

**WAGI PRESENTATION
NATIONAL HBPA SUMMER CONFERENCE 2012
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QUESTION #1

**HOW MANY CASINOS IN YOUR STATE CONTRIBUTE TO YOUR PURSES?
HOW MANY OF THE CASINOS ARE NOT A THE TRACK?**

ANSWER:

State Question 712 passed in Oklahoma in the spring of 2005. Title 3A as it is referred to, is extremely short language when compared other statutes nationwide in regards to gaming. (original statutory language was less than twenty (20) pages)

There are two (2) racetracks in Oklahoma that have electronic games on-site. Remington Park (Oklahoma City) has seven-hundred-fifty (750) machines and Will Rogers Down (Claremore) has two-hundred-fifty (250) machines. As previously stated, the language is brief, especially when it stipulates percentages and distribution. The revenue is ONLY distributed three (3) ways; 1) Horseman Purses 2) Education 3) operational licensee.

The third racetrack in Oklahoma, Fair Meadows is operated by the Tulsa County Fair Authority. In lieu of the fair operating a casino in direct competition with the various tribal casinos in the Tulsa area, a contribution plan was executed under Title 3A. This plan commonly known as the Participating Tribal Fund (PFT) makes monthly contributions to the Oklahoma Horse Racing Commission which holds the revenue for the horsemen. We (the horsemen) are able to direct the PFT funding to the various racetracks as needed for use as either overnight purse money or Oklahoma Bred Funding. There are currently three (3) tribes paying monthly into the fund.



QUESTION #2

HAVE YOU HAD TO DEFEND YOUR NEED FOR FUNDING FROM ALTERNATIVE GAMING?

ANSWER:

Prior to 2005, the horseracing industry in Oklahoma was on a crash cart waiting for the paddles. If, State Questions 712 had not passed, there would be NO racing in Oklahoma today.



QUESTION #3

WHAT ADIVCE DO YOU HAVE FOR OTHERS TO PROTECT PURSE AND BREED FUND CONTRIBUTIOS ONCE IT IS SECURED FROM ALTERNATIVE GAMING?

ANSWER:

*Advice on protecting the funding; I firmly believe there is only one way to protect the funding. The horsemen **MUST** be their own paymaster. Revenue transfer must take place no less than three (3) times per week and held in trust by the horsemen. It is not currently that way in Oklahoma, we are working on it, but I believe it is vital.*



QUESTION #4

WHAT WAS THE IMPACT TO THE HORSE RACING INDUSTRY IN YOUR STATE AFTER PURSES AND THE BREED FUND RECEIVED THE ADDITIONAL CONTRIBUTIONS?

ANSWER:

Impact; that is the ultimate answer desired by everyone. Since the passage of State Question 712, here are the results for Oklahoma;

Oklahoma Bred Distribution Annually – Up, 408% (\$710,852 in 2005 to \$3,612,878 in 2011)

Will Rogers Downs Purses – Up, was out of business, re-opened in 2006 (daily average distribution in 2011 was \$165,000 a day)

Remington Park Purses – Up, 348% (\$51,000 daily in 2005 to \$228,000 in 2011)

An editorial point; Electronic gaming saved Oklahoma racing as it is also saving many other jurisdictions. But, I would be remiss if I didn't continue to share my belief that actually started in Chicago in 2003. YES, electronic games are a must! But, in my opinion, the horsemen must continue to look at it as a supplement. Our main source of revenue is pari-mutuel, I understand that sounds like an oxymoron, but it is true. If you don't continue to work on the pari-mutuel and improve it drastically, your racing will still continue to decline. This will cause your track operator to continue questioning the need for live racing. I will further use Oklahoma for an example. We are very aggressive in the export of our signal. Please look at the following;

Will Rogers Downs – Pari-Mutuel all source handle is up 442% in four (4) years. Yes, the majority is export, but, on-track is up over 23%.

Remington Park – Pari-Mutuel handle is up 142% in four (4) years. Same scenario as above.

Please let the questions fly!!!!!!!!!!

Thank you.