessarily our purview, but it is the biggest story in the handicapping contest world right now, so we'd be remiss if we didn't, at least, mention it.

The results are under review.

It's possible that some players might have taken advantage of some rule changes or exploited the rule changes to their benefit.

We're here to talk about growing the contest world, but just like with racing, the integrity of the event is central to being able to promote it.

Keith, I know the NHC has a players' committee.

You've talked to them about this to some degree.

Are there any changes that all of us in the contest world need to be considering moving forward or what are the ramifications of all this?

Mr. Keith Chamblin: Well, I don't want to speculate on what's happening with the Breeders' Cup Betting Challenge.

I think we're gonna see them issue some statement here probably, possibly by the end of this week.

I can tell everybody, including the Johns of the world, the players, that they are taking this very seriously, and they're undergoing a thorough investigation.

They've sought output from every participant in the BCBC.

John, I think you played in it.

I think at the end of the day the outgrowth from this incident will be an improvement in all contests, and most particularly, in light-bankroll contests and some of these high-dollar light-bankroll contests.

We'll see how it plays out, but I think they're going to — I think they're gonna set a new standard, raise the bar for everyone, and others will follow going forward.

The one thing that — putting aside for a second the investigation and what happens on that end, I think you'll see us look at, from the NHC standpoint and the fact that we're — a lot of these contests occurring around the country, virtually all of them, are in some way, shape, or form affiliated with the NHC because they're part of a tour, they're offering tour points, they're offering NHC seats.

Many are offering BCBC seats.

The participating Johns tournaments, DRF tournaments.

I don't think that a contest that doesn't have a minimum number of plays that have to be made is a contest.

I understand the wagering strategy behind it, but I really don't see how having to only make one play over two days at the Breeders' Cup or two plays over two days at the Breeders' Cup constitutes a contest.

We're gonna take a close look at that and probably be putting together a checklist of procedures and protocols and minimum setup rules and standards that are necessary to be part of the NHC.

I think that's probably one thing, in particular, that we found a little bit frustrating.

I will say this: The Breeder's Cup Betting Challenge isn't alone.

There's other contests out there that require very few actual plays if you look closely at the rules.

We think that's something that needs to change going forward cuz, again, I understand the wagering strategy behind it, but I don't see how that is really a contest for the horseplayers, and I don't really think it benefits the racing associations or the ADWs in terms of creating churn and handle around those contests, which is one of the primary objectives of hosting these events.

Stay tuned on that front.

Otherwise, we'll see.

I'm very confident that Breeders' Cup is gonna do what needs to be done and that it'll improve the operation of all contests going forward.

It's certainly gonna force us to focus on what, obviously, has become a very big business in the racing industry, and I think, ultimately, that's a good thing.

Mr. Jim Mulvihill: Sticking to what's topical, what people are talking about this week at the symposium, I want to go to John Hartig to talk a little bit about sports betting.

The Supreme Court has given indications that they might make a judgment that would create a pathway for sports betting in New Jersey and down the road, perhaps, other states as well.

How is that gonna affect handicapping contests and, as long as we're here, just out of curiosity, how will that impact Daily Racing Form, and is this good for business, bad for business?

Mr. John Hartig: That's a lot of stuff in there, Jim.

Mr. Jim Mulvihill: You got 30 seconds.

[Laughter]

Mr. John Hartig: Yeah.

I think, first of all, on the collusion thing, that's what well either [FanDuel or Draft Kings] I forgot the one that came under fire.

Which one was that?

One of them came under fire — where internal, where guys were wagering, right, on the business?

We believe strongly in 100 percent transparency.

We're scrubbing TNCs in terms of additions, making sure everybody sort of understands the rules.

I mean, from our standpoint, everybody sees the picks before they go off.

It's just very transparent.

You go back and look to see exactly who's playing what pick.

Again, \$2.00 bets, they're mythical.

It's capped.

We have these controls in place for that kind of reason.

Sports betting, segueing, I think there is an element of do I want to be in a game with a bunch of guys like him?

I mean, let me get my clock cleaned.

I think that is a hindrance to some of the fantasy *.

Mr. Keith Chamblin: I want you in those.

I do.

Come aboard given the water.

Mr. John Hartig: There we go. I'm the schmuck who would do it and get crushed. I think sports betting is really — that's a very dicey future for horseracing, frankly.

I remember in 2011 sitting and talking to Philippe Germond, who was running PMU, talking about, in 2012 and 2013, and how introduction of sports betting in France, all tides were rising, horseplaying and sports betting growth like that.

It's not the case.

I was just at the IFHA a couple of — a few months ago, and what we saw was, I mean, since the introduction in 2011, sports betting going up, the horseracing handle going down.

People, yes, have their wallet open, but if you don't create a reason to play, to continue betting on horseracing, folks will — they may migrate to World Cup in that case, to cricket, to other sports.

I think it's really scary.

We're the original online game.

