

A Crazy Dream by Dave Astar

Headline 2020

"Horse Racing Has Become A Sport Again"

Well it became official this October. Horse racing is back and this year's Global Cup Championship proved it by shattering all previous spectator sport records. When a full tally of worldwide media viewership was completed, over 330 million viewers tuned in via the internet, television or independent satellite network system, to watch some portion of the ten race card. Europe, Australia, South America, Japan, the Mid East and the newest entrant China, were all represented in the Global Cup Championships. Racing enthusiasts from all of these regions joined Americans to make the 2020 championship event one of the most memorable sporting events of all time.

Here in the United States, we marveled at the shift in the viewing appetite of every day Americans related to horse racing. In fact, never before has an activity of such once great fame and tradition gone from almost disappearing from the popular sporting landscape to suddenly reestablishing itself as a force to be reckoned with, now rivaling baseball and football as one of the most popular American spectator sports. Many of us can only wonder if there might be a lesson or two to be learned from the rise, fall and rise of what is once again, the great sport of horse racing.

Back in the late 20th and early 21st century, the powers that controlled American horse racing were so disjointed that they had a hard time creating a logical development strategy. Not only was it estimated that only 1 out of every 20 horse owners could actually do better than breakeven on their horse racing ventures but major corporations that controlled many of the key industry assets were in very serious financial difficulty. Something had to be done and the predominant industry focus was centered around creating legislative agendas which would provide economic subsidies by allowing the placement of alternate games (casino games and slot machines) in horse racing venues. In other words, a portion of the alternative gaming profits would be used to subsidize the then failing horse racing business. Today, we now know how fortunate it was that industry executives finally came to realize that the alternate gaming subsidies did nothing to make the sport itself more interesting or profitable, even though gaming subsidies did provide some temporary relief to the struggling industry.

The almost fabled history of horse racing was fairly evident and easy to understand. Once considered one of the major sports in America in the 1930's, horse racing had fallen on hard times by 2010, drawing less than 10,000 people to races that once attracted nearly 100,000 attendees. If declining interest in live racing events wasn't enough to indicate that there was something inherently

wrong, pari-mutuel gambling had declined to less than 4% of total gambling in America as new sports book alternatives, poker and other internet based options swept up gambling market shares.

It seemed the general public had almost stopped thinking of horse racing as a sport. Many race tracks stopped publishing their dismal attendance records. When popular sports were searched on internet search engines of the time, horse racing would often not show up. If internet users did decide to try to find horse racing, they might hit the "more sports" button on general sport internet sites and find horse racing listed with rugby, cricket, cycling or Australian Rules Football. National news networks rarely mentioned horse racing unless a Barbaro type of tragedy occurred and many once national horse racing events were not considered relevant. Local media outlets only occasionally recognized horse racing as newsworthy and the one place some reasonably consistent coverage of horse racing existed was in the now extinct newspaper print media. Yes, newspapers of the time might use a quarter column to bury horse racing results between bowling scores and lacrosse outcomes.

The popularity, or lack thereof, of horse racing was clear. Horse racing was not considered a serious sport and while some sports like baseball and football had remained relevant for hundreds of years, horse racing had fallen out of the American sports consciousness. Few people in the horse racing industry wanted to discuss attendance declines even as new and improved sport and gambling options were being introduced, and re-marketed to the American populace.

Sporting interests had shifted consistent with a "speed of light" technology based society. As people secured worldwide news in seconds, grabbed any data they wanted by just turning on their lap tops and replied to 200 people via email in less than an hour, they also naturally desired speed and action in their leisure activities. As a result, the powers that controlled almost every other professional sport in the country were constantly trying to improve their sport by reinventing portions their game in an effort to make it more action oriented, or appear that way through aggressive marketing.

Some sports, such as NASCAR auto racing, found ways to seize upon the imagination of people by making their races more exciting and their drivers superstars. Mixed martial arts came from out of nowhere to displace boxing as a favorite combat related spectator sport. Football executives changed their rules to increase action and scoring through the passing game, while also modifying their play clock and marketing efforts. Professional golf organizations instituted penalties for slow play. Things like the once famous North Carolina four corner offense, used within the rules of college basketball to stall out a game, disappeared when shot clocks came into being. Baseball owners went so far as to establish half inning commercial time limits and they agreed to expect a baseball pitch to be delivered every 12 seconds. Continuous action sports such as soccer, which hardly made a dent in the America's sporting

landscape in the 70's, were quickly converting consumers to their sports at the beginning of the 21st century.

