



The State of Racing
An Assessment of the Sport
and
Prognosis for the Future



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Overview

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The Business/Economics of Racing

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The Regulation of Racing

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- Current Assessment

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 - ADW handle remains the primary growth area
 - Racinos driving number of race days – and just about every other business decision in racing

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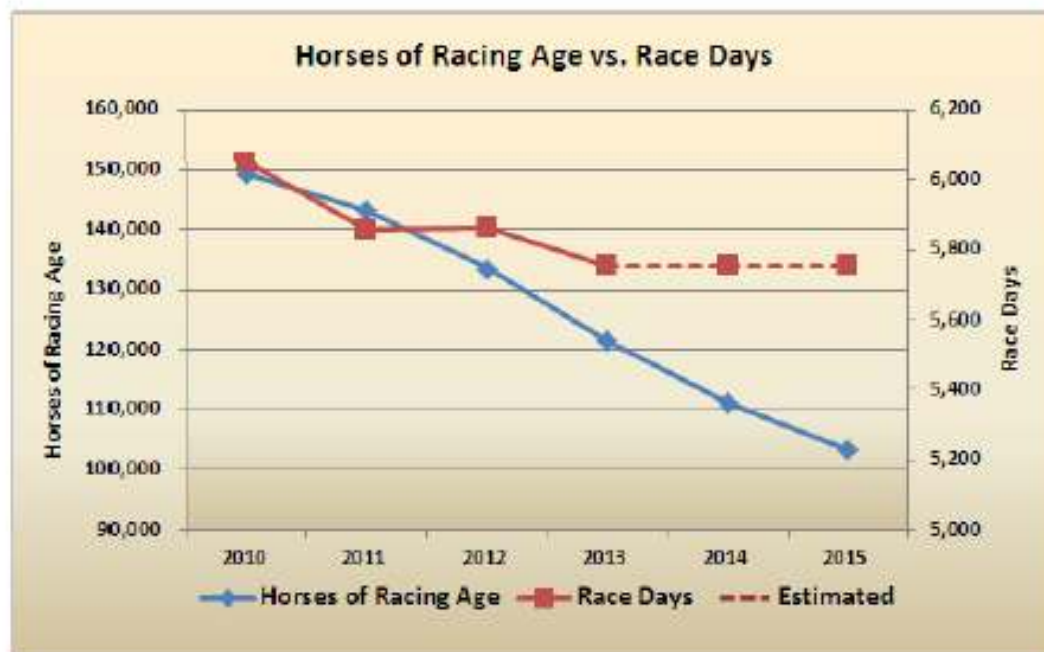
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 - Races with 6 runners or less
 - 12% in 1991, 25% in 2013

Industry Economic Indicators

- 2013 U.S. foal crop estimated at 24,700
 - Same number as estimated 2012 foal crop
 - The 2012 crop was the smallest since 1971
- 2013 race days show a decrease of 3%



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 - Either way, it is the reality for the next several years

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 - “Big bettors ... prefer seven 10-horse races versus 10 seven-horse races.”
 - Dick Powell, Industry consultant

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 - Must improve our core product

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Racing secretaries...are using new tools like the InCompass condition book to help them schedule and fill races, as well as coordinate post times.

- Brad Kimbrell, InCompass Solutions

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“Racing’s Impending Crisis”

- Bill Finley, ESPN.com, July 25, 2012

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For Thoroughbred racetracks to field 8.09 horses per race in 2015, there will have to be 25% fewer races—37,000 versus 50,000 in 2006.

- Hank Zeitlin, Pres., Equibase

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“You’re going to have to look at less racing at some venues.”

- Rick Violette, Pres. NYTHA

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 - Lab accreditation/External quality assurance

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 - 7 states committed to MMV penalty system

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