## The Standardbred Owners Association of New York **NEWS & VIEWS**

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# **Time to Stop Taking Horsemen for Fools**

The word SYNERGY describes a circumstance when multiple elements in an industry work together to produce an effect greater than the sum of their individual efforts. Breeders produce horses. Horsemen buy, train and campaign horses. Racetracks conduct racing for horses. The interaction of these multiple elements has resulted in a 4.2 billion dollar industry in New York State alone.

When organized pari-mutuel racing started, the synergy between horsemen and racetracks was typified by a contractual partnership. After taxes were paid, the racetracks and their breeders/horsemen shared in the on-track handle. Simulcasting further facilitated this synergy, and the partners continued to benefit.

When OTBs showed up in the 1970s, followed by standalone ADWs (Advance Deposit Wagering Systems) in the 1990s, the synergy between breeders/horsemen and racetracks was preserved, but both suffered. Unfortunately, the industry allowed interlopers to profit from the use of the racing product on the cheap, and missed the opportunity to conduct these platforms on its own.

There was never any synergy between these third party betting outlets and our industry. While New York City Off-Track Betting started out as a "partner" through heavy television marketing, their interest in maintaining any synergy with our industry waned. Racing fell victim to their patronage driven concern for the bottom line and a lack of any concern for the effect on the sport. Outrageous as it sounds, NYCOTB stopped paying the industry for the legislated amounts due us for the product we produced and from which they profited. The result? When NYCOTB went bankrupt, they left the racing industry holding the bag on tens of millions of dollars of unpaid revenue. No synergy there.

When the VLT program was created in the 2000s, it was undeniably the product of the synergy between racetracks and the breeders/horsemen that petitioned Albany for the needed renaissance. The tracks got their racinos, and the breeders/horsemen received a percentage of the track's net win as minority partners. Unfortunately, the racetracks tried to pull away from their breeders/horsemen "partners" rather quickly.

When in 2004-05 the tracks asked us to help them in Albany to achieve a certain level as their vendors' fee, they agreed to pay the breeders/horsemen an enhanced percentage from VLTs for breeders' awards and purses. Our synergy persuaded Albany to give the tracks what they wanted and, as soon as the ink was dry on the new, track-lucrative legislation, most tracks reneged on their written promise to pay us for helping them put even more money in their pockets.

Still, the breeders/horsemen tried their best to continue the synergy. Seeing the need, we secured corrective legislation to mandate percentages to the breeders' fund (1.25%) and to horsemen's purses (8.75%). When the racetrack operators at Monticello, Vernon and Yonkers were in need of financial relief due to market conditions, their debt service and other factors, the horsemen contractually agreed to continue the synergy and accept purse money less than the statutory minimum. In effect, we continued the synergy by sacrificing by contract what the law provided to us; such was our respect for the partnership we knew could continue to grow if nurtured by us both.

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## Legislators Get First Hand Look at Racing at Yonkers

It is a continuous challenge to educate legislators about the positive economic impact that harness racing creates for New York State. One of the ways that the SOA of NY is able to highlight the jobs and overall positive impact racing brings is through the annual Legislators' Challenge races, which were held in October.

Democratic Assemblyman Keith Wright, who represents New York City's Harlem district, was victorious in one of the three divisions held in the Fall – and his visit to the racetrack made a lasting impression on him.

"We hear theoretically about the economic impact and the jobs that are part of the racing industry," explained Wright, "but you don't really see it until you get up close and experience it.



Fall Harvest Festival, October 19, 2013 Legislators that participated in Race. Photo by Mayra Escamilla

"I've been a representative from Harlem for 20

years and I met three people from my district

working in different capacities at Yonkers Raceway," added Wright. "It shows you how important it is. It's about people's livelihoods and the ability to feed their families."