During this same period, horse racing executives who almost exclusively focused on alternative gaming, appeared to be a group of Nero like figures fiddling away as their sport burned to the ground. It was as if they had no idea what it was like for a family, or a technology enabled gambler for that matter, to come "enjoy" a day at the races as they watched less than 15 minutes of racing action during the 5 hours that elapsed during a 10 race card. What a sport it was. Ninety seconds of live action every 30 to 35 minutes. Can anyone imagine a football play being run every 15 minutes, or a 5 minute time out in basketball between plays? Yet, that is exactly what would have occurred in those sports had the horse racing action to non-action ratio been applied. Horse racing was not an outlier in the action to non-action ratio, but it was several furlongs behind its nearest sports competitor.

Prior to 2012, horse racing had no central authority. They had refused to create a National Racing Commissioner position, even though other key sports had long ago realized a central authority was necessary to assure the success of their respective sports. In almost every other major sport, owners realized they could not be economically successful if they did not have a method to make and enforce decisions that were in the best interest of the sport as a whole. Nevertheless, independent rich hobbyists seemed to be in control of horse racing's agenda and everybody was a free agent. Trainers, jockeys, owners, racetracks and individual state racing commissions could work with or for anyone they wanted to, and essentially operate independently.

Since there was no central authority, elements of the sport varied greatly. If a jockey, trainer or owner didn't like a ruling, the medication rules, or testing procedures at any given racetrack, they could just pick up and move to the next state with rules more to their liking. Can you imagine what would have happened to the competitive landscape in baseball if say the Chicago Cubs could decide, on their own, to allow steroids? Trust in the sport itself would be at a low point, with spectators and gamblers naturally gravitating to more predictable activities?

Yes, hard times were getting harder for horse racing but the blueprint for change was already in practice in other successful sports, and 2010 marked the rebirth of horse racing. Maybe it was the economic impact of a serious recession or the generally terrible sales results at major thoroughbred auctions. Maybe horse racing executives finally acknowledged that horse racing didn't have problem but was indeed in a crisis. Whatever it was, controlling thoroughbred organizations, executives at major racetracks and owners organizations agreed that the industry was not organized in a fashion to compete as a major sport, and a coordinated strategy was required to get back on track. Regardless of the reason, horse racing finally took the first step on the road to recovery. All national horse racing organizations

and race tracks signed a cooperative pact which allowed the existing race horse licensing authority, The Jockey Club, to appoint the first National Racing Commissioner. The commissioner had powers similar to that of professional baseball and football commissioners and the jockey Club could sanction not only the licenses of racehorses as they always could, but events and race meets.

Once established, the new commissioner quickly went to work forming key competition, media, medication and rules committees. These committees, responsible for establishing organizational plans for the industry, would eventually be seen as the primary drivers of a re-engineered sport. Organizations or groups that refused to abide by the new rules, operational procedures and licensing requirements, would not be sanctioned by the commissioner's office and he simply did not allow members to participate in non-sanctioned activities at non-sanctioned venues. Of course, certain racetracks, owners and some horsemen's organizations looked for ways around the new rules but the sanctioning power given to the commissioner went far beyond simply suggesting change.

The Commissioner's Competition Committee went about fixing the sport by reestablishing it as a sport. For example, it was always technologically feasible to stage pre-race paddock and saddling activities in such a way as to allow racetracks to run 10 races in 2 to 3 hours, like any normal sporting event. The horse racing traditionalists that had kept their heads in the sand using all manner of excuse to remain the same, were pushed aside as racetracks began installing dual saddling and staging areas where they were needed. As soon as the winner's circle picture was taken after a race, the horses for the next race entered the track. Even trainers who were notoriously independent, found that they had to become more disciplined and cooperate with other trainers to share labor and help each other when multiple horses were racing in a series of successive races.