Why would we cede that?

We've gotta make it fun. We've gotta make it cool.

I think you have to be established — I mean, selfishly, we have to be in a position to say, if you want to bet — if there are pari-mutuel pools, great.

If you want to bet through tournaments, terrific.

You want to bet on NCAA March Madness?

Okay.

It's here.

Opening that up, I think, is a scary proposition for horseracing is my view, having seen the data in other countries.

There's four countries where it's fairly consistent.

I think we have to maintain relevancy.

We have to be relevant.

That's my own view.

Mr. Jim Mulvihill: We're gonna have a few minutes for questions so if anybody has any, think about those, maybe make your way up to the microphone, and I'll just leave the last word to our horseplayer, John Fisher, who — we talked so much about the business today, I think for the folks in this room, maybe we didn't do enough of a job painting the picture of why somebody like you is so passionate about this world.

Maybe you can tell us about going to Las Vegas and going to the Breeders' Cup Betting Challenge and playing in these tournaments and what it means to you and what fuels your passion and what do these people need to understand about what makes them so special?

Mr. John Fisher: I think in a nutshell, I have a competitive nature, I love doing horserace.

This showed me over the 40 years I'm good at losing.

It's a you don't win all the time.

Back to some education and some learning, and the fact that it's pari-mutuel.

I'm not going to Vegas, where playing craps, the odds are fixed against me, and I'm waiting for a lucky roll.

This is about me against the competition, my peers, and for 40 years, I've always thought if I can be a little bit smarter, a little bit better at execution, etcetera, etcetera, etcetera, I think I can be successful and have fun, etcetera, etcetera.

It's a great venue, like Keith said, and this is what my wife says, probably what really drives me, the prestige, right?

The prestige is fun.

Two weeks ago, one of the onlines I bet on, Bet ATC, you have to qualify over the year for an ROI-type tournament on a Saturday.

In November they had a two-day 250 per day tournament.

The top 24 of day 1 go to day 2.

I hit a nice double and qualified for the second day, and I did the same thing the second day — I should say first day — and won the thing.

It was fun.

I get to tease my friends.

You need to call me in the future "Mr. Handicapper of the Year."

Yet, what it fueled was, first of all, their competitiveness.

They want to get on that site next year.

They want to compete with me to dethrone me.

It's all in fun.

The avenue is let the best person win and all that goes with that.

I have a lot of passion.

It's very competitive.

It's enjoyable.

It's learning.

These cash tournaments, talk about wading into the deep water, very sharp players out there.

I'm aspiring to become one of those and get better and win more tournaments and get more prestige and awards, etcetera, etcetera.

I gotta earn it, right?

No one's gonna give it to me.

I have to choose to put in the time and the effort to go do that.

It's lots of fun.

Mr. Jim Mulvihill: Questions?

Yes, sir.

Oh, it's Marshall.

You mind coming up to the mike, if you would?

Audience: *** online tournament provider *** Stronach Group ***?

Mr. Jim Mulvihill: Questions about the Stronach group and Derby Wars had an issue about content and whether tournament operators should be paying for the actual use of their races.

It's their property and their content.

There was a settlement made, and it has impacted the business of handicapping contests.

John and Keith, I'd love to hear from both of you on how the Derby Wars and Stronach settlement affected your business.

Mr. Keith Chamblin: Sure.

In the near term, it's had a chilling effect on ADW participation in the National Horseplayers Championship.

We had sites that in previous years participated like TVG, TwinSpires, XpressBet, and others that accounted for nearly 70 seats, spots last year, aren't participating at all right now.

It's not that they won't in the future, but I think we're all searching for a way forward and trying to figure out how exactly to move forward in the online ADW landscape.

We absolutely believe that we should have content agreements with the tracks and the horsemen as it relates to using their product in these online contests.

The tricky part is getting the permission from the regulatory bodies to use that content.

They're kind of the third leg of this three-legged stool. It's not just the tracks and the horsemen, but it's regulators.

We're trying to figure out a way forward in that area, but we think we will.

The entities out there that control the largest ADWs, they want the NHC to succeed.

Nobody is trying to kill, not just the NHC, but online contests, in general, but I think they do believe they should be compensated for their product, and we agree.

Hopefully, we'll work through it.

I know, on Thursday and Friday, at the Association of Racing Commissioners International conference out here, Gunner laCour from North Dakota is going to be introducing some model legislation relating to contests that begin to define entry fees, online entry fees as a pari-mutuel wager from a model rule standpoint.

That's something that when — we didn't pay a lot of attention to that when the Stronach Group and Derby Wars reached a settlement.

We applauded the settlement.

We applauded the opinion by the federal judge that ruled that the tracks and the horsemen had a right to control the use of their content.

What we really didn't focus on at the time, but have since, is the opinion that these entry fees paid online constitute a pari-mutuel wagering.