"This event, hosted by the Standardbred Owners Association, provides an opportunity for New York legislators to experience firsthand this growing industry that creates 33,000 jobs for New Yorkers and generates billions in total economic impact across every region of the state," said SOA President Joe Faraldo. "All New York legislators, even those from urban areas, understand the critical importance of agriculture to our state's economy. By exposing senators and assemblymen to the inner workings of the endproduct through an exciting on-track experience, they learn firsthand how hard horsemen toil in this industry."

"While the tracks provide the venues to conduct the contests, it's the tens of thousands of breeders, owners, trainers, drivers, grooms, vets, farriers, hay and alfalfa farmers, transporters, etc. that are what drives the economic engine," Faraldo added. Wright was paired with driver Jason Bartlett and took the veteran's division in 2:11.3 with Strong Signal.

In the rookie division, Assembly Member Andrew Garbarino (R-Suffolk) teamed with Brent Holland to guide Cockney Hanover to victory in 2:11.4.

Assembly Member Shelley Mayer (D-Yonkers) took the previous winners division. She too was paired with Jason Bartlett and scored in 2:09.4 with Kandi Chip

The full list of participants in the 2013 Legislators' Challenge races were:

Senator Joseph Griffo (47 SD – Utica) and Assembly Members Andrew Raia (12 AD - Northport), Keith Wright (70 AD - Harlem), Michael Benedetto (82 AD - Bronx), J. Gary Pretlow (89 AD - Mount Vernon), Shelley Mayer (90 AD – Yonkers), Joseph Saladino (9 AD -Massapequa Park), Rafael Espinal Jr. (54 AD – Brooklyn), Andrew Garbarino (7 AD – Bayport) and Frank Skartados (104 AD – Newburgh).

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## **Time to Stop Taking Horsemen for Fools**

Then came the push for full-blown casino gambling. Almost immediately, the racinos formed their own consortium and conducted a multi-million dollar advertising campaign to persuade voters not only to approve casino gambling in New York State, but to place the casinos only at the racetracks. They even campaigned on the benefits the VLT model already provided to the agriculture and racing industries, and sought support from rural communities because of the future growth casino gambling would purportedly bring to the 32,000 employed in the agriculture and racing industries.

In their campaign, the track owners used actual images and depictions of our racing industry to display their commitment to New York racing, breeding and agriculture. Showing the public the synergy that existed within the industry was very effective for them; the casino amendment passed. The problem is that the synergy for the track operators was never real. It was just a matter of time as to when, and under what pretense it could be ended.

Part of the casino-enabling legislation lobbied for by the racinos not only excluded the breeders/horsemen from receiving ANY casino revenue, but also abruptly capped our purses and breeders' awards at 2013 levels. While that 2013 purse and award level number is to be adjusted annually via a consumer price index, the 2010 CPI was, in fact, a negative number.

Synergy? Consider what the cost of a bag of sweet feed, a gallon of diesel and a trip to the farrier cost in 2004. Compare them to today's prices: 100 lbs of feed in 2004 was \$11/100lbs; in 2014 it is \$21/50lbs. Guess what those costs will be in 2019; less than 5 years from now. Our racetrack "partners" simply used us to achieve their casino goal, and now are trying to gradually get us out of their collective hair by putting us of out of business.

Rest assured, once the casinos are up and running, the next push will be to kill ANY purse enhancement and ANY support for breeding at all. Such is the "synergy" we now share with our "partners." If you have any doubt this is true, just contact any of our brother or sister horsemen at Monticello and ask them what their racetrack management has done to them.

Monticello management went so far as to produce plans with photos and a track builder's live presentation for a new 5/8ths harness oval, grandstand and paddock at the site of their proposed casino at the former Concord Hotel. Unknown to the horsemen was that their real plan, like the other would-be casino operators, was to build a water park and have no racetrack. Still, based upon that misrepresentation, and in the interest of continuing the synergy, the Monticello horsemen were the only horsemen's group to support the track owners' quest for a casino amendment. Only after the voters gave their approval did the truth about the water park, as opposed to a 5/8ths mile track, ultimately surface - never before the amendment passed. Monticello management continued to tell the new racetrack story to the Sullivan County Legislature. Pushed aside by their "partners" after they were no longer needed, the Monti horsemen became outraged and are in a fight for their lives; a fight all of us need to support.