At first jockeys, who were only allowed to only ride in 2 out of every 3 successive races as a safety measure, did not like the changes which sped up the race day. However, once the commissioner established advertising freedom for them, implemented a jockey health, disability and retirement benefit plan, and the jockeys realized their racing day ended about 2 hours earlier, they understood that the commissioner's efforts to improve racing also improved their welfare. Jockeys could now freely advertise any corporate sponsor on their person, even though racing silks were reserved to allow owners to do the same. This advertising option, long established in sports such as auto racing or the hugely popular X Games, made both jockeys and owners more profitable. Jockey health and welfare benefits, which were essentially absent and a true embarrassment for racing, were established by the racing Commissioner in 2012. Benefits were earned by jockeys based on the number races they participated in. No longer would a 25 year veteran, of one of the most dangerous sports ever

established, be left out in the cold when they were no longer capable of participating in the sport they had given so much to.

Yes, many people in racing moaned and groaned because no one wanted to change at first but with a commissioner focused on what was **in the best interest of the sport**, change did occur. Everybody had to work together to speed up the sport, and not only did the pace of the sport pick up but the competition became more interesting. The Office of the Commissioner helped create invitational regional events wherein previously disassociated owners and trainers worked together to compete regionally. Soon states like Iowa, Minnesota and Illinois were putting their state bred horses up against each other for upper Midwest bragging rights. Based on the collective state results, the winning state's owners and trainers received bonus purses if their team of state horses actually won invitational events.

Soon spectators became aligned with their state's horses, trainers and jockeys which started to make the sport regionally newsworthy again, similar to Iowa/Minnesota wrestling or New York/New England football. These near border rivalries enhanced spectator interest. Trainers and jockeys became local stars, horses became loved and the popularity of such regional events drew corporate sponsors, similar to the sponsorships seen in other major sports of the time. Who can forget the 2015 Northeast Challenge when the New Jersey and Pennsylvania breeds upset host New York on their own turf?

The Commissioner's National Media Committee quickly embraced advanced technology, focused on a national brand, and invested in advertising for key competitive events. For example, The Office of the Commissioner decided to sponsor a series of key race match ups featuring Rachel Alexandra and Zenyatta. He knew that horse of the year Rachel Alexandra facing up against the phenomenal Zenyatta, who many thought should have been horse of the year, would create an unforgettable story that could be romanced into one of the greatest rivalries in sports history. He was right and because racing finally had a commissioner, he created supplemental purses and intervened to do what he thought was in the best long term interest of the sport. By structuring key competitions and marketing the horse racing brand, the Rachel versus Zenyatta debate quickly replaced the supercilious Jacob versus Edward arguments associated with the popular Twilight vampire series of the time. It turned out that young people were more fascinated with well told stories about these two great fillies than they were with fictional werewolves and vampires.

About the time things started to turn in racing's favor the commissioner also became concerned with racetrack facilities, some of which had aged to a borderline state of disrepair. Facility guidelines were established to be consistent with the brand image the commissioner felt the sport had to portray. Not only did racetracks have to develop plans associated with speeding up their programs, such as the dual race staging capability, but they also had to create greater intimacy with the athletes. As a

result, all tracks were required to open up their infields, creating opportunities for spectators to see races from entirely new perspectives. Races which began on the backstretch now had spectators in viewing stands right at the starting gates. The grass infield, wasted and not utilized for decades in most cases, became a tremendous picnic location allowing families to enjoy an exciting 2 to 3 hours of fun in the sun on weekends. In fact, the infield is now one of the most desirable areas to frequent during the races, due to the almost carnival like atmosphere many racetracks have created. Today's infields are a far cry from the wasted mass of green, or brown, many of us remember 15 years ago.

The commissioner also gave racetracks a very specific facility objective. "All technology and wireless connections must be brought up to basic secure standards, while safely and comfortably getting spectators as close to the action as possible." Whether a racetrack patron was standing at an antiquated betting window, watching horses load in the starting gate on the backstretch, or laying on a blanket with their family by the infield lake, they must be able to see what was going on and securely get a bet down in seconds.

