

**IN THE
BLACK**

Bob Black Jack
comes up aces
in the Malibu



- FLA. ADW UPDATE/19
- RUHLMANN DIES/38
- 'OUTSIDE' SIRE LINES/42
- CHELOKEE/50

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Reynolds Bell


Q&A WITH
THE CHAIRMAN
OF THE TOBA

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Reynolds Bell

Reynolds Bell Jr. was elected chairman of the Thoroughbred Owners and Breeders Association in August 2008. He has been involved in the Thoroughbred industry for more than 30 years and established his bloodstock agency, Reynolds Bell Thoroughbred Services, in 1992. Prior to that, Bell was general manager of Mill Ridge Farm near Lexington, which is owned by his mother, Alice Chandler, and her husband, Dr. John Chandler. Bell is also a member of the Breeders' Cup board of directors, a steward of The Jockey Club, a director of the National Thoroughbred Racing Association, and a past president of the Thoroughbred Club of America. Bell spoke with The Blood-Horse editor-in-chief Dan Liebman in mid-December.



The TOBA chairman discusses key issues currently facing the Thoroughbred industry

Let's start with a broad question. What would you say are the two or three most important issues currently facing Thoroughbred owners and breeders?

I think we have a difficult industry to try and pull together and move in the same direction. There are two or three things that seem to be most important to the owner and breeder today, issues that surfaced from Eight Belles. It exposed us, in terms of a lot of weaknesses we have.

I have always been taught and have always kept as a motto in the way I do things that, 'If you take care of the horse, the horse will take care of you.' And the other part is that you never compromise integrity. I think that while Eight Belles was in some ways no different than the other catastrophic injuries we've had, it seemed to happen at a time that created a perfect storm. It seemed that the public, and the industry in a lot of ways, was just fed up with where we are as an industry.

So to answer the question, safety of the horse would be one of the primary issues that we as owners and breeders must look at. There are a lot of different aspects of that, but certainly track surfaces are a component of safety, medication is an important component of safety, equipment is an important component of safety. The Jockey Club Safety Committee, through the benefit of having had the Safety and Welfare Committee started in 2006, fortunately had a place to start in terms of being able to identify and address some of the issues in a timely way.

I commend and applaud what The Jockey Club Safety Committee has done. It really diffused some of the issues with very good recommendations based on science.

The recommendation to eliminate toe grabs was based on good research and science that had already been done. The elimination of anabolic steroids, in terms of the medication issues, work had been done by the RMTC (Racing Medication and Testing Consortium), so that provided an easy place to go for a recommendation, and it was timely. (The use of) jockey whips was another recommendation that came out, and the perception to the public was this is cruelty to animals, to be beating on them when they are trying to run and perform at their very best. While it had always been a part of our sport, the perception is and the outcry has been that we do not need that. That incident has been at the forefront of everybody's mind since the first Saturday in May. It has done a lot to immobilize our industry.

TOBA's mission statement is to improve the economics, integrity, and pleasure of the sport for Thoroughbred owners and breeders. Obviously, when you talk about economics, that is an ongoing issue that the whole industry struggles with, to examine, understand, and change. Integrity is what we talk about as it relates to medi-

cations, as it relates to wagering, as it relates to sales. The Eight Belles incident is something that resonates with me. TOBA formed the Thoroughbred Action Committee, a committee made up of stakeholders in the industry and individuals in the industry we felt could contribute to a process that would create awareness for our organization, as a vehicle to support groups like The Jockey Club Safety Committee. As an organization we have tried to step up and respond, not as a way to undermine what others are doing, but to support and help them implement their recommendations once they are defined.

TOBA has been in support of the efforts of the Thoroughbred Horsemen's Group (THG) in its negotiations on behalf of horsemen regarding advance deposit wagering splits. Do you still fully support those efforts?