While we still maintain a strong synergy with Yonkers' management, we are concerned that their participation as an active member of the racino owners' group might eventually prove harmful to us. We have been given assurances that if and when Yonkers becomes a full casino, they will continue our sturdy, synergistic relationship. Nonetheless, we are doing more than simply remaining hopeful.

In April, we worked closely with the Assembly Racing & Wagering Chairman on a bill introduced in the New York State Assembly which would modify the present law and provide racing and breeding support payments from small percentages of the enhanced revenue table games and slots machines at racinos that become full casinos (this could potentially include Tioga, Monticello, Saratoga and, seven years down the road, Yonkers). We will, of course, lobby hard for the passage of the legislation, which will only require payments to enhance purses and breeders' awards if the racetrack operators' business increases above 15%.

Funny, but giving up the chance to participate until the track operator reaches the 15% increase in business plateau is an even further recognition of the synergy we believe in, and a recognition of the tremendous benefits achieved by the agriculture, farming, breeding and racing industries in NYS. Unfortunately, the owners' idea of synergy is for them to do whatever they can, say whatever they need to and promise whatever is appealing to improve the racetrack's bottom line business, while treating the horsemen and breeders working in a 4.2 billion dollar industry as management's dupes in a farce.

Collectively, horsemen and breeders have a vast financial investment in our industry, and New York's economy is a prime beneficiary. We're not fools, and we won't allow a handful of greedy folks to tear apart what was previously a well thought out legislative model that created a renaissance in an industry of 32,000 participants. That model has been a boon to the economic well-being of NYS, its agriculture and racing industries and, not begrudgingly, the harness racetrack operators who may continue to prosper. That was created by true synergy; when all work cooperatively rather than at odds.

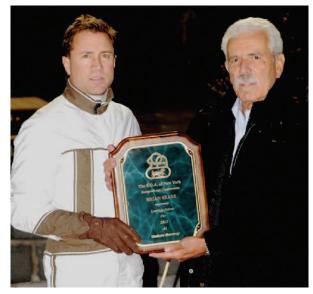
## FAMILIAR NAMES CLAIM THEIR FIRST YONKERS TITLES IN 2013

Driver Brian Sears claimed his first Yonkers Raceway driving title in 2013 in his first full season of driving here. The six-time Meadowlands Racetrack leading driver ran away with the Yonkers title in 2013, amassing 471 victories and winning nearly a quarter of his races. He was 44 wins ahead of another former Meadowlands leading driver George Brennan who had picked up back-to-back Yonkers driving titles in 2011 and 2012. Jason Bartlett was third in the standings with 337 wins followed by Dan Dube (226) and Jordan Stratton (217).

Sears also led the driver colony in purses won, with more than \$8.7 million.

On the training side, the Ron Burke stable was a national powerhouse all season and the 44-yearold added his first Yonkers Raceway training title to his accomplishments in 2013. His 176 winners led the way over Rene Allard (140), last year's leading trainer Gilberto Garcia-Herrera (114), P J Fraley (108) and Scott DiDomenico (90).

Burke also led in earnings with more than \$4.2 million, helping him set a national record for single season earnings by a trainer at \$22 million.



Brian Sears, Leading Driver at Yonkers Raceway for 2013. Photo by Tom Berg



*Ron Burke, Leading Trainer at Yonkers Raceway for 2013, driver Matt Kakaley receiving the award on behalf of the Burke Stable. Photo by Tom Berg* 

## **EXPANDING INTERNATIONAL SIMULCASTING**

A delegation of U.S. harness racing industry representatives, including several SOA of NY Directors, recently visited Vincennes Racetrack in Paris, France for the Prix d'Amerique race and the signing of a historic breeding agreement.

Joe Faraldo, on behalf of the United States Trotting Association, signed a breeding, wagering and simulcasting agreement between the USTA and French racing officials.

