



Race Track Industry Program

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Safety and Welfare Part 2, Industry Initiative Updates

Moderator:

Dan Fick, Executive Vice President & Executive Director, The Jockey Club

Speakers:

Ed. L. Bowen, The Jockey Club's Thoroughbred Safety Committee

Bob N. Elliston, Executive Chairman, NTRA

Tom Ludt, Chair, Thoroughbred Action Committee

MR. DOUG REED: We appreciate all of you out in the audience sticking with us here till the final panel. Everybody wants to cut early for the golf course or the lounge or whatever but we appreciate you being here, we appreciate our sponsors and attendees, we appreciate InCompass for the beverage break sponsor we just had and also the American Quarter Horse Association, the sponsor of this panel. I'm very proud to introduce our moderator here because he's not only an alumnus of the Race Track Industry Program, he serves on the Advisory Council. For 21 years he was the executive director of racing for the American Quarter Horse Association, he's currently with The Jockey Club as Executive VP, and we also thank the Jockey Club for all their help putting these panels together and their continued support every year. Please help me welcome Dan Fick and we'll get this last one started so we can get to the bar for one last drink.

Dan.

MR. DAN FICK: Thank you, Doug. I'd like to thank Australian Racing and Tab Corp. for sponsoring my part of this panel today. Actually, I'd like to thank you all for being here. Obviously you don't play golf and you got all your Christmas shopping done. But we certainly do appreciate the opportunity to present the very positive initiatives that are currently in play to address the concerns of our core racing fans, the racing and general public, and industry stakeholders. As you have

heard, the questions at this Symposium, we believe we are well on the road to the solutions. And we didn't just start yesterday. As you heard in the previous panel, we actually began in earnest in 2006 at a meeting of the Grayson-Jockey Club Research Foundation board of directors, where the question was asked: Why are thoroughbred horses starting significantly fewer times than in the past? As you can see here, while field size, which is the green, has only dropped from nine to eight in the past 50 years, the average number of starts per year for thoroughbred racehorses have dropped dramatically, from eleven to six. Coupled with the additional decline in the length of a thoroughbred's racing career by one year from 3.3 to 2.2 in the last 35 years, the average lifetime starts of a thoroughbred are about one third of what they were in 1970.

The board decided to hold a summit to investigate all aspects of this issue and look for potential solutions. As you heard in the previous panel, the first welfare and safety summit of the racehorse was held in October of 2006 at Keeneland. Think of this as a two-day think tank with all aspects of the industry represented: breeders, owners, vets, track management, track superintendents, equine scientists, regulators, racing chemists, jockeys, trainers, biomechanical engineers. We had more doctors than most hospitals. Equibase, Equineline, prepared a plethora of statistics and our staff accumulated over 100 research papers and articles on all the issues to be discussed. We started off with a half day of panel presentations where the public was invited, followed by a day of working group discussions on the issues and potential solutions, culminating in a committee of the whole strategic planning session that came forward with seven sets of recommendations. In the last two years we have achieved considerable success in the implementation of those plans. We have developed durability statistics for thoroughbred sires and maternal sires. We are distributing scientific research to the horseracing industry, and especially the horsemen, via our Web site and a bi-monthly newsletter, The Horsemen's Update. In April of 2007, we passed an RCI model rule banning the use of regular and high toe grabs on front horseshoes and, as you heard in the last panel, we developed, tested and implemented the Equine Injury Database. And when I say we with each of these, the we was six committees of industry stakeholders, four of which were up here in your last panel, that have been meeting, primarily by phone, on a regular basis. In cooperation with Groom Elite, we developed a uniform trainers' test for first-time applicants to be a trainer, which was passed last April as part of an RCI model rule. In August, RCI also passed the second part of that which requires four hours of continuing education for trainer licenses, license renewals. And we developed protocols for standard testing of racing surfaces and uniform monitoring of daily track maintenance.

Now I'm back on track.

We have proposed RCI model rules for uniform vet scratch protocols, drug testing for claimed horses, voiding claims of did not finish and vanned off horses and auction races. We have helped RMTC, RCI and TOBA virtually eliminate the use of anabolic steroids in racing and horse sales, and InCompass Solutions has

developed an interactive tablet-PC module that you heard about previously, to record and database pre-race exams for our regulatory veterinarians.

While we feel that we have made significant progress, as with all good strategic plans, we reconvened in March of this year to review that progress and consider some new initiatives. The summit grew by 50 percent, due in large part to the progress we had made and the interest it had created. Again, we had presentations on the topics you see here for the public, progress that we'd made plus the new issues. Then, the same format, strategic planning sessions over the next two days. Almost prophetically, this summit in March of 2008 made the overarching recommendation that the welfare and safety of the horse should be the guiding principle in the decision-making process for all segments of the horseracing industry. In addition, we were proactive in our recommendation to create a national media strategy focusing on industry health and safety initiatives.

Again, as you heard in the previous panel, improved racing surfaces are a significant part of the formula to reduce injuries. We will continue efforts to create a research and development model for all racetrack surfaces. We will support research to improve racetrack maintenance equipment and we are working hard to raise the necessary financial support to establish a central laboratory for the timely analysis of racetrack surface materials, and the uniform reporting of daily maintenance of racetrack surfaces is essential for cross-referencing with the Equine Injury Database.

We must enhance the regulatory veterinarian aspect of the equine welfare and safety initiatives. We need to promote the standardization of pre-race exam protocols and establish necropsy programs in all racing jurisdictions. We want to correlate all research regarding equine injuries and fatalities and we want to coordinate a blue ribbon panel on catastrophic injuries in horseracing early in 2010. Most importantly, we need to create a program of incentives to attract and retain qualified regulatory veterinarians.

As it was announced in September, the RMTCC and The Jockey Club have established a drug testing initiative task force which is currently working on the establishment of drug testing laboratory standards, quality assurance programs and international accreditation protocols. The task force is also working on the creation of a research and development program for drug testing in this country, and we are analyzing the drug testing infrastructure to identify cost efficiencies. And now that steroids have been regulated in horse sales, we want to work with TOBA and the horse sales to establish uniform regulation of other therapeutic medications that may be used in sale horses.

Furthermore, to help enhance the horsemanship in our racing industry, we need to expand the Groom Elite and other educational programs to provide training, certification and continuing education for the backstretch workers responsible for the daily care and the safety of our racehorses. As the issue of unwanted horses continues to grow, we need to work with the Unwanted Horse

Coalition to pursue strategies, to stress owner responsibilities, and ensure that horses are not subject to inhumane treatment.

