



TOC

Thoroughbred Owners of California

Spring Newsletter

April 2024

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CHAIRMAN'S MESSAGE

BY GARY FENTON

Amidst the imminent closure of Golden Gate Fields, horse racing in California is facing its most critical economic crossroads in decades. For this Chairman's message, I find it imperative to address the core concerns confronting our

members and the state as a whole. It's important to note the emotional dimensions of the current issue and to remind ourselves of the love we each have for this industry. We never got into horse racing just for the economics. This is a personal investment. The ownership experience is being part of this great sport and community and the responsibility and pride that goes along with it. Every California owner feels this together and everyone deserves a big thank you for their continued loyalty and support.

At the forefront of what's ahead lies the pivotal question: should there be one or two circuits? This issue hinges on several factors: the configuration of the proposed North circuit, its financing, and the support from owners both in the North and South which now face reduced purses to help fund a "New North". The TOC will continue to work with stakeholders to find the best solution for all of California. We are a resilient group, as demonstrated by the hurdles we've overcome in the last decade. I am optimistic we will find a path forward that keeps California among the best racing circuits in the country.

1) Does TOC believe it's best to have one or two circuits in California?

TOC advocates for the establishment of two robust, full-time circuits – North and South – as the preferred model for California. Our North members emphasize the necessity of

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NOV 1 & 2 BREEDERS' CUP DEL MAR

BREEDERS' CUP WORLD CHAMPIONSHIPS

November 1-2, 2024
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\$33 Million in Purses and Awards
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Chairman's Message, Cont.

meeting specific purse levels and racing opportunities for viability. Recent observations from Turf Paradise in 2024 underscore the inclination of our members to pursue better opportunities elsewhere if available. Collaborating with CARF and our North members, TOC endeavors to define benchmarks essential for establishing a viable North circuit, one that is not inequitably subsidized by owners in the South. An accurate and transparent outlook is important as our members budget and maintain their equine investments.

2) What's the issue with at least trying a new North circuit and giving the North "the opportunity to succeed or fail"?

The viability of a new North circuit rests on financial support, primarily sourced from South purses and track commissions. Consequently, lowering purses in the South to sustain a new North raises questions of equity and legality. While some advocate for supporting a new North despite the prevailing economic challenges, others view it as a pure subsidy at a time when the industry pie is shrinking. A key factor, which often goes unmentioned, is the valid concern that further purse reductions in the South could adversely impact the export of premium content, essential for supporting purses in both regions. North purses are heavily dependent on North horseplayers wagering on South content.

3) Can purses legally be moved from one circuit to another?

The industry is reviewing the statutes, regulations, and precedent to see if moving purses to a new North circuit is equitable and legal. As of now, pursuant to decades old statutes and precedent, under the current CARF proposal, we project up to ~\$8m in purses might be moved from the South to support a new North, further crippling the South purse accounts.

4) Why would California statutes create subsidies from one circuit to another?

Historically, these regulations fostered equitable trade between the circuits. A North circuit consisting of Bay Meadows, Golden Gate Fields and CARF delivered reciprocal consideration for the South. With the contraction of our industry, the South no longer receives the same consideration back. Establishing a new North circuit without equivalent benefits for the South risks exacerbating this imbalance.

5) What is the CTBA position on whether there should be one or two circuits?

The CTBA has not taken a position on the issue. With a sizeable percentage of field size in California made up of Cal-Breds, it is crucial for the TOC and CTBA to find common ground on developing a sustainable plan for both. The CTBA cannot remain viable without the support of the TOC, and without Cal-Breds, the TOC will need the support of breeders' from other states.

6) Is there any chance of getting some form of gaming aka ancillary revenue, like in Kentucky and New York?

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Chairman's Message, Cont.

TOC and other California stakeholders are actively working on securing ancillary revenue similar to other states. The TOC and tracks successfully infused the purse accounts in 2021 with the historic \$13.5m ADW supplemental deal with TVG and Xpressbet. The California racing industry provides 37,000 jobs and we will continue to make sure Sacramento feels the urgency to help in the same way other states have done for their horse racing and breeding industries. Historical Horse Racing, for example, might provide the needed funding to keep both circuits viable.

7) After 1/ST Racing's strongly worded statement to the CHRB, what is the TOC's belief that 1/ST Racing is committed to racing long-term in California?

The letter was not a surprise to TOC as Stronach Group ("TSG") representatives made similar statements at the August 2023 and January 2024 CHRB meetings. Due to this uncertainty, TOC asked TSG for a long-term commitment to racing in California. Absent such a commitment, it is understandable why many might feel TOC should oppose redirecting North handle to the South.