"This is a historic, monumental agreement," Faraldo said. "It is the predicate for international simulcasting into Europe and a move forward to more global simulcasting of U.S. harness racing."

On behalf of the the French delegation, Dominique de Bellaigue, who is President of both Cheval Francais and the Trotteur Francais Stud Book Committee said, "These agreements will help our respective countries build upon this as a foundation to the expansion of international simulcasting."

Delegations from Slovenia and the Irish Harness Racing Club inked similar agreements with Cheval Francais.

With the addition of these three countries, there are now 25 countries that have similar agreements with the Pari Mutuel Urbain, the French state controlled betting system.

"We're very proud to be a part of this effort to bring our two organizations closer together," said Yonkers Raceway President Tim Rooney, Sr. "Yonkers has always been heavily invested in international racing partnerships and a workable breed agreement is an important step in furthering these relationships. We also look forward to sharing racing simulcasts in the near future, another next step in this exceptional effort."

"This is an important step in the worldwide growth of our sport," said USTA President Phil Langley. "Congratulations to Yonkers and the SOA of NY for negotiating this deal. We are all interested in seeing them have great success in this venture."

This agreement will pave the way for Yonkers to simulcast its races to France starting in the fall of 2014 and will open up the market for the export of American high quality trotting races to the European continent.



January 2014, Joe Faraldo and Tim Rooney with Prix D'Amerique winner Maharajah. Photo by Rebekha Mae Photography



Joe Faraldo, on behalf of the USTA, signing the Breeding agreement between the United States and France. Photo by Rebekha Mae Photography



The US delegation at Vincennes Racecourse. Photo by Rebekha Mae Photography

## International Handle On Yonkers Races Continues To Grow

Wagering on races from Yonkers in Australia continued to show sharp growth in 2013.

Australian bettors wagered more than \$31 million on Yonkers races last year – a 150% increase from the \$12.6 million wagered in 2012.

A total of 154 cards were exported into Australia last year, with an average of \$205,282 wagered per card. In 2012, 69 cards were exported from Yonkers with an average of \$182,871 wagered on each.

A key impetus for the growth has been Yonkers' consistency in having their races go off at the predetermined post times. Normally the full cards are not simulcast overseas, instead only seven to ten races each day are offered for wagering. Post time coordination with the Australians is key to growing handle, as the Yonkers product is slotted in between other offerings on their calendar. When the Yonkers races go off at the planned time, handle is maximized for all tracks in the simulcast network.

The money wagered in Australia is in a separate pool and is not currently commingled with the main pools at Yonkers. Over time, the ability to commingle with these foreign pools can be a large source of growth for the domestic parimutuel handle.

### **DIRECTOR ATTENDANCE AT SOA OF NY BOARD MEETINGS**

	6/13	9/13	12/13	3/14		6/13	9/13	12/13	3/14
Atherton, I	Р	Р	Р	Α	MacDougall, R.	Α	Р	Р	Р
Brennan, J.	Р	Р	Р	Р	Noga, S.	Р	Р	Α	Р
Faraldo, J.	Р	Р	Р	Р	Schnittker, R.	Α	Α	*A	Р
Forte, M.	Α	Р	Р	Р	Stratton, J.	Р	Р	Р	Р
Fucci, E.	Р	Α	Р	Α	Venaglia, P.	Р	Р	Р	Р
Gargiulo, H.	Р	Р	Р	Р	Wittstruck, C.	Р	Р	Р	Р
Kaufman, S.	Α	Р	Р	Р	Younger, P.	Р	Р	Р	Р
Kimelman, M.	Р	A	Р	Α	P = Present A = A	bsent	*=Ехсі	ised Ab	sence

## TWO LONG TIME GROOMS DIE 11 DAYS APART

#### Robert Lee Causey, Dies at age of 70

Robert Lee Causey a long time groom who worked at Roosevelt Raceway and Yonkers Raceway for thirty years, passed away unexpectedly on March 4, 2014. "Big Bob" as he was known around the track was a hard-working, quiet guy.