TOBA fully supports the THG. As owners, we invest about \$3 billion annually in this business and compete for about \$1 billion in revenue. Our industry has changed over time from basically an on-track wagering sport to an on-track and off-track wagering sport. Through the Interstate Horseracing Act, we have protection, with the horsemen and owners having to sit down with the racetracks to negotiate a contract that is fair, in order to ensure purses are maintained at a reasonable level as relates to handle. When we went from the on-track to the simulcasting mode, we saw a paradigm shift to where the simulcast revenue that the horse racing act allowed us to negotiate for became more significant. The next generation is the ADW (advance deposit wagering) movement, and we have some great consolidation of track ownership with companies such as Churchill and Magna, so it has become even more important for horsemen to understand what rights they have and to be in a position to negotiate deals that are fair. To bring new owners into the sport, we need decent purses for them to run for.

Has there been any discussion of owners either purchasing an existing ADW or starting an ADW?

Yes, it has been kicked around some. I think for whatever reason it has never gotten any legs. My guess is that is because the owners don't have as good an understanding of the business because they don't see it on a day-to-day basis like the tracks. It is not something they understand well enough to invest in.

We haven't heard a lot lately from the Sales Integrity Task Force. Can you provide an update?

We have come to the end of the year, and we put some recommendations in place, put a code of practice in place, put an ana-

bolic steroids testing process in place, so buyers could test horses they purchased, and we put an owners registry in place. Those are the three major recommendations that came out of the task force. From the standpoint of the owner registry, we had probably a little less than 1,300 owners that volunteered to put their ownership in the registry, and of all the yearling sales, there were only two buyers that accessed the registry. As far as anabolic steroids, we sold 6,300 yearlings, and I think we had about 170 requests for testing, and only one positive. In terms of the code of practice, I'm not aware of any incidences that surfaced that required the two sale companies to go through the process of arbitration.

Could it be a case of putting procedures in place, and that alone would get someone to stop doing something they should not have been doing?

Either that or it might be we didn't have as big a problem as was perceived by some people. Probably a combination of the two.

The law that went into effect in Florida, where sale companies have to release changes from sale summaries, is that a good thing, and should the task force look at that?

I do think it is a good thing. If in some ways the marketplace is being artificially manipulated, if that in fact takes place, then we don't need a mechanism for that to be done. If somebody bids on a horse, and signs a name, and they did not purchase it, then I do not think that should be shown as a purchase.

The entire world, and certainly our industry, is operating now in a down economy. Wagering is down, the bloodstock markets are down, purses are down. Are there things TOBA can do to help owners in such challenging times?

It is bigger than TOBA. TOBA can facilitate with the other major stakeholders in the industry the course that we should be taking. When you look at what happened with Eight Belles and the public outcry that followed, you are seeing a lot of stakeholders and entities in this industry looking for ways to self-examine our sport and work together to make it better. TOBA will be a part of that process, and whatever we can do, whether through our membership working in individual states to help implement things the industry feels is beneficial, or whether it be another position we feel as an organization can benefit others, we will do so.

One thing we have heard about for years is we need new owners. Programs have been tried with limited success. What more can be done in this area?

We have to improve the economics of this sport, and it goes back to what the THG is doing. We have to protect our purse structure so owners will want to come in and participate in this sport. When you see Bob McNair leave this sport, it is very disheartening and very disconcerting. I don't know what the silver bullet is to improve the overall economics in our industry, but I think in general terms, it focuses on taking care of the horse. Focusing on safety, integrity...if we have past-posting and bettors feel like we don't have a system in place to protect their investment, then we have a broken system. How to bring new owners to in the sport is the \$64,000 question, something we are all struggling with. We have to do a better job of marketing our sport, but before we can market the sport, we must have drug testing in place that is beyond reproach, and The Jockey Club Round Table identified that. We have about 18 (testing) labs, some underfunded, no research lab to speak of that is owned by the industry that could be an R&D or quality assurance laboratory that could be sure the testing that is being done is being done in the right kind of way.

So until we get the house in order, it will be hard to recruit many new owners?

