

CALIFORNIA AUTHORITY OF RACING FAIRS

Live Racing Committee

Tuesday, March 5, 2013

MINUTES

A meeting of the California Authority of Racing Fairs Live Racing Committee was held at 11:00 A.M., Tuesday, March 5, 2013. The meeting was hosted at the CARF offices, 1776 Tribute Road, Sacramento, California.

CARF Live Racing Committee members attending: John Alkire, Randy Magee, Mike Paluszak, Rick Pickering and Tawny Tesconi. Joining by conference call: Janet Covello and Jim Morgan.

Staff and Guests attending: Christopher Korby, Larry Swartzlander, Tom Doutrich, Heather Haviland, Amelia White, Raechelle Gibbons, Anne Grottveit, Kelly Violini, Ross Liscum, Richard Scheidt and Richard Lewis. Joining by conference by: Dave Elliott, Michael Margetts, Travis Low, Caroline Titus, Tag Wotherspoon and Duane Martin.

Agenda Item 1 – Date, Time and Location of Next Meeting. The next CARF Live Racing Committee meeting will be held April 2, 2013 in Sacramento.

Agenda Item 2 – Approval of Minutes. Mr. Magee moved to approve the meeting minutes as presented. Mr. Paluszak seconded, unanimously approved.

Agenda Item 3 – Report and Discussion of 2012 Recruitment Report and Plans for 2013 Recruitment. Mr. Korby stated that a report detailing the results of the 2012 recruitment program is included in the meeting packet. Mr. Korby stated that this program has been extremely successful throughout the years and that the Fair racing program depends on the horses that come from both outside the region and outside the state. In 2012, out-of-state horses made 338 starts on the Fair Circuit which represents 11% of all starters. Mr. Korby stated that he hopes Fairs continue to support this very worthwhile program.

Mr. Swartzlander reported that in 2013, the focus of the recruitment program will shift away from receptions at tracks and move toward targeted incentives. The new program will have three components: 1) The traditional cash incentive of \$300 paid when an out-of-state horse makes its first start and \$150 when it makes its second start (150/150 for Ferndale), 2) A welcome package outlining purse/stakes schedule and incentives to our owner/trainer database, and 3) Identify key owners/trainers whose presence would have a significant positive impact on the Fairs and incorporate them into an incentive program.

Mr. Swartzlander stated that CARF will also structure the incentive program to reward owner/trainers for total starts on the CARF Fair Circuit. This starts-bonus program can be used to help Fairs that are traditionally not strongly supported by horses shipping from Golden Gate Fields.

Mr. Elliott asked if CARF staff has considered recruiting horses from Los Alamitos. Mr. Swartzlander stated that he and Mr. Doutrich will discuss what can be done regarding Southern California recruitment. Mr. Doutrich encouraged anyone present at the meeting to contact him if they have ideas regarding incentive programs.

Mr. Korby introduced Richard Scheidt, Northern California Representative of the Thoroughbred Owners of California (TOC).

Agenda Item 4 – Report, Discussion and Action, if any, on Legislative Program for 2013. Item deferred to the CARF Board of Directors Meeting at 12:30 p.m.

Agenda Item 5 – Report, Discussion and Action, if any, on Live Racing Days in 2013. Mr. Korby stated that CARF staff continues to make the general recommendation that Fairs offer a four-day per week racing program. Mr. Korby stated that four-day weeks are a necessity, based on the existing pool of runners, to offering a consistent and attractive racing program to bettors. Mr. Korby stated that if anyone wishes to present a different opinion, this agenda item is the appropriate forum to do so.

Mr. Doutrich reported that Golden Gate Fields is currently running four-day weeks and is averaging seven horses per race. Mr. Doutrich stated that the entire west coast is experiencing the same shortage of horses with Washington going to three-day weeks and Oregon going to two-day weeks.

Agenda Item 6 – Discussion and Action, Confirming Agency Policy Regarding Payment of Monies Due CARF by Member Fairs. Mr. Korby reported that this item has been a continuing topic of discussion both with this group and the CARF Board of Directors. Mr. Korby stated that this issue originally arose with respect to money that was due as a reimbursement to CARF for racing expenses that CARF had advanced on behalf of member Fairs that conduct live racing. The meeting packets include minutes from the June 2, 2009 Board of Directors meeting at which the CARF Board adopted policy with respect to CARF holding commission payments until such time as the expenses are reimbursed. Mr. Korby stated that this policy will continue in effect until such time that the Board of Directors adopts a policy to replace it.