8) What is the long-term future of Los Alamitos?

Los Alamitos has maintained a rolling two-year commitment to fulfilling our stabling needs in the South. Should TSG continue in California, there have been talks to expand San Luis Rey to meet future stabling needs should the need arise.

9) If Santa Anita does go away, how many dates could Del Mar absorb?

As DMTC President Josh Rubenstein stated recently in an article in the San Diego Tribune, Del Mar is open to both increasing dates and fulfilling stabling needs.

10) What can I do as a California taxpayer and voter to let my local state rep/senator know how big a challenge we face?

The TOC and our industry partners interact daily with our state and local elected leaders and government officials. What you can do as a member of the TOC and as a horse racing enthusiast is get to know your elected leaders. Reach out to them at their district office and show them your passion for the sport and the horses you care for. Additionally, sign up to receive updates from our advocacy activation coalition called [California Horse Power](#).

11) What happens next?

While the recent allocation of new dates by CHRB represents a significant development, many questions remain unanswered. Key considerations include the financing of new dates by CARF and the satisfactory resolution of queries raised by both TOC and CHRB. As new information emerges, TOC remains committed to disseminating updates to its members, fostering transparency and informed decision-making.



MEET CARMA

CARMA is a 501c3 organization dedicated to providing funding for the rehabilitation, retraining and/or retirement of California-raced Thoroughbreds.

KEY STATS

- \$5.8 Million in Grants Awarded Since Inception
- Grants Funding to 20+ Aftercare Charity Organizations Annually
- 425 horses Placed Through the CARMA statewide Placement Program
- Thousands of Thoroughbreds Adopted Through Our Aftercare Charity Partners
- Represents Part of a National Safety Network for Retiring Thoroughbreds

KEY LEGISLATION

In 2007, in close collaboration with the CHRB, CARMA helped create a change allowing for a 0.03% deduction (unless opted-out) from purses to help fund equine retirement.

This rule was expanded in 2017 to include trainers and jockeys.

PARTNERSHIPS



Support Retiring Racehorses: carma4horses.com



CALIFORNIA HORSE INDUSTRY

2023 ECONOMIC IMPACT REPORT



The California Horse Power Coalition is proud to report the results of the American Horse Council's 2023 Economic Impact Study. The California breakout study surveyed horse owners and suppliers throughout the state to determine the industry's impact on the California economy.

\$11.6B¹



horse industry's contribution to the state economy annually

\$4.2B²



horse industry's contribution in tourism spending annually

132,496³



jobs created in California from the horse industry

4.1M⁴



households in California with a horse enthusiast

As California grapples with a budget deficit in the tens of billions of dollars, the horse industry has grown into even more of a financial juggernaut for the state over the last five years; responsible for billions of dollars in economic impact and tens of thousands of jobs, a new landmark report released today found. In 2023, the equine ecosystem provided a total value of \$11.6 billion to California's economy and a direct contribution of \$6.5 billion to state GDP, according to the report from the American Horse Council. This marks a significant increase from the American Horse Council's previous report in 2018, which found a total value of \$8.3 billion to the state economy and a direct contribution of \$4.5 billion to state GDP.

The California breakout study surveyed thousands of horse owners and suppliers across the state, making it the most comprehensive state industry study to date. Data collected was analyzed to determine the impact of the industry's distinct sectors, including competition, recreation, racing, equine assisted therapy, and equine rehabilitation and sanctuaries.

[Read More](#)

[View All Horse Industry Sectors](#)



RACING SECTOR

\$2.5 BILLION

Total Economic Impact to California

36,890

Total Jobs Supported

24,860

Direct Employment

\$1.5 BILLION

Direct Value to California Economy

Golden Gate Fields - Historical Highlights



Photo Credit: Vassar Photography

Top to Bottom:

The iconic Golden Gate Bridge and magnificent view of the San Francisco Bay have provided the perfect backdrop to Golden Gate Fields and its rich horse racing history.

The horses rounding the first turn on a crowded New Year's Day at Golden Gate Fields.



Simply Majestic enjoying his morning Budweiser before setting a world record for nine furlongs in 1:45, winning the 1988 Budweiser Breeders' Cup at Golden Gate.

Russell Baze won the hearts of racing fans and 12,844 races in a career that included 27 riding titles at Golden Gate. He led the nation in races won 10 times and was inducted into Racing's Hall of Fame in 1999.