Finally, we need to consider all the potentialities to create a national self-regulatory or state compact regulatory structure for the horseracing industry in this country. You can learn more about the welfare and safety summits at our Web sites, we have a lot of the articles and abstracts and statistics and presentations that have been made. We constantly monitor ongoing research and we also have updates on how our committees are moving forward. At the Jockey Club, we are pledged to continue our efforts and to work with NTRA, RMTC, TOBA and other willing industry organizations to see that these and other safety and welfare initiatives are implemented.

Our next speaker is Ed Bowen. Ed is the president of the Grayson-Jockey Club Research Foundation, and Ed's going to talk to you about The Jockey Club's immediate response to the Eight Belles tragedy.

MR. ED BOWEN: Thank you. It's a privilege to be reporting on the work of The Jockey Club's Thoroughbred Safety Committee which is comprised on seven distinguished industry leaders. Dan and I are among those on the support staff of this very active and dedicated committee.

The death of Eight Belles in the Kentucky Derby, of course, seemed to crystallize many concerns which those in the racing industry already felt while, at the same time, raining down accusations from outside the industry. The latter ranged from the reasonable to the hysterical. Everything from use of whips to the practice of racing fillies against colts to inbreeding and other topics were free game for the misinformed. The Jockey Club chairman recognized the need for a speedy but considered response from the industry. However illogical some of the loudest criticism might be there was danger of the public being swayed by erroneous positions. At the same time, the situation created a fresh impetus toward correcting situations for which criticism was justified. He appointed seven members of The Jockey Club to create the Thoroughbred Safety Committee. The mission was to examine a wide variety of issues and make recommendations to the industry. For the most part, any such recommendations, of course, from any committee are presented to regulatory agencies, the state commissions, who make the final decisions. But there were also opportunities for the Thoroughbred Safety Committee to urge racetracks to hasten reform through implementation of house rules.

Let me give you a brief background on those who were appointed to the Jockey Club safety committee. The chairman, Stuart Janney, III, was born into a racing family. He is the breeder and owner of Coronado's Quest and other stakes winners. Moreover, he has shown a willingness to jump into the frays of leadership as a past chairman of the Thoroughbred Owners and Breeders Association. He is also on the board of NYRA. His parents bred and raised Ruffian, so Mr. Janney has a clear, personal understanding of the gamut of emotions horseracing can bring.

California is represented on the committee by John Barr, a longtime owner and breeder and a sound, respected leader. He is former president of the California Thoroughbred Breeders Association and is on the board of the Oak Tree Racing Association.

Dell Hancock, of the family which owns Claiborne Farm, has also demonstrated a dedication not just to participating in the industry but to lending leadership and hard work. She is chairman of the Grayson-Jockey Club Research Foundation, a former member of the Kentucky State Racing Commission, and former chairman of the Graded Stakes Committee.

Jimmy Bell, like Dell, was born into a Kentucky breeding and racing family, the Bells of Jonabell Farm. He is now a president of Darley USA, Sheikh Mohammed's powerful racing and breeding operation and stallion enterprise. Mr. Bell is presently on the boards of Keeneland and TOBA and is a member of the sales integrity task force.

Donald Disney, owner of Double Diamond Farm in Florida, is a past president of the Florida Thoroughbred Breeders and Owners Association and is on the board of the Breeders' Cup.

Dr. Hiram Polk is widely respected in human medicine. He is a professor of surgery at the University of Louisville and emeritus editor-in-chief of the American Journal of Surgery. Dr. Polk breeds both to race and for the market.

Dr. Larry Bramlage, is a partner in the Rood and Riddle Veterinary firm and one of the world's most renowned orthopedic surgeons in equine medicine. He is past president of the American Association of Equine Practitioners and a chairman of the Grayson-Jockey Club Research Foundation's research advisory committee.

So the Thoroughbred Safety Committee includes individuals with a broad range of knowledge and experience and serious track records in industry leadership. At the time the committee was formed, Mr. Janney announced his intention to develop opinions and make recommendations based on science and factual evidence, where that was appropriate, but also to recognize that there might be some issues for public perception and indicated reform for the long-term popularity and acceptance of thoroughbred racing.

The committee has held several all-day meetings. The form of these meetings generally is to invite in representatives from the various aspects of the business and seek input and knowledge through confidential conversations. The opinions elicited by this system of behind-doors confidentiality have been frank and varied. They have heard from trainers, owners, breeders, veterinarians, both in practice and from academia, also from major bettors, bloodstock analysts, jockeys, racetrack executives, and racing organization executive directors.

The committee also reached out to solicit non-thoroughbred industry input and there has been liaison with other thoroughbred organizations, committees with

similar missions. It also drew on the groundwork already provided by the RMTC and the welfare and safety of the racehorse summits, which Dan has already discussed.

On the basis of these sessions, the Thoroughbred Safety Committee has announced a series of recommendations. I would like to review some of these recommendations and report on how they have been received. A sort of partial score card and progress report.

The Thoroughbred Safety Committee urged that all North American racing authorities implement a model rule recommended by the RMTC and adopted by RCI effectively eliminating use of anabolic steroids for racing and training of thoroughbreds by the end of 2008. At the time of the June 17 recommendations, 10 jurisdictions had adopted the model rule. Since then 10 more have come on board and 13 are in the legislative process of adoption. This clearly was the case of the Thoroughbred Safety Committee seeking to add impetus to a pattern already in motion. Further, this recommendation was also endorsed by the TRA and the NTRA. The Thoroughbred Safety Committee recommended an immediate ban on toe grabs other than wear plates with a height of no greater than two millimeters and the elimination of bends, jar calks, stickers and any other traction device worn on the front shoes of thoroughbred horses while racing or training on all racing surfaces. The committee urged this rule be adopted by racing commissions by the end of the year and that racetracks put them into effect immediately by house rule. At its August meeting, RCI voted to amend this rule to two millimeters, it having been previously four millimeters. Currently there are four states that have adopted the model rule, nine are in the process, and 13 tracks have issued a house rule. The Thoroughbred Owners and Breeders Association Graded Stakes Committee has stepped up to help by requiring that graded stakes be run without toe grabs and other traction devices. Further, the four major sale companies will restrict use of front toe grabs at 2-year-old in training sales, and the Breeders' Cup has also weighed in with a ban for graded stakes.

Also related to shoeing and hoof care, the Thoroughbred Safety Committee encouraged the development of educational material on proper hoof care and shoeing for trainers and owners and establishment of requirements for continuing education. Racing authorities also are urged to establish certain criteria for racetrack farriers and the welfare and safety committee is producing a DVD on shoeing and healthcare for distribution early next year.