Agenda Item 7 – Report, Discussion and Action, if any, on Horsemen’s Credentials. Mr. Korby reported that the meeting packets contain a set of credentials that were used in 2012 as part of a “VIP Horsemen” pilot program at Stockton and Fresno. Mr. Korby stated that CARF staff recommends expanding the program to all Fairs in 2013 so that key horsemen who run on the Fair Circuit will be able to use a single set of credentials at all participating Fairs. This program would dovetail with the recruitment program in welcoming horsemen to Fairs and making the experience as pleasant and enjoyable as possible.

Mr. Alkire noted that this program came about as a specific request from TOC. Mr. Scheidt stated that he was a participant in the pilot program and based on his positive experience, he encourages all Fairs to participate. Mr. Scheidt reported that the treatment he received at Stockton and Fresno as a "VIP Horseman" was top-notch. The back of the parking hand tag has directions to each Fair gate which Mr. Scheidt stated is extremely helpful to owners.

Mr. Elliott asked if it is possible to bar code the credentials in order to track use. Mr. Korby stated that bar codes would be a good idea as long as compatibility logistics can be worked out.

Mr. Magee asked exactly who would be receiving the VIP credentials. Mr. Swartzlander stated that Mr. Doutrich, as Racing Secretary, would be responsible for distribution and that they would go to key owners, trainers and players. The credentials will not be given to all horsemen. Mr. Magee stated that he thought it was a great idea as long as we are discerning in distribution so that "VIP" retains its meaning.

Mr. Pickering joined the meeting.

Agenda Item 8 – Report, Discussion and Action, if any, on Preliminary Projections and Recommendations for Purses. Current drafts of the purse and stakes schedule were distributed as handouts. Mr. Korby noted that Sonoma County Fair was not included in the projections based on the Sonoma County Fair Board of Directors vote to no longer participate in CARF management services. Mr. Morgan requested that the documents be sent via e-mail to those participating by conference call after the meeting.

Mr. Swartzlander asked Mr. Elliott if he had received his e-mail regarding a meeting concerning purses at Cal Expo. Mr. Elliott stated he had not.

Mr. Swartzlander stated that the purse projections, purse schedule and stakes schedule were still in draft form pending a meeting with Cal Expo staff or any other Fair that might have concerns regarding the documents. Mr. Swartzlander presented the handout in detail to the group.

Mr. Elliott expressed extreme concern regarding the proposed purse schedule at Cal Expo. Mr. Korby reiterated that these documents were being put out for comment and that no action would be taken on this agenda item. Mr. Korby stated that Mr. Swartzlander and Mr. Doutrich would meet with Mr. Elliott as soon as their respective schedules allow.

Agenda Item 9 – Discussion and Action, if any, on Racing Dates for 2014 and Beyond. Mr. Korby reported that it's time to begin annual discussions for future race meets, specifically 2014. Mr. Korby stated that the potential closing of Hollywood Park currently has the industry focused on Southern California, but that Fairs should start working on establishing a cooperative joint proposal with Golden Gate Fields and TOC.

Mr. Korby stated that so far conceptual conversations with Golden Gate Fields and TOC have included structuring the Northern California calendar into several blocks of dates. The Fair block of dates being discussed would include late June to mid-October. Mr. Korby stated that it's time for Fairs to be discussing how they will fit within that block.

Mr. Morgan stated that this block could be an exciting opportunity for Humboldt County Fair. Mr. Morgan asked if CARF's advocacy for dates will focus on member Fairs now that Sonoma County Fair is no longer participating in CARF management services. Mr. Korby stated that it's too early in the discussion process to offer a CARF position on that topic.

Mr. Pickering stated that he supports the concept of a Fair block of dates but that there may be a financial risk in running outside traditional Fair dates to fill the gap period.

Mr. Korby stated that Golden Gate Fields and TOC have presented a very open state of mind regarding a block of dates reserved for Fairs in the future and we should do everything we can to take advantage of that opportunity to strengthen our racing program.

Agenda Item 10 – Executive Director's Report. Mr. Korby reported that there have been continuing discussions amongst many different parties in Southern California about what a future calendar might look like in the event that Hollywood Park goes out of business.

Mr. Korby reported that Lou Raffetto, President of TOC, has resigned his position.

Respectfully submitted,
Heather Haviland