The Tapeta Training Track at Santa Anita

By Joan Wakefield,
Vice President and Co-Owner of Tapeta Footings

I hope by now you have had a chance to see and watch your horses train on the new Tapeta Training Surface and that it gives your trainers an additional training tool. I wish it could have been available before the 2023/24 winter started! I certainly did not expect to encounter the rainfall that we've experienced!

The original formula was designed by my husband Michael Dickinson. Since then myself and my team have taken over the research, development and manufacture of the product. The Tapeta Team has a wealth of knowledge in the racing industry and has the horse's best interests at heart.

I am the first to admit that I made mistakes with the early installations but, hopefully, I've learned from those mistakes and we are constantly working to create an even safer and more forgiving surface.

Our aim is to have the underneath provide a cushion and to have a tighter finish on top to give the horse stability. To help us achieve this we have a unique blend of fibers, one gives vertical stability, the second gives horizontal stability and the third gives the bounce or rebound.

We have also made huge advances with the type of waxes we now use. They have been formulated for specific climates to try to minimize the fluctuations due to changes in the temperature. The wax used for Santa Anita is a high temperature based wax.

Maintenance is crucial and Santa Anita is lucky to have such a wonderful crew. They are working hand in hand with our own maintenance expert, Miguel Piedra, to familiarize themselves with the new surface and equipment. This collaboration will enable them to confidently choose the equipment best suited to handle whatever the weather throws at them on a daily basis.

We will always be on the end of a phone should anyone need us as we pride ourselves on our customer service and aftercare.



TOC Owner Education Seminar Recap

On Saturday, March 23, TOC members and guests attended the 2024 Owner Education Seminar at Santa Anita Park. World-renowned Track Superintendent Dennis Moore educated everyone on what is required to manage different track surfaces. Champion trainer John Sadler was a delight to hear from and Michele Yu was an excellent moderator. The Q&A segment of the morning was filled with excellent questions from the audience.

See page 9 for upcoming TOC events!

Leading Owners - 2024 YTD

Golden Gate Fields Winter-Spring Meet December 26th - April 7th

Most Starts

1	Taboada Racing Stables LLC	62
2	Rozamund Barclay	59
3	Larry and Marianne Williams	45
4	Harris Farms Inc.	42
5	Gray Farms LLC	39
6	Baseline Equine, LLC	39
7	M and J Ranch	39

Most Wins

1	Taboada Racing Stables LLC	13
2	Akin, Zvika, Avery, Greg, and Sherman, Steve	8
3	Timothy Francis O'Leary	8
4	Luciano Medina Gabriel	8
5	Tommy Town Thoroughbreds LLC	7
6	Leon Scott	7
7	Larry and Marianne Williams	7

Most Earnings

1	Taboada Racing Stables LLC	\$172,283
2	Larry and Marianne Williams	\$167,196
3	Akin, Zvika, Avery, Greg, and Sherman, Steve	\$115,690
4	Timothy Francis O'Leary	\$108,772
5	Baseline Equine, LLC	\$102,040

Statistics generated from Equibase.com

Santa Anita Winter-Spring Meet December 26th - April 7th

Most Starts

1	Reddam Racing LLC	69
2	Hronis Racing LLC	50
3	Harris Farms, LLC	42
4	C R K Stable LLC	37
5	Nicholas B. Alexander	36

Most Wins

1	Hronis Racing LLC	11
2	Reddam Racing LLC	10
3	Nicholas B. Alexander	6
4	Michael Lund Petersen	5
5	Legacy Ranch, LLC	5
6	Les Blake	5

Most Earnings

1	Reddam Racing LLC	\$ 683,782
2	Hronis Racing LLC	\$ 539,014
3	SF Racing LLC, Starlight Racing, Madaket Stables, LLC, etc	\$ 481,200
4	Nicholas B. Alexander	\$ 459,804
5	Waller, Eric M. and Waller Sharon	\$ 450,000

Annual Owner Awards

ANNUAL OWNER AWARDS

TOC Announces Rookie of the Year Award

The annual award honors a new owner who exhibits commitment and support to the Thoroughbred racing industry as well as a meaningful contribution to the sport.

[READ MORE >](#)





Partner of the Year

We are excited to announce the TOC Inaugural Partnership Award for the 2023 calendar year. The co-ownerships and partnerships of California horse racing play a major role in building our community and providing the horses we watch at the track each weekend. TOC would like to recognize and celebrate the growing population of co-ownerships and partnership entities within the horse racing community by initiating the Horseracing Partnership Award Category.

We are looking for nominations that provide a compelling story that simply but significantly reflect the joy of the sport. This award is not based on statistics and is open to co-ownerships and partnerships of all sizes from two and beyond. Again, it's about the story and love of racing that we are looking for with this award.