That's what's really thrown a wrinkle, and it forced a lot of sites that previously participated to hit the pause button and say, "How do we move forward here?"

We want to move forward, but we're just not quite sure how."

I know we've got some people in the audience, I see Scott Daruty in the back.

He knows this subject better than anyone.

He's lived it for years.

Correct me if I'm wrong, but I think that's kinda where we're at as we try to move forward in the online space as it relates to the ADWs and, frankly, those operators out there that aren't currently operating as ADWs but are operating online contests.

Mr. Jim Mulvihill: John, for DRF tournaments?

Mr. John Hartig: I strongly agree that horsemen and tracks should be compensated in some way, shape, or form, and we totally agree.

That's what will legitimize this.

That's what will get everybody rolling, track operators, horsemen, players, all feeling like, hey, these dollars wagered we're reinvesting back into the game.

As the fiduciary, Daily Racing Form, it is not working under that model.

I'll be truthful.

If I generate the next 10,000 customers through DRF Bets, I'm gonna make about 10 times the money from a margin standpoint that I would versus tournaments.

I have to think long and hard what's the strategy.

If I get those 10,000 people to come in, and I lose money on those tournaments, and I do because it costs a lot of money and overhead and ongoing operating costs, capital expenditure, and that doesn't include things like editors who are fully devoted to that, or consumer marketers, who design — who I've hired that actually say your job is to grow, take that 25,000 tournament database and make it 50,000 so I can put them on DRF Bets and they ***.

I think about the players who are coming in.

Our job is to find them and to bring them into the ecosystem, right?

If we can get them to maybe be — start learning past performances by Easy Form, by premium content, just read the stories, we're gonna reach out to them and say, "Hey, welcome to DRF."

Welcome to a tournament.

Glad you're having fun.

What do you need to play?"

Step them up into other products and services we have.

Agree that the compensation, everyone needs that, but if I'm paying a host — source market fee and a host fee for these players, it just does not, it's not economic.

I have to think about the investment and our commitment, my commitment to building this sector has to work within that broad framework, but it has to drive meaningful new customers into it for it to really work.

You know what I mean?

I'm better off focusing on core players all day.

Short term, if I'm financially motivated, short term it's gonna not focus on tournaments, right?

It's a long-term commitment.

That's an investment commitment that we have to make, I have to make, and to me, it's right for the game, it's right for long term the health of the industry and certainly our business as well.

It's right now an investment, but I think it's important to make.

It does help, as Keith said earlier, to have racetracks share in the promotion of the events.

If we're gonna curate the right races, it's up to the racetracks to say, hey, let's give you the 500 players in our database and make sure that we're promoting to them.

DRF, how can we do that together?

Well, if someone doesn't want to share their customer database, fine, but we've gotta commit — we have to share that responsibility.

Some of that's not financial.

It's just we need to get people to come out and play, right?

We can't necessarily just underwrite all the cost of that.

That's my own.

Mr. Jim Mulvihill: Very good.

Other questions?

I think that's — that might be all we have time for.

I'm sorry.

Judy, you want the last word?

Go ahead.

Audience Member: First of all, the starting of the contests will you know, thanks to NTRA getting this ball rolling.

I think we have a huge poll when you look at the title of this seminar, Leveraging the Handicapped Tournament Landscape to Advance the Sport.

It is so frustrating to me, and I know that many of you that know me have heard this before.

Now that our digital world, social media, whatever, it's so frustrating that we need to connect with the Paire Meadows, we need to connect with the fairgrounds, with the Delta Downs, whatever and get them to market, this is going on, whether it is win a free parking spot, win a — whatever it is, to get them in, and then you start building your database.

I think we have a responsibility just — if DRF started this and built [it from scratch] we've got to be able to market to that.

Then, we've heard that * just like John said, we gotta have cooperation.

Even yesterday in the seminar, people said, I didn't think of marketing my contests.

You heard this from Keeneland, which is one of the premier players, love that contest, Monmouth, Lost Spring.

I mean, players love to see, whether it's just on their local racetrack websites, we had a \$2.00 contest and Joe Blow won.

He had five winners or whatever.

The horseplayers are egotistical.

They want to beat the other horseplayers.

I think the tournament has gotten so big that it is intimidating, even to the horseplayers that are not permanent players.

Because as long as they haven't lost a contest they can still say they're the best handicappers. When you get in a tournament world, you've got to not be afraid to lose.

Mr. John Hartig: So Robert for the record Jim...

On the Keeneland tournament, how did that do? Did that drive attendance?

Did it perform in a way that you feel it was successful and/or where did it fall short?

Audience Member: The statistics that Jim gave yesterday were tremendous as far as increase in the handle.

Mr. Jim Mulvihill: Well, we can continue this discussion outside afterwards.

We need to wrap it up because there's another panel about to start.

Thank you, everybody, for being here and thanks to our panelists for sharing their expertise.

We'll keep talking more about how to grow the handicapping contest world.