While there seems to be no logical tie of whip use to the tragedy of Eight Belles' injuries, the incident did add to an impetus of a growing sense within the industry that the traditional use of whips creates the impression of misuse of animals and that a reexamination of this practice was called for as public standards for animal care evolve. It was, by the way, a jockey who pointed out that it made more sense to refer to the equipment as a crop and not a whip. The dictionary verifies that a crop has a loop instead of a lash and thus the term fits the piece of equipment better. As an old turf rider, whether we can give away the phrase whipping and driving and call it cropping and driving, I'm not sure. But crop it is.

The Thoroughbred Safety Committee's recommendation that the RCI emphasized that the term whip be changed to crop, the adoption and use of more shock-absorbing crop, the restriction of jockeys raising their arm above the shoulder to strike a horse, post-race inspection, and owner-trainer penalties. On October 28, the RCI model rules committee approved all the points and with the exception of the above-the-shoulder restriction. Feedback from stewards and the Jockeys' Guild voiced concerns about the consistency issues that they created with trying to enforce that one. The Equine Injury Database was covered in full in the previous panel, we're very proud of Dr. Mary Scollay, very proud of InCompass and The Jockey Club stepping up to fund that. As Kristin Hix told you earlier, we're now up to 74 tracks that are in the process or already using that

TCO2 testing or milkshaking: The Thoroughbred Safety Committee expressed strong concern over the practice of milkshaking in thoroughbred racing. It has met with several recognized authorities on the effects of bicarbonate loading in racehorses. After review of existing research, a survey of milkshaking policies in 29 states, in consultation with the RMTC, The Jockey Club safety committee called for adoption of the RMTC recommendations on the prohibition of alkalizing agents and by the adoption of the RCI model rules committee and all state racing commissions. Further, as an interim measure, all North American racetracks are urged to consider implementation of these recommendations by house rule. In addition, the Thoroughbred Safety Committee strongly encourages all state racing commissions to publish TCO2 levels of each horse tested to ensure the public that testing is being conducted and participants are below the regulatory thresholds.

Uniform penalties: One of the frequently voiced frustrations within the industry has been the ineffectiveness of penalties for infractions, actually to deter further infractions. The Thoroughbred Safety Committee urged adoption of the RCI model rule on uniform classification guidelines and penalties which apply to trainers, veterinarians and owners. It was urged that this action be taken by the end of the year. In addition, the committee calls for the RCI model rules committee to adopt the necessary rules to keep suspended trainers from participating in the training of racehorses and/or benefiting financially or otherwise from that training. The Jockey Club staff members are in the process of surveying all racing jurisdictions for an update on their penalties. The majority of responses indicate that the RCI penalties are being used as a guideline for the assessment of penalties by racing jurisdictions.

To my mind, the foregoing provides encouragement that the industry is attuned to the need for reform and that The Jockey Club safety committee is playing an important role in both leading from the front and from behind. You can find more details and follow the committee's progress on The Jockey Club Web site, jockeyclub.com. Click on Safety Initiatives. The committee has lent its weight to solid work already done by RMTC and others, and is determined that the sense of urgency sparked by Eight Belles' death is not allowed to wither away. At the same time, we all recognize that the state by state adoption of even the most logical rules can be a creaky mechanism, frequently waylaid by inertia or by a few dissenting voices. The committee is poised to guard against both. In so doing, of

course, the Thoroughbred Safety Committee recognizes the need for cooperation from many other stakeholders in the game. In addition to continued cooperation from NTRA, TOBA and RMTC, it would be important that horsemen's groups, trainers, jockeys, stewards, racing commissions and racetracks buy into the idea that the time has come for improvement and that improvement is, indeed, within their power.

The Thoroughbred Safety Committee is far from finished in delving into the issues and urging action. Mr. Janney has stressed that this will be a standing committee and I look forward to being witness to its continued impact as it takes on additional topics step-by-step with steadfast resolve. Thank you.

MR. FICK: Thanks, Ed. Ed spoke of the Thoroughbred Safety Committee's efforts to provide educational materials for owners and trainers on shoeing and hoof care, and with the cooperation and magnitude of support we've received from Keeneland in producing this DVD, which will be out sometime right after the first of the year. I'd like to show you a brief trailer of what it's going to be about.

(A videotape was played)

Our next speaker is Tom Ludt. Tom is president of the Vinery, a world-renowned breeding and racing operation. Tom wears a lot of hats though; he's also a member of the Kentucky Horse Racing Commission and is here today as a TOBA board member and chairman of their action committee to tell about their activities.

Tom.

MR. TOM LUDT: Thank you. As Doug mentioned, it's a pleasure to be here. It's great to be in the last group and it's great that Ed just took my speech, so I appreciate that. I've not been to this before and it's been neat and I know you've listened to a lot of things so I'm going to shorten this because he did just take a lot of our stuff. I'm going to go ahead and get that slide show back up and just change the top.

TOBA is the Thoroughbred Owners and Breeders Association, for those that don't know. I thought it was interesting to read to you all, based off of the economic times and the situation we're in, our mission statement. It is to improve the economics, the integrity, and the pleasure of the sport, on behalf of the owners and breeders. And I think this is at a time and we can't think of anything more important than the economics, and I do say that from the owner's perspective. We currently race 53 horses at the tracks in the United States, we have 32 yearlings that are being broken to race next year, and the economics of this is quite a challenge.

One of the things I thought I'd highlight somewhat is an infomercial about TOBA. For those that wouldn't know, TOBA does a lot of neat things, and one of them is they recruit new owners. I'm sure some of you have been or seen, but they do a lot of different seminars at the backside at farms throughout the year and

they do recruit a lot of new people to come into this game. I think it was in today's TDN, I read the article about this couple from Argentina. What they did is they came up and spent a week and went to some of these seminars as they also went through some of the stud farms.

One of the reasons I'm here to talk is one of the things TOBA did is the first thing they decided is we were lacking one committee in this industry, so we thought we'd form just one more and that's the Thoroughbred Action Committee. The important part for me to emphasize about this group is, very much, just like The Jockey Club and what Bob is going to speak about and a lot of these things, is there's a lot more cooperation going on than I ever realized and I would assume a lot of other people don't realize. We've heard a lot of issues, we've heard a lot of negative issues, to be blunt, and I think it's quite imperative we understand there is a lot of work going on behind the scenes that may be not sexy and getting printed about, but there is an enormous amount of effort being done. The Thoroughbred Action Committee came up with that name because we wanted to be perceived as someone trying to address issues and go forward.