Partnerships of any size can be nominated through self-nomination or by another TOC owner.

Winner(s) will be recognized at our 2024 Annual Meeting!
Deadline to nominate is June 1, 2024

[nominate here](#)

Owner Appreciation Luncheon

Saturday, April 27 - 12:30 p.m.

Owners and their guests will enjoy an afternoon in the Turf Club at Golden Gate Fields on San Francisco Mile day.

To check the status of your reservation, please contact Diane Pirzada at dpirzada@toconline.com.

For questions regarding this event, please contact Wayne Atwell at watwell@toconline.com.



Southern California Annual Meeting

Saturday, August 10 - 8:30 a.m.

Registration Opens July 10

Owner Appreciation Reception

Sunday, August 11 - 3:30 p.m.

Registration Opens July 11

Women's Luncheon

Thursday, August 22 - 12:00 p.m.

Registration Opens July 22

Exclusive Jet Card Offer

With your purchase of a Jet Card*, you'll receive:

- One (1) complimentary flight hour at purchase (up to \$15,933 in value)
- A \$2,500 betting voucher to Del Mar Racetrack or Santa Anita Racetrack

*Offers are valid until December 31, 2024, cannot be combined with other jet card offers, and are subject to change. Offers are valid for new Sentient Jet Card Owners only. Click [here](#) for up-to-date terms.

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STATISTICS

U.S Thoroughbred Racing Economic Indicators

Indicator (March)	Mar-24	Mar-23	% Change
Wagering on U.S. Races*	\$972,056,343	\$962,551,947	0.99%
U.S. Purses Available	\$102,827,031	\$94,848,996	8.41%
U.S. Race Days	284	294	-3.40%
Indicator (Year-to-Date)	YTD-2024	YTD- 2023	% Change
Wagering on U.S. Races*	\$2,590,112,041	\$2,699,177,001	-4.04%
U.S. Purses	\$267,184,332	\$266,101,049	0.41%
U.S. Race Days	753	822	-8.39%

*Includes worldwide commingled wagering on U.S. races. Data from Equibase.

California Thoroughbred Racing Economic Indicators

Indicator (March)	Mar-24	Mar-23	% Change
Wagering on CA Races*	\$120,697,477	\$131,467,927	-8.19%
CA Purses*	\$8,954,000	\$10,767,100	-16.84%
CA Race Days	28	26	7.69%
Indicator (Year-to-Date)	YTD-2024	YTD-2023	% Change
Wagering on CA Races*	\$368,037,873	\$388,232,917	-5.20%
CA Purses*	\$25,093,000	\$28,493,800	-11.94%
CA Race Days	79	75	5.33%

*Figures for wagering on CA races are from all locations - ADW and Brick and Mortar - on CA live Thoroughbred races

Track Reports (Purse Generation)

Santa Anita Classic Meet - Total Purse Revenue Generated - Total Revenue Producing Handle

Dec 26, 2023 ~ Mar 31, 2024	2024	2023	Difference	% Difference
Total Purses Generated	\$18,687,195	\$20,263,303	-\$1,576,108	-7.8%
Average Purses Generated Per Day	\$455,785	\$533,245	-\$77,460	-14.5%
Total Revenue-Producing Handle	\$484,261,970	\$500,826,855	-\$16,564,884	-3.3%
*Average Handle Per Day	\$11,811,268	\$13,179,654	-\$1,368,386	-10.4%
Average Handle Per Day (Santa Anita Only)	\$7,381,422	\$8,802,837	-\$1,421,415	-16.1%
Race Days	41	38	3	7.9%

Golden Gate - Total Purse Revenue Generated - Total Revenue Producing Handle

Dec 26, 2023 ~ Mar 31, 2024	2024	2023	Difference	% Difference
Total Purses Generated	\$7,007,146	\$7,494,477	-\$487,331	-6.5%
Average Purses Generated Per Day	\$155,714	\$178,440	-\$22,726	-12.7%
Total Revenue-Producing Handle	\$163,162,012	\$168,626,923	-\$5,464,911	-3.2%
*Average Handle Per Day	\$3,625,822	\$4,014,927	-\$389,104	-9.7%
Average Handle Per Day (Golden Gate Only)	\$1,860,740	\$2,049,948	-\$189,208	-9.2%
Race Days	45	42	3	7.1%

Data from CHRIMS

*Handle & Purse Generation include all ADW and Brick & Mortar wagering for both Exports and Imports on all races.