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At USTA Summit, Facing Problems and Searching for Answers By Bill Finley

COLUMBUS, **OH -** There were no magic bullets offered and harness racing's many problems are not going to be fixed overnight, but the USTA hopes it set the ball in motion yesterday when it comes to finding meaningful solutions to the many issues that plague the industry.



USTA heads encouraged healthy dialogue at yesterday's "Summit."

The USTA gathered 40 some individuals from all facets of the sport, sat them down in one room yesterday and assigned them the task of coming up with solutions to fix problems of the declining foal crop, the reduction in the ranks of owners, the sport's poor record when it comes to marketing and attracting new fans, and several other issues.

While the 8 1/2-hour session sometimes wandered from topic to topic and from meaty to trivial issues and while there were the expected disagreements among the members of the think tank, there was a consensus among the group on a handful of issues. That led to some hope that this was more than another all-talk-no-action get-together and that there will be some coming changes in the industry.

Virtually everyone involved in the summit agreed that there is an imbalance in how purses are paid, with far too big a slice of the pie going to claiming and overnight horses and not enough to younger horses, maidens, and non-winners of one or two races.



Myron Bell was one of many advocating that more money go to purses for younger horses

"When someone buys a yearling you have to provide them with more opportunities to get their money back," said breeder, owner and racing advisor Myron Bell. "The way to do that is to have higher purses for the younger horses. We have enough buyers for the yearlings we produce now. What we need is more buyers,

more owners. When that happens people will breed more

horses. We can do that by making it easier for the owner to recoup their investment."

The number of USTA members has fallen from 24,864 in 2004 to 17,276 in 2014. During that same time frame the industry has gone from producing 15,225 North American foals to 7,830.

When it came to why so many owners have fled the sport despite record-high purse levels, a clearly frustrated Mark Ford went into a well-received rant about how honest owners were fleeing because they were tired of losing to cheaters. The trainer said some of his peers are "savages" when it comes to their win-at-all-costs mentality and what they do to their horses.

"People don't want to get into this business because of what is going on," he said. "This is an issue that must be addressed. Over the last five, 10 years I've seen things change drastically and it's not fun for me. If someone gets thrown out of one place they just show up at another track. We all see what is happening and we all know what is happening and it's driving more and more people from this business. People who used to buy yearlings and race horses just don't want to do it anymore. I've spent more than \$1 million buying race horses and I know I don't want to do it anymore. I see this stuff go on every night and I am sick and tired of it."

The group was also in unanimous agreement that more time, effort and money needs to be spent on attracting new owners, and most agreed the most effective way to do so was through ownership seminars. Others contended that the best way to create an owner is first get them through the door as fans and bettors.

"We don't need fans, we need gamblers," said Mark Loewe, who is in charge of Penn National's Ohio tracks. "People like to bet. Look at the phenomenon of fantasy sports and sites like FanDuel. There is such a large pool of people out there who love to gamble. Gamblers are what we need to sustain the business because not only do they push handle they become owners."

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On the subject of marketing the sport, most agreed that not enough is done, but there was a healthy debate as to whether the industry should spend money trying to promote a product many believe is broken. Might it be better to first create a more enjoyable product before trying to sell it?



Murray Brown: "Our product sucks."

"The ultimate problem is that our product sucks," said Hanover Shoe Farms' Murray Brown. "That is except for a few nights a year when we have some of our big events. Look at the Meadows. They have 16 race-cards, they, like all other tracks

have this ridiculous drag time after zero minutes to post. There's always the same horses, same drivers, the same owners. It's just not exciting, it's just not fun."

No one necessarily seemed to disagree with Brown and his comments led to a discussion about reducing racing dates and the positive impact on the product that might have.

While the product clearly has flaws there were those who wanted to push ahead with a marketing campaign.

"Since slots came around we've gotten between \$5 billion and \$6 billion in revenue from them and we have done nothing with that money to market," said the Meadowlands' Jason Settlemoir. "We are kidding ourselves about our future unless we make a significant marketing investment, which is needed to save this sport."

The idea of taking a fixed amount from purses (the suggestion on the table was 1 percent) was brought up and met with wide-spread approval. Making that happen is another issue all together as similar plans have always ground to a halt. It was suggested that the industry would have a better chance of getting a large stockpile of money for marketing if it could first tell its participants exactly how the money was going to be spent and what the message was going to be. Several also said the sport needed to hire a professional marketing firm rather than trying to sell the game itself.

There was also a lengthy discussion about elimination races and whether or not there is a better way to set up the fields for stakes finals. Many felt that elimination races were unnecessary and oftentimes left a bad impression with bettors who might feel the drivers and trainers they bet on had little incentive to give a 100 percent effort. The idea of eliminating elimination races and going with a system of dividing fields up by earnings or points and putting the lesser horses in consolation races resonated with the group.

After a break in the session, the many ideas that had been floated about were again brought to the attention of the panelists, who were asked to vote on whether or not they should be considered a priority by the USTA, something that should be disregarded all together or

something that should be put on the back burner.

The one idea that had the most traction was clearly the one to divert purse money to races for younger horses like maiden and non-winners of two events. Members of the group were also enthusiastic about efforts to attract new owners, particularly the idea of having more seminars. And the idea of taking 1 percent out of purses and putting that money toward marketing was also met with approval, though no one was quite sure how to make that happen or how anyone would get past likely objections from horsemen.

USTA Chairman of the Board Ivan Axelrod made it clear that the organization does not have the power to implement any of the suggestions that were put forth. But he said he hoped that any recommendations the USTA made would be looked upon favorably and taken into consideration by the groups that do have the ability to act, like track operators, racing commissions and horsemen's organizations.

"Our plan is to put together a plan on how to go forward and what we need to do to implement the different things that have been suggested today and need to be done," Axelrod said. "But we're going to need help. The USTA can't get any of this done alone. Today, though, was a great start."

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