I thought it would be important just to let you know who's on that committee. We have Bill Casner, one of the owners of WinStar Farm; Chris McCarron, the jockey that's now running the jockey school that you probably visited with this week; Duncan Taylor, the president of Taylor Made Farm; Nick Nicholson, president of Keeneland; Steve Sexton, vice president of Churchill Downs; Reynolds Bell, a bloodstock agent and thoroughbred representative; Richard Mandella, the trainer from the West Coast; Richard Shapiro, the president of the California Horse Racing Board; Roy Jackson, who was the owner of Barbaro; Dr. Rob Holland; and then we have two employees from TOBA who are here: Andy Schweigardt and Dan Metzger. I think it's important that I tell you that because, as Ed went through his group, I think you'll see that we really did try to reach out into the game in many facets, and it's not easy, as we all know. We have meetings at least monthly, some of those are done by phone, but quite often we do meet together. We've brought in a lot of these same people that The Jockey Club has. But it's important to know we're working in cooperation, but the mission's a little different at TOBA than some of these things, so we do tend to step on each other's toes, but it's done in great cooperation.

A couple other things about TOBA, we've been very involved and headed up the sales integrity task force and they oversee the Graded Stakes Committee and through the Graded Stakes Committee is where we worked in cooperation with a lot of organizations, one of them being the steroid regulation. We also have addressed the toe grabs and have been very thorough with it, met with some of the people that were in this last video, and we've also been very aggressive on the crop rule, which will be difficult to change. The Kentucky Racing Commission, hopefully, will be voting on a positive note on that on Monday.

So that's one of the benefits of TOBA. We do realize that with lacking federal regulation — and I'm not saying that we need to do that — one of the benefits of TOBA, it's a national organization, but a state by state program, and that's probably

the biggest action plan that we have. There are 26 breeder associations that are affiliated in with TOBA and we are starting up a grassroots campaign and hopefully I'll have some volunteers out of here back in your home states. As a Kentucky racing commissioner, I can tell you, I see Lisa Underwood out there, she'll confirm this, it's very difficult to attack all these issues, but I will tell you, the more there is pressure applied on a state level, the more they're addressed. One of the things TOBA would like to do is try to put together what I would call a team leader in each of these states. It's a commitment. It's very much a commitment, like I am here today on the Thoroughbred Action Committee. The pay is great, it's exactly what you get paid on any other volunteer program, but you do get a lot out of it, especially if you have the passion, and that's what we need. We need action and we need people that are willing to commit to go to these state meetings.

The racing commission in Kentucky meets monthly, it's open to the public, and then there are subcommittee meetings on that and at times we do have members from the state on that that are not necessarily on the racing commission. Some of the people we have met with over the last nine months that we've been meeting are many different vets, some of the ones that spoke here earlier today. We do a lot of work in cooperation with RMTC and The Jockey Club. We've brought in racing secretaries, track superintendents, track presidents, track management, and the reason we do that, we think it's extremely important that there's a lot more interaction. It's important for us to report to you today, but we're doing nothing but reporting.

I think one of the problems with progress is that if it's one-way there's no progress. So we have brought in on the steroid issue and on some of these medication issues, we brought people in that were totally against what we were about to try to implement. But we do that because I think it's important as we learn to listen to all sides of the party. Sometimes you make decisions that may not be favorable but that's the only way we're going to get progress.

One of the biggest concerns I have of our industry, and I would assume many of you do, is we seem to have lost the world cooperation and compromise. It's quite difficult, being on the racing commission, we get to battle on a lot of serious issues and never do we have unanimous consensus, but at the same time, inertia seems to rule the world. We sit there and look for perfection, as Bob and I talked about the other night, until we move, and therefore we seem to never move. I think it's important, looking at the diversity of my background and seeing how the horse side works from the ownership perspective, we need to have progress, not necessarily perfection.

I listened to the panel before us and it is of great concern, Rick Porter, who owned Eight Belles, was a personal guest of ours on Derby Day, so unfortunately as a close friend I went through the high and the low in about 10 seconds with him. And I can tell you there's no way in the world we can ever take that away, but at the same time we do need to understand there's risks in this game. We deal with that every day at Vinery, horses get hurt, but it's very important for the people to know the amount of time and energy and money that's being spent, and you've

learned a lot about that this week, trying to make it better. But I think it's time that we start realizing that things are going to happen and that's part of life. It happens with my children, it happens with people at work, it happens with horses. It would be great to see us move forward in a way where we understand we're trying to improve the game instead of tear it apart.

One of the goals, as I mentioned, in our organization is we really think it's important, we didn't get it accomplished in 2008, but it would be really nice to see representation at every state racing commission from people that are passionate about the horse business, and that's one of our grassroots goals for 2009. We would like to see a TOBA representative at every one of these racing commission meetings monthly. You can't imagine how unfortunately non-fun, unsexy and grinding it is, but that's the way change takes place. We've been dealing with this crop rule and this toe grab rule for a long time and it's still not completely implemented. The Graded Stakes Committee has done a great job by implementing the steroid regulation and you've seen the change that will take place in 2009 on all graded stakes. That is progress and that's what we need.

The other thing that's really important is, as much as we're preaching today, is more interaction, more feedback. I hope, since I'm shortening this with the duplication, that we hear more from the people who have thoughts that can be constructive that can be dealt with. It needs to be a two-way street versus us telling you what we think we've got solved.

The only other little thing I'd mention on behalf of TOBA is, number one it would be nice if you all would join. I know Andy's out there supporting that idea. But to understand and do really look into the grind that it takes to make change in regulation, as a lot of you out there know in the regulatory bodies, but the progress, and I'll speak to our reporters over there, it would be nice, although it doesn't seem to sell, to start cracking some of the progress we're making versus continually stressing some of the negative. But I look more forward to talking to you guys interactively when Bob is done. Thank you.

MR. FICK: Thanks, Tom. Our next speaker is Bob Elliston. Bob, as most of you know, is president of Turfway Park, but he's also the executive chairman of the NTRA board of directors. And Bob's going to speak on the NTRA's continuing efforts to address these issues and the recent formation of the Safety and Integrity Alliance.

Bob.

MR. BOB ELLISTON: Thanks very much, Dan. Thanks, Doug Reed. This is actually the fourth time I've spoken at the Symposium. I'm reminded, you know, somebody like Paul Simon goes on Saturday Night Live a lot of times, they hold him up as a frequent guest, so my fourth time, you put me on at the very end. Thanks, Doug, despite that you're doing great work.