He was the son of the late Wallace and Pearl Causey from Harrington, Delaware. He is survived by several nieces and nephews. He was laid to rest back home in Delaware.

### Mary "Joanne" Alarie, Dies at age of 56

Joanne Alarie, also a long time groom who worked at Roosevelt and Yonkers Raceway for twenty-two years, passed away suddenly on March 13, 2014. Joanne was kind hearted and a good friend to those who knew her; she tried to work even when poor health hampered her mobility. Joanne loved horses and even owned a few, two of her horses were Silent Victim and Undercover Action. Joanne was the daughter of the late Dominique and Marie Juliette Alarie, she is survived by two brothers Michael Alarie, Johnny Alarie, and a sister, Francine; also her stepmother, Nancy and one stepbrother, Jacque. Joanne was laid to rest in Bethel, New York.

## SOA BOARD MEETING AND ELECTION RESULTS

The SOA's December 7, 2014 annual membership meeting saw the Board of Directors election results certified.

In the driver/trainer category, Ray Schnittker and Peter Younger were unopposed in their election to three year terms. In the owner category, SOA President Joe Faraldo, Robert MacDougall and Chris Wittstruck were all re-elected to three year terms, also in unopposed fashion.

Additionally, the following officers and trustees of the Welfare and Retirement Funds were elected to serve during 2014:

#### **Officers:**

President: Joseph Faraldo 1st Vice President: Peter Venaglia 2nd Vice President: Irv Atherton 3rd Vice President: John Brennan Treasurer: Irv Atherton Secretary: John Brennan Trustees: Joseph Faraldo Peter Venaglia Irv Atherton John Brennan Jordan Stratton Henry Gargiulo (1st Alternate) Chris Wittstruck (2nd Alternate)

At the meeting, the Board discussed a variety of statutory and administrative goals for the upcoming year. Also discussed were the salient points of the new three (3) year horsemen's agreement which was recently negotiated with Yonkers management. That agreement calls for 236 race dates for each of the three years.

## FALL HARVEST FESTIVAL



Legislative Race – Rookies Division won by Assembly Member, Andrew Garbarino driving Cockney Hanover along with co-pilot Brent Holland. Photo by Sean Hamrock





Legislative Race - Veterans Division won by Assembly Member Keith Wright, driving Strong Signal along with co-pilot Jason Bartlett. Photo by Sean Hamrock



Fall Harvest Festival Pumpkin Patch. Photo by Mayra Escamilla



October 19, 2013 - Children enjoying pony rides at Fall Harvest Festival. Photo by Mayra Escamilla



January 30, 2014 - Lewis Gold receiving recognition on his retirement after 33 plus years as State Inspector at Yonkers Raceway. Photo by: Mayra Escamilla



August 16, 2013 George Brennan is presented a plaque in recognition of his 8,000 wins. Photo by Mike Lizzi



Jason Bartlett achieves 5,000 Milestone win on December 19, 2013. Photo by Mike Lizzi



September 12, 2013 - Welcome for the Food Bank of Westchester from left to right Douglas Lyons, Frank Drucker, Nancy Lyons, Sandy Kaufman, Marvin Kaufman, Ellen Tracy and David Morrissey. Photo by Tom Berg



September, 2013 - Rene Allard center, standing along with his girlfriend, Katie Remmerswaal, is presented an award from SOA of NY President, Joe Faraldo and Directors, John Brennan and Chris Wittstruck in recognition of being youngest trainer to achieve 2,000 milestone wins. Photo by Mike Lizzi





November 2, 2013 – Ronny Bugatti wins 58th Messenger Stakes, driven by Jason Bartlett, Trainer Allan Johnson, Owners E A Prevost, T. Mcneese, T L Haughton. Photo by Mike Lizzi



November 2, 2013 – Charisma Hanover wins the 178G Lady Maud Pace, driven by Yannick Gingras Trainer, Ron Burke, Owners, Burke Racing Stable LLC, Weaver Bruscemi LLC. Photo by Mike Lizzi