Racetracks also created the incredibly popular VIP boxes based on commissioner guidelines. These boxes, which were at first seen only as a construction expense by some racetrack executives, eventually developed into a tremendous revenue boon. As racing became a more interesting sport, high rolling corporate sponsors, wealthy owners, and top tier gamblers, paid small fortunes to attend racing events in the same luxurious fashion that had come to appreciate at other major sport venues.

While the sport was quickly becoming relevant again, gamblers were getting more excited about the action associated with live racing. Because the Commissioner worked with multiple race tracks and organizations, he could create an integrated approach to racing with less schedule overlap and fewer race days in some instances. Gamblers found they now had the option of focusing on local 12 horse fields of good horses, versus 6 horse field of plodders. At the same time new gaming options were introduced. The National Racing Commissioner knew that multiple racing options could be offered as long as those options remained within the definition of a pari-mutuel wager. For example, gamblers could now gamble on their team when a state invitational was held. They had to decide if the Arkansas team of state bred horses could really hold their own against Texas state bred. Not only did this become one of many classic state rivalries, hosted every 6 months at alternate sites, but gamblers had to decide if Texas could cover the purse differential spread that made the Arkansas team a minus \$100,000 purse favorite in the first such event held in 2012.

Of course, historical wagering options still existed but many new gambling wrinkles were added which instead of cannibalizing the overall wagering pool, increased it. Fantasy horse racing, now so commonly accepted, was instituted in the same fashion it had been played for years in other major

sports, and it became a favorite horse racing wagering option. In addition, big race favorites which generated odds of 1 to 5 or less and paid less than \$2.40 back for a \$2.00 wager, were handicapped in betting pools based on the number of lengths they were expected to win by. Those lengths varied as wagers came in, just like the plus/minus point differentials did for football or basketball wagers. As a result, more money was naturally bet on these favorites because bettors believed they could cover the spread (lengths), and get an almost even money return on their wager or better yet, bet on a 3 horse parlay with much higher odds. It was no wonder so many people thought Zenyatta was a great bet in their second race match up with Rachel Alexandra, when Rachel was favored by 3 lengths in the final betting line. We all know who got rich on that race, don't we?

Possibly the most important change the new racing Commissioner put in place involved drug and testing procedures. Procedures and rules could no longer be arbitrary or vary from track to track, or state to state. The Commissioner also came up with the then novel idea of focusing on prevention rather relying on after the fact inspection. Rather than using the generally detested pre-race detention barn concept, which some race tracks were forced to implement, he required every racetrack to install multiple high quality cameras and microphones throughout the backside. The costs for such equipment was minimal and monitoring was no different than the monitoring process that has existed for years at casino card tables. As a result, every veterinarian, trainer and groom knew they were watched at all times when near a horse and soon the dirty training practices of utilizing fast acting drugs or venoms disappeared from the underground backside. Any barn could be "rushed" (physically inspected) within 60 seconds of any suspected illegal activity., and everyone knew it.

Limited post race drug testing still took place but verifications of the test results occurred at the Commissioner's sanctioned national testing lab within 24 hours. Violators were dealt with immediately instead of months, or sometimes years, later. The commissioner's office had absolute authority and third time violations, resulted in 5 year or lifetime bans. Just like baseball's infamous Shoeless Joe Jackson couldn't be banned from one team and go play for another, horse racing trainers, jockeys and owners found that they either had to play by one set of rules or not play at all, for the good of the sport.

When all was said and done, 2012 was a key turning point for horse racing. Sweeping changes to the sport itself positively changed horse racing forever. Now we can happily reflect on a decade of lessons learned from the re-engineering efforts that almost came too late for the horse racing industry. Those of us who have always loved horse racing as a sport, and are old enough to remember the tough times, can now look back with gratitude and fondness on the enlightened executives who realized that our sport needed to become a real sport again. We can also only wonder where we would be today if they had refused to modernize horse racing.

Not only can people enjoy our sport in a way that now keeps their interest, whether watching or wagering, but those who have been in racing for years can actually earn a good living once again. Yes, it's time to celebrate our 10 year anniversary of enlightenment and wonder what the next 10 years will hold. There is no reason to assume that next year's 2021 Hong Kong Global Cup Championships will not, once again, set new spectator and wagering records. It seems the comeback is complete and we can all, once again, enjoy good luck and good racing!