I actually employ a U of A grad, Wolfgang Kratzenberg is a graduate from the school here and he does a wonderful job for us at Turfway, so I'm a huge fan of what Doug and the entire university is doing with this program. It's always a pleasure for me to come out here. I was reminded, earlier, that General George Patton actually had a quote, I'm going to paraphrase his quote about something like this, he said only the last soldier, firing the last shot in the last battle of a war, experiences the true glory. So, while you may not see it on the outside, I am basking in glory here as the last speaker on this panel. I actually thank you for being here too. You didn't know it but I checked on my Blackberry, on the Betfair exchange the over and under was 67. I beat a lady in Oxford, England, out who took 64, so I'm glad to be here. This is a very exciting topic for me. I'm going to talk about what the Alliance is doing, but I'm also going to talk about what the alliance is not doing. You've heard a lot of great information about organizations like the Thoroughbred Safety Committee, like the TOBA committee, RMTTC, many organizations who have been working on these issues actually beyond 2007 with the Barbaro incident and 2008 with the unfortunate incident with Eight Belles. So work had already begun. I think this industry has always understood that safety and integrity is of paramount concern. I think you'll hopefully see through my presentation here what role we are going to play at the Alliance and at the NTRA.

These are the five areas that the alliance is going to be focusing its attention. These are not new items; these have probably been on just about every Symposium panel sometime over the last six, eight, 10 years. Medication and testing, injury reporting and prevention, safety research, a safer racing environment, and after-care for the retired racehorse. And you've heard a lot, just this afternoon, between the panel prior and what my colleagues have said earlier, about what work has been done here. What we're about actually is the implementation of these recommendations. So much of the work that's been done is very thorough, it's fact-based, there's a lot of, as Ed was talking about, at the Thoroughbred Safety Committee, the countless hours they spent with practitioners and researchers to ensure what they were recommending wasn't knee-jerk, it was not a response to some external factor that hadn't been vetted, no pun intended.

But then somebody has to take that ball and run with it. The NTRA has long had, as a hallmark of its responsibility to the industry, advocacy. We work with our partners, Jay Hickey and the American Horse Council in D.C., and we work with our partners in each of the states like Tom talked about with TOBA, to pass legislation, to improve the industry. So we thought this is where we could spend our efforts across all the constituents we represent in terms of advocating the uniform passage of all these recommendations that have been made. It's got to be phased, you can't have everything happen overnight, and honestly the Alliance will be a living, breathing entity that will continue to add ideas and recommendations as they come about, as these groups like the Thoroughbred Safety Committee, which is a standing committee, keeps bringing these issues to the forefront. Compliance, it's going to be independent, it will be transparent, it will be accountable because we will not go from the Alliance and have folks say, nice spin, you're the industry's mouthpiece, you're simply sugar coating this issue.

It will be totally transparent and we're going to hold all the constituents accountable. There has to be industry buy-in for the regulatorization to work. These are the entities that we looked at, and there are probably others, who have made incredibly beneficial steps already that we will base the standards on in terms of, are you a jurisdiction or are you a racetrack who meets the worthiness, if you will, of being accredited? It's collaborative. It involves fans, owners, breeders, tracks, sales companies, vets, media, jockeys, regulators, legislators and trainers. There's nobody that's going to be left out of this alliance in terms of providing counsel to us or recommendations to us.

Now, if we don't have it factually supported, we may refer that to somebody and have them do the work and bring it back to us. The communication and information timeline: We announced the Alliance on October 15 in New York. We had 55 racetracks sign up in advance of that meeting saying, we support what you're doing, count us in, we understand our responsibility.

Every major horsemen's organization in the country also stepped up and said, count us in.

I talked about transparency and independence, Governor Tommy Thompson who's a former secretary of health and human services in D.C., a fan of the horseracing business and an owner in the business, said he is willing to put his personal reputation on the line to ensure we do what we say we're going to do, and when he stands in front of members of Congress or if he stands in front of the New York Times, it's his reputation and he's not going to sacrifice that solid, solid reputation just in the interest of making the industry look better. We're going to have to comply with the standards and then we're going to hold people's feet to the fire as it relates to what will be very high standards. We're not alone in terms of types of organizations who have done this, healthcare industry and higher education are a couple examples where self-regulatory accreditation is the cornerstone of distinguishing the best in class from those who are just being ordinary and the folks at Akin Gump, which is a law firm that Governor Thompson is associated with, has extensive expertise in this regard.

Our hope is to begin the accreditation process in late 2009. Next steps: We are, right now, having the organization set up legally, with the help of Akin and Gump and our attorneys at the NTRA. We're setting budgets for 2009. Initially, we're looking at maybe as much as \$800,000 going towards this alliance in 2009. We're prioritizing those industry standards. We can't do every single thing overnight. We're going to draft codes of compliance. We're going to develop the certification process and methodologies. We're evaluating staffing right now. This is going to be a senior-level person within the NTRA who will be directing all these activities and it can't be a part-time person within the NTRA or outside because there's a ton of work to be done here. And we're going to continue to communicate with the industry and fans.

The central question we have before us is, is this enough? You've heard throughout the Symposium how maybe there's been more impetus behind

something like this or impetus behind a Congressional intervention or whatever. We can't not do it in a big way, it's got to be comprehensive. A friend of mine, who's a colleague, was leaving today and he said, You know, I come to these things every year. I've been here for a lot of years, and I get depressed when I go home. I get depressed because it appears that all these impediments or all these detractors from our industry are here.

I really wish he would have hung around and he'd have heard what the researchers before us talked about and he would have heard what Ed's Thoroughbred Safety Committee did and what Tom's group is doing, and hopefully the transparency and the gravitas of this organization and the big efforts they're undertaking would give him confidence that there should be optimism. The industry get it, all facets of it gets it, and I think through this organization and ongoing collaboration, as Tom mentioned, we have reason to be optimistic that we can get on top of this and we can respond like we should. With that, I thank you very much for listening and I look forward to any questions that you have.

MR. FICK: I asked these guys to stay at 10 minutes so we'd have plenty of time for questions. I have a lot of faith in you all. There's no cocktail party afterwards. Yes, sir.

MR. DARREN DUNN: Hi, Darren Dunn, Assiniboia Downs in Winnipeg, Manitoba, Canada. First, I want to preface my comment by saying I am truly impressed by how much work has been done and what I would say is the speed it's been done. Back to the crop or the whip, which, part of me says that the media outside of racing is just going to look at that as a giant spin on this little secret that we still hit our animals, was there ever any discussion about whipless racing? Was that ever thrown on the table? You know, we've gone, at our racetrack, from a closed popper to an open popper with feathers to, I've got one of those prototypes of those whips and they're very spongy on the end and they're a lot kinder. But in the big picture of selling our sport to the younger crowd and moving forward, was there ever any discussion? I know when I have this debate, because I don't like whips, I don't like whipping in our sport, I talk to our jockeys at our racetrack and they indicate for safety reasons they need it, and I can support that from the standpoint of a 115-pound person on a thousand pound animal, but could we not ever consider something to the effect of they can carry them, can't use them for enhancing speed and finishing in a race, but if they need them for safety they can use them for safety, and then that would automatically trigger like a video review or a report that's filed. Why are we holding onto whips? Ninety-five percent of the hundreds of thousands of races I have watched, it seemed to be whips are used for encouraging speed and finishing and not for safety. Maybe I'm missing something, but I think long-term I can't believe that we could continue to use whips for non-safety reasons. Just your thoughts, if whipless racing was considered.