I think so, in a way that we can sustain. We've had a lot of new owners that have come in since I've been in this business, and many that have been very good for this business. But the fact we are not able to attract many new owners from year to year tells me it is all about having the right business model to begin with. Until we get that in place and can market our sport in a way people will understand it, enjoy it, and depend on it, I think we will struggle with getting new owners into this business.

There was a bit of criticism of the American Graded Stakes Committee, which TOBA oversees, that there are too many grade I races, and that the minimum purse requirements will require tracks to take money from non-graded or overnight stakes to fund the graded stakes. Can you comment on that, and also on something the committee has been lauded for, the drug testing requirements for graded stakes?

I think Pete Willmott, who is chair of the committee, has sort of said that the same process has been in place since the inception of the graded stakes committee in 1973. They go through a lot of statistics and numbers that are provided by The Jockey Club to evaluate trends and have certain methods to weight performance and the quality of the race by the number of quality performers on a year-to-year basis. I think he is concerned that we've moved into a place where we have upgraded more races than we seem to be downgrading.



Bell, who owns a bloodstock agency, has been in the industry more than 30 years

I've never participated in the process; I have observed on two occasions. I think as the chairman, he will spend the next year looking at the information to get a clear picture of what is there. They need to understand if the methods they have been using are still the methods that should be used, that the mind-set of the committee is what it needs to be in terms of being able to be consistent in its recommendations. The drug testing part of the question is real important, and I applaud the graded stakes committee for the position they took. These races are contested by the elite of our breed, and if you are going to have credibility with that segment of racing, then it is important we keep the standards as high as we can.

Another issue that in the last few years has come to the fore is the unwanted horse. How will the affiliation TOBA has with Thoroughbred Charities of America strengthen the charity and its efforts?

This is a serious problem for our industry, and certainly as owners and breeders TOBA wants to be at the forefront in helping create more awareness of the problem. I don't know what the solutions are, but we as an industry have to work toward finding solutions. Thoroughbred Charities, since it has been in existence, has distributed about \$12.5 million to many different organizations it supports, more than 150 organizations, I believe. The Jockey Club has stepped forward with a check-off bill, matching up to \$200,000. We've got to understand the problem better, and TOBA will work hard to do that, and the affiliation with TCA will help us do that.

You mentioned the Thoroughbred Action Committee. How will that group be used to bring about change?

So far it has run a parallel with The Jockey Club Safety Committee. They have a couple of representatives that sit in on our meetings and vice versa. We as a committee don't want to duplicate efforts, but

we want to be aware of where we can help and be a support group to The Jockey Club Safety Committee. When it comes to implementation, we have 2,600 members in 26 states where we can help on a state-by-state basis to help establish legislation, to mobilize change recommended by The Jockey Club Safety Committee and the NTRA.

Do you have a final message for owners and breeders?

The message, and maybe it is outlined throughout the Q&A, is that we have to come together as an industry. Moreso now than I can ever remember. What people have to remember is that the problem we have right now—that we are a dysfunctional industry—was not created overnight and will not be fixed overnight. We have to develop a mind-set that we can change it, and we have to explore ways we can change it.

We have to put our self interests aside and begin to think more of the whole, more of the industry as a whole. We don't have the luxury of being like the NFL, or Major League Baseball, or the NBA, where we have a group of owners that can sit down at a table and develop a game plan as to how to operate. I can remember, at a young age, that when Secretariat won the Triple Crown he was on the cover of *Time* magazine. That was 35 years ago. I couldn't retrace the steps to say how we got here, but the fact is we are here. Maybe the emergence of other entertainment sports has moved us to the bleachers.

But the one thing we haven't lost through all of this is the horse, and we haven't lost what creates the excitement for a fan, or creates the love for the animal that gives all they've got to be first to the finish line. Those are still there; it is just what we have done with them. We have to figure out a way to get that back. We have to begin to create ways to understand what it is we want to be, and then have a method to go about executing how it is we want to be. Then we will create the change we need to elevate our sport. **Q**