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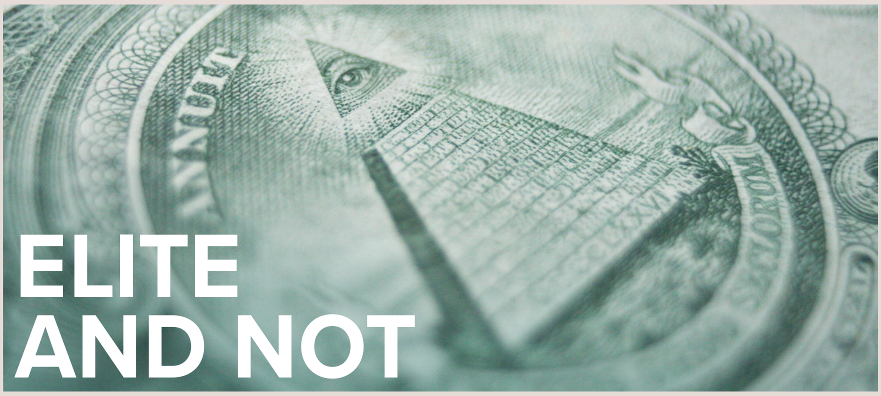

ELITE AND NOT

The first time I can remember thinking about "elites" in the horse world was in connection with preparing for the 1984 Los Angeles Olympic Equestrian Events, to be held at Santa Anita. And in the decade after that, when defining "elite" and "non-elite" became critically important in determining how non-racing equestrian sport would be governed in the United States.

A leader of the Olympic Movement told me that tension between those two groups of athletes were at the root of most disputes in sport. I scoffed at that very thought, even though I didn't then know what the word "scoff" even meant. After all, I reasoned, being a decidedly non-elite competitor myself, my admiration for the elites was unbounded; I knew that they knew they were all once non-elite themselves.

But I was wrong. Woefully wrong.

To be clear, let's not have any stereotypes in what follows. All "elites" in any pursuit don't necessarily think or act the same way; ditto those not-so-elite. And their definitions are fluid, too. Seabiscuit and John Henry, after all, lead an impressive list of "former claimers." The list of former stakes runners is even longer. So, too, with comparable categories of humans?

While you're pondering that, let's turn to the pyramid, illustrated here as depicted on the back of the American buck. In all my Olympism years and after, this is the ubiquitous symbol in sport showing the tiny high-performance elite at the apex ... everyone else in greater and greater less-elite numbers reaching to its foundation.

Now to apply it to American racing. And ultimately to California racing.

Most of us have forgotten, or never knew, that the "Pattern" race system, of grading stakes, started in Europe in the early 1970s, only came to the USA in 1974, courtesy of TOBA (Thoroughbred Owners and Breeders Association). All stakes are not of equal quality "black type" – in terms of horseflesh, purse, or importance to breeding. A method of sorting them was necessary, from non-graded, up in three more stages to the top, the most elite, Grade I. TOBA, using proven and mostly objective expertise, sets minimum purses for each level, and analyzes field-quality annually to adjust grades.

But the vast majority of American races, now totaling around 32,000 annually, are not graded stakes ... only about 450 are, with about 100 at Grade I. The very apex of racing's pyramid is tiny indeed. Elite.

So, what?

As American gaming has evolved over the last 30 years, the consequences for racing ... and, particularly, California racing ... have been dire. I vividly remember the head of Churchill Downs in the early 90s, Tom Meeker, addressing a conference in California, where he put forward a preliminary strategy for his company to engage heavily in non-racing alternative gaming initiatives. I was appalled. Wrongly. Again.

Think of the almost infinite number of bettable "outcomes" during a racing day at the track, not just on the races themselves but also on everything else, from objective numbers to colors to lengths to times to you-name-it.

I believed then (and still do) that racing as an industry should have been investing, for many years prior, in serious research and development: to broaden both the concept and definition of pari-mutuel wagering beyond its then-existing horizons. Adding fixed-odds races and a multitude of propositions and other bets, to compete with every type of game then available away from the track. Amending existing Racing Law to permit such gaming without serious limitation. Always preserving the race track as the destination for and focus of legalized sports betting. Since racing invented it centuries ago.

"Marketing myopia" used to be a thing: the most famous example of it was what befell the railroad barons. Those myopic tycoons kept saying the railroad itself was their business, instead of transportation broadly defined – causing them to miss out on much greater wealth opportunities from every other more modern mode. Or even the first Tote company, which was distracted by making so much money from racing when it probably could have outdone IBM in what became "technology."

But Churchill Downs, under evolving leadership, leveraged its monumental, nearly infinite brand value in multiple directions, and became a gaming juggernaut. While preserving and enhancing its Kentucky home writ large. Have you paid attention to its stock price and market value over these last couple decades?!

American purses in New York, Kentucky, and Arkansas, particularly, have soared on the basis not just of connected casino and other gaming revenues, but also on Historical Horse Racing (HHR) machine income, which mimics slots. While we in California grapple with the opposite scenario.

To make matters much worse, 1/ST suddenly and peremptorily closed Golden Gate Fields – despite Northern California racing's position as the foundation level of California's historic pyramid of racing and breeding.

Since then, there have been further attempts - led by one entity - to impede every effort of California breeders and its northern community of owners and trainers to organize a new and independent circuit there.

That's the "Eye of Providence" at the top of our American pyramid, as if to symbolize in this instance that even California racing's elites and aristocrats will not long prosper without a broad and functional foundation. We all need each other. Any strategy for a rational way forward cannot and will not succeed without brainstorming, understanding, intellectual support, and commitment from both the non-elite and elite ***together***.

Or are our California elites too afflicted with their own version of a selfish myopia, which comes with such great risks even and especially to themselves? ■