MR. LUDT: I can address that on behalf of the TOBA group. We have actually been spending a lot of time on that. I don't think I mentioned this, the Jockeys Guild has been in front of us, we've met with them, and most importantly Chris McCarron is on our committee, so there's a huge amount of discussion and that

gets back a little bit to why I want to report the good news. The answer is very difficult. Now, I don't have a whole lot in common with jockeys other than I employ them, because I'm a little over 120. There is the safety issue. There is the transition, and this is where I talk about cooperation and compromise. We could spend an eternity trying to come up with the perfect rule and therefore get nothing. Our hope, at least on Monday in Kentucky, is, I'm lobbying hard already, that we're going to accept this model rule and it is very specific but it does not go to whiplash.

You have the safety issue; the jockeys feel they need that to sometimes get the horse's attention. It's really important with the 2-year-olds, if you've watched the 2-year-olds, especially the first couple of times out. But I do believe you'll see, hopefully, we'll see a transition. I think this is a step, but it is very subjective of overuse of the whip, over the shoulder of the whip, that's where we spend an enormous time talking with stewards. You're putting a lot of burden on them if we were to try to implement a ban where they couldn't go above their shoulder because that was one of the discussions we have had. But the stewards really have a more, I don't want to say more important, they have a more difficult job and we did not want to put some subjectivity into it.

So our stance was, and I think it kind of mirrors the model rule, was this is a great step in the right direction and hopefully as it gets accepted it will go further. I will plagiarize an example that Chris McCarron used in one of our meetings, because there is resistance from jockeys, period. But there's also great support from some jockeys. But Chris gave an analogy and it would be hard to challenge him, that he said as he was young, he was a whip jockey, now a crop jockey, but as he watched the guys that he admired, he learned to become a hand jockey and the whip was used only as a tool. The argument is, it's very difficult to change. We all have bad habits, and it is somewhat habitual, there's no doubt about it. But his analogy, and he presented it to the Jockeys' Guild, Tiger Woods changed his golf swing when he was number one in the world, so we can make changes, but getting back to my point, we felt like this was a great step in the right direction. We now have to get some of these rules implemented state by state and then try to go further.

MR. FICK: I might add that this was a, from the welfare and safety summit side and with the Thoroughbred Safety Committee, we did talk about the fact that, is no-whip an option? At this point in time, we don't think no-whip is an option. What we think we really need to do is work with the stewards, and we had a Racing Officials Accreditation Program conference here on Monday and that was one of the major topics, working with, well, I'll let Terry tell you what we're working with them on.

MR. TERRY MEYOCKS: The one thing included in this model rule — I'm Terry Meyocks with the Jockeys' Guild — there's going to be an inspection after every race of every horse. The veterinarian is going to look at the horse to see if there's any abuse. If there's abuse, the veterinarian is going to pick up the phone and call the stewards, then they'll notify the jockey and then they'll bring him in, look at the pictures, talk about warning, possible fines, possible down-the-road suspensions.

So there's more to it, it's perception, and we're doing everything that we can to work with the industry and it's important for safety. There are 60 permanently disabled jockeys, we don't want 160. I know carrying a whip is one thing, and the other thing is you've got to think of the fans, too, who are betting on the races.

MR. DUNN: I appreciate your comments, and I'll just follow it up. I'm sorry to cut back in, but again, I agree with the safety issue for the jockeys. So let them carry it, but you don't use it for enhancing speed. I don't want any hurt jockeys, at my racetrack or anybody else's. They use it, it triggers a review. So you can carry it, I have no problem with it. I agree with the safety aspect, and the abuse part is fine. But, I mean, public perception, we're hitting our animals. The public is not accepting that, they don't like it. The people I've talked to, a little girl came up to me, I was talking to her mother, she recognized I was somebody in authority so this girl is probably about five and said words to the effect of, on a family day we had out there, Mommy, ask the man why we're hitting those pretty horses.

I don't even have a great answer. I mean, that's the part, it's not the safety; it's not the abuse afterwards. Of course we don't want the animals abused, but I would just say safety-wise, give it to the jockeys, I don't want them hurt, but trigger a review or a written report each time they use it for safety only. That's all I'm saying.

MR. LUDT: Well, and I do agree, but I want to go back to a point I made because I am very much concerned about it, having a lot of horses at the track, but it gets to the point of progress. I don't want to belittle that, but trying to get legislation or states to pass these rules, if they're too strict they'll never get passed, and I feel very confident. I do agree with you, but I'm very confident that we need to get something passed, and I'm not saying we're sacrificing, I think it's a great step. None of this will happen overnight and unfortunately, a lot of these states won't probably adopt that in 2009. But I agree with you, but I just think this is where we have to be careful we don't get caught up in trying to be perfect and therefore getting no results.

MR. FICK: One other aspect of this, it was mentioned, about Chris McCarron's North American Racing Academy, which was long overdue. But we do very little with the education of our jockeys and our jockeys coming in compared to what it used to be. We need to do a better job of that and I think, as Tom is saying, it's going to be a progression and we may get there at one point in time, but you just can't cut it off at this juncture right now. We did a little work with Dr. Mick Peterson, who you heard about earlier, on the impact and the new Pro-Cush style whips that have been recommended have more than a 50 percent reduction in the force that's applied to the horse when they're used. So it is kind of a hard thing to say, it is a more humane whip and we are going to move in that direction.

MR. ED DEROSA: Ed DeRosa, Thoroughbred Times. My question concerns an end game, so to speak. We've heard this week about people leaving the game, whether it's integrity concerns or horse welfare. I'm curious if there's a marketing component to either The Jockey Club's plans or the NTRA Alliance that if things do

improve, how that information will be disseminated and hopefully bring people back to buying and betting on horses.

MR. ELLISTON: Let me speak to it from the Alliance perspective. That is exactly, Ed, why we are going to have regular updates on the progress being made, in terms of accreditation and adoption of those standards. It will be central to our entire program of work in terms of either helping tracks with house rules or helping racing jurisdictions pass many of the model rules that RCI and others are doing as well as getting the great work at RMTA adopted in a uniform way across the country. But we will continually have progress reports and hold individual participants responsible. At the end of the day, I firmly believe, and I'll take my NTRA hat off here for a minute and put my Turfway hat on, I firmly believe it's the right thing to do, but it will also be the right business decision for me to implement these recommendations and to be accredited. Because at the end of the day, I have faith in the betting public and the casual fan that they're going to get word, because we're going to make sure that they get word, that these participants, and I'd like to see it extend into horse owners too, I'd like to see horse owners running their horses as a certain percentage of time at accredited tracks, be publicly made aware. Rick Arthur was talking about publishing public data earlier as it relates to breakdowns, we want to publish individual accreditation awareness and progress, and the betting public will follow that accreditation and they will vote with their wallet and that's what it should be.

MR. PHILLIP MAXWELL: Phillip Maxwell, I'm an owner and a breeder and an attorney in the business. Talking to Dr. Stover after the last session, she told me it was her personal opinion that she felt race-day medications, in particular bute, were masking the preliminary injuries which led to fatal breakdowns. I heard nothing in The Jockey Club's summary about race-day medication and yet, in testimony in Congress I think Jack Van Berg, certainly one of the great trainers, indicated that we should be running on hay and oats. I'm just wondering if that has been a consideration or whether it's too controversial a topic to address directly.

MR. BOWEN: The Jockey Club safety committee has addressed it with a number of individuals in many of those day sessions some aspect of medication has been discussed and it's very much on the radar screen of things that Mr. Janney will direct the committee to look for. They're not going to back away from anything because of controversy. It is incredibly complicated and, as you can imagine, we've had people that run the gamut from saying that lasix is protective and keeps the bleeding, they would like to use it daily to keep that mechanism from starting, all the way to quite a number of people saying do away with it. So it's very much on the schedule.

MR. MAXWELL: The soundness of our breeding policies were called into question publically after the Eight Belles breakdown and yet virtually all of our horses are on lasix; how do we track the genetic strains that are prone to bleeding? Historically, horsemen have always said certain strains were bleeders. Herod, I think, was the first that was accused of that.

MR. BOWEN: Well, Eclipse's grandsire was a bleeder, so it's very tough to think that we have had two or three hundred years of thoroughbreds that didn't have this. To me, and I'm talking for myself, I'm not representing anybody, to me the development of the fiber optic endoscope in the early '80s which allowed us to look into the lungs and see that there was blood pooling, I don't think we've ever really gotten to the understanding of what that's all about. One other thing, as an adjunct of that, The Jockey Club, the registry, did do some studies and is continuing to delve into studies to see if they can identify strains that are more prone to breaking down. So far they have not been able to discern anything. A report was given at the Round Table and none of the sire lines are represented by breakdowns to a greater degree than they're represented by the population in general.

MR. MAXWELL: As a public relations point, don't we put ourselves in a vulnerable position when we really don't understand bleeding fully or the effect of lasix and yet we know that lasix is a performance enhancer, don't we put ourselves in a very difficult position vis-à-vis the public in allowing its usage to the extent that it is used?

MR. FICK: Dr. Scot Waterman with RMTTC is in the audience so he can help us out on this, but before he gets started, let me just say a couple of things. RMTTC has been working on race-day medication for seven years and we were able to pass model rules and get them adopted in 32 of the 38 states with a couple more coming soon, of no race-day medication other than lasix. And our recommendation was, if we're going to allow lasix, then everybody is on lasix if they want to be, voluntarily, because it is a performance enhancer. But we're also working, as you've heard, on extensive research in South Africa, which we'll have the results of next year, as to whether lasix does impair bleeding in horses. The other aspect of the Thoroughbred Safety Committee is, one of our three primary focuses for next year is the harmonization of our medication rules with those internationally. Looking on how they compare and how we can become more harmonious and, to the fact, we've invited the International Federation of Horse Racing Authority's advisory committee on prohibited substances to meet next year with us during the RCI convention. So what you're talking about is the core of what RMTTC has been doing and will continue to do and The Jockey Club will continue to support it.

DR. SCOT WATERMAN: I knew I should have left early. Let me address the non-steroidal anti-inflammatory drug issue first. The insinuation that non-steroidals are administered on race day is wrong. In 36 of the 38 racing jurisdictions in the United States, it is illegal to administer non-steroidals on race day. There is a concentration of drug allowed in the horse on race day, but that equates to a 24-hour withdrawal of the medication. The research is very definite that at 24 hours, the analgesic capability, the pain-killing capability of those drugs, 24 hours later, is gone. So we're comfortable.

A VOICE: But, it's used in training.

MR. WATERMAN: Right, but that isn't what is regulated by the state racing commission. The state racing commission does not regulate training. They regulate the race. So, in order to control it in training, that would require a change in how the sport is regulated. So we control the race, or actually the commissions control the race, and that's what's regulated. So 24 hours is enough time to ensure that that horse is not competing under the effect of the non-steroidal anti-inflammatory drug. Lasix is a little tougher. Dan mentioned why we did what we did in terms of making it available to everybody. By the time the RMTC existed in 2001, the research was pretty well done that indicated that it was a performance-enhancing drug, so we felt that it was important not to have a class of animal that was not allowed to receive lasix on race day, just because they haven't been proven to be a bleeder. So in fairness, we have a performance-enhancing drug that is allowed to be administered on race day, so we want it to be available to everybody.

The question of whether or not lasix should be allowed on race day is a far deeper question. There is research that's going on in South Africa at this point with what's called a virgin population of horses that's never received Furosemide before, in a double blind study to look and see whether or not Furosemide truly does help with the EIPH. Frankly, that study should have been done about 30 years ago. But the reality is, it wasn't. So lasix has been around for 30 years, it's sort of ingrained in the sport in the US and we'd better have some really objective data before we start making any moves to eliminate it from racing in the US. That's all I have to say at this point.

A VOICE: I just wanted to ask that, given that there's 38 states that have racing and therefore 38 different sets of regulations and 38 different sets of priorities, how do you go about getting some sort of synergy or unity behind getting these initiatives accomplished in a timely manner?

MR. BOWEN: Well, I'm a great supporter of what Dan and the RMTC has done and I think the fact that we've got some of these things, 34 out of 38 have adopted some of these regulations, I think the progress has been remarkable in the last few years. I've been around dealing with it since 1963 and I must admit I had come to this sort of sense that it never was going to get done, but it's been a pleasant surprise to me. I remember being at the meeting here when RMTC was created and people like me were ushered out of the room so they could go behind closed doors, and that's been a remarkable thing and I think the progress is — maybe you wish it would have been faster, but it's on target now in many cases.

MR. ELLISTON: I would just add that, in addition to the fine work that RMTC is doing, the fact that 55 individual racetracks have said that we're going to submit ourselves to this nationally set standard and we're going to be held accountable toward that. There's cooperation in most of those states with the regulatory bodies to move forward, to adopt the rules necessary. But where they can, if the jurisdiction's regulatory body won't, I think tracks and their horsemen will implement house rules to hold up that standard. There are certain areas you can't. Medication, typically, is required by statute to be the purview of the regulatory

body, but again, RMTC has done yeoman's work to help the regulatory bodies do that. In the other areas, and I don't think there's going to be that many, because the regulatory bodies in most of the major racing states see this as important too and are working cooperatively with their tracks and their horsemen, but I really do believe that the individual constituents understand the importance of this issue and they'll make it happen in those jurisdictions, and if they can, do it in a uniform way.

MR. LUDT: I would add one very quick thing. Being surrounded by these very old men, I'm the eternal optimist of the group, but it gets back to a little bit of the point. I think it's important that we beat the issue to death about the problems, but I don't know that I see people being held accountable to what they say they're going to do. I think that's where individuals really can make a difference, and it's not fun and it takes a long time. It's like on this crop issue. It's been a great education, it's been quite frustrating at times, I do run a very large operation and there have been a lot of days where I said, Why am I spending all this time on these issues?

But there lies our problem, in my opinion, as somewhat of a newcomer to this game. We have to get people who have passion to commit to stay the course and be held accountable. And I would argue that's one of the flaws of this industry. There are a lot of associations, a lot of different groups, but these groups are working together a lot. I sit in on all these Jockey Club welfare committee meetings because I chair this one. There's a lot of synergy, we don't realize. But it's not easy, and we just need more people to understand what it's going to take. I mean, the RMTC, a lot of these associations are doing a lot of good things, it's just not something you can just go out and promote because it's just not so easy to come together and it's not finalized and it is a work in progress. The TAC group, when they asked me to chair it, I asked how long that lasted because I know that's one of those big nightmares is that you can't ever get out of it. But I've stuck the course and the group stuck the course. But I would call back to you all, and just like I mentioned on TOBA, go back to your states and find some people who have that energy. I've used the analogy, although I don't run, it's like the marathon or the baton race, you know, you get people that are very, very motivated, but the system beats you up. The lack of progress, and it's when that person gives up, if there's no one to pass that baton on, to carry it forward, it dies. That's where this industry, in my opinion, and I mean every aspect of it, because we race a lot, we breed, we have stallions, we have a training center, and I look at all these issues but the great hidden message is that there's a lot of positive work being done, it's just not something that comes out every day.

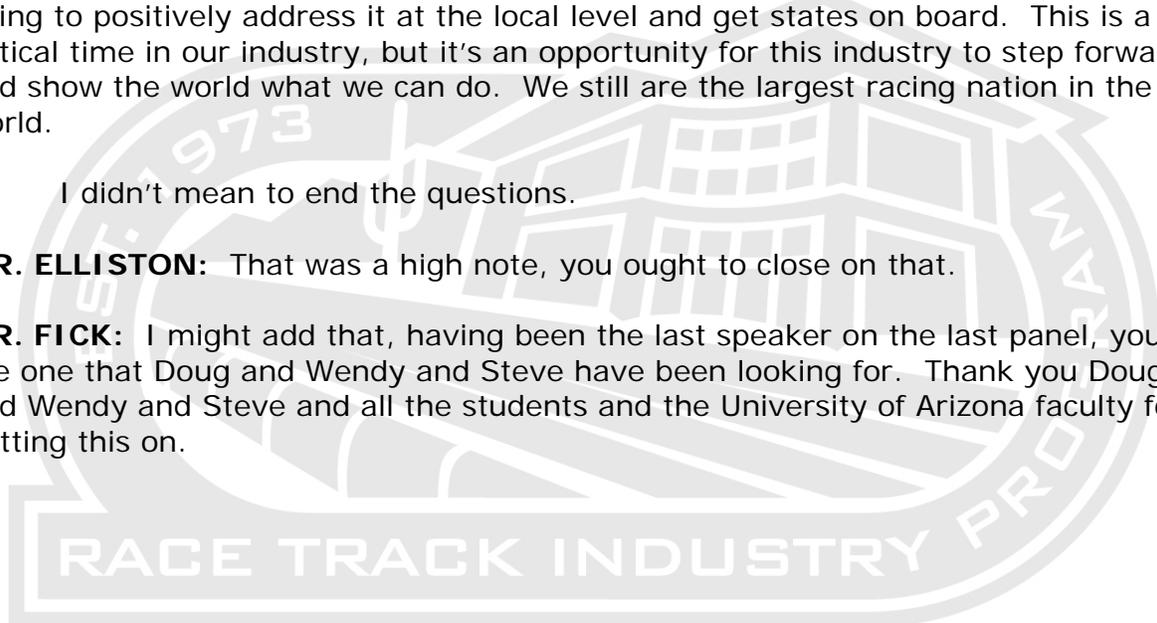
MR. FICK: I might add, in answer to your question, Eric, that we do have 38 racing jurisdictions, and it is a difficult situation but we live in that situation at this point in time and so we have to deal with it. I think at this point in time, I've never seen as much emphasis within the racing commissions, especially the executive directors of the racing commissions, the professionals that are out there, to address these issues and get them done on the local level. I was the executive director of the first Oklahoma Racing Commission back in 1983 and I understand the problems with running a racing commission and dealing with the administrative requirements

of a state agency and having to go to the legislature for your funding. We need to help those people. We, as an industry, need to get together on the local level. We need to help Jay Hickey with his congressional cavalry, we need to organize on a grassroots level. We don't have any trouble organizing on a grassroots level when we want to get slot machines in that state, well, this is just as key if not a more key issue. We need to get organized on the grassroots levels and the tracks and the horsemen and the racing commissions need to work together and we need to go to legislatures and get the commissions the support and the commissions need to adopt these model rules as they come down the line. You don't have to wait for the model rules committee to adopt them. A number of states have adopted RMTC recommendations, Thoroughbred Safety Committee recommendations, welfare and safety committee recommendations before they went through the model rules process. We're going to continue to put out these recommendations and we are going to positively address it at the local level and get states on board. This is a critical time in our industry, but it's an opportunity for this industry to step forward and show the world what we can do. We still are the largest racing nation in the world.

I didn't mean to end the questions.

MR. ELLISTON: That was a high note, you ought to close on that.

MR. FICK: I might add that, having been the last speaker on the last panel, you're the one that Doug and Wendy and Steve have been looking for. Thank you Doug and Wendy and Steve and all the students and the University of Arizona faculty for putting this on.



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