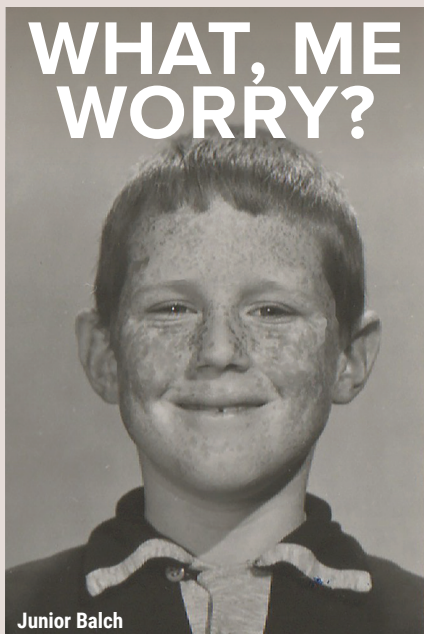


ALAN F. BALCH



If you're of a certain age, you can't help but remember Alfred E. Neuman, the perennial cover creature of *MAD* magazine. I sure do, and not mainly because of the magazine's content ... I was a dead ringer for him. Skinny, gap-toothed, freckle-faced, red-haired, with crazy big ears. So my laughing "friends" said, anyway.

Kids can be so mean to each other.

Obviously, the teasing stuck with me. For a lifetime. But back then, I shared another trait with him: nothing worried me. Everything seemed like a joke. Like everyone else, I just yearned to grow up so I could be free. Free of school, free to live all day, every day, with horses in a stable, if I wanted. Which I did.

By college, though, I was an inveterate worrier, and still am. My best friend once said, "Alan, if you didn't have anything to worry about, you'd be worried about *that*!"

We in racing, and in California particularly, have an overabundance of worries these days. How the hell did it all happen? From leading the world in attendance and handle a few short decades back, not to mention great weather, we have (not suddenly) come to ... this.

In an interdependent sport, business, industry, such as ours, everything one part does affects all the others. No part can succeed without the others; if one fails, all fail. Unfortunately, there have been many failures to observe amongst all of us.

Ironically – but not entirely unexpectedly – I believe California racing's historical prowess started to unravel in the best of

times: the early 1980s. Our California Horse Racing Board regulators no doubt believed the industry was so strong that it could easily withstand disobeying a statutory command, which "disobedience" some of us believed could lead to disaster.

Hollywood Park sought to purchase and operate Los Alamitos, despite a clear prohibition in the law forbidding one such entity to own another in the state, "unless the Board finds the purpose of [the law] will be better served thereby." Santa Anita's management at the time objected strenuously, including in unsuccessful litigation, providing a "list of horrors" that might ensue if the delicate balance among track ownerships in the state were disturbed.

Among those horrors was the prediction that a precedent was being set for the future, where one enterprise might not only become significantly more influential than others, it could even become more authoritative and powerful than the regulator itself.

We at Santa Anita, whose management I was in at the time, were deeply concerned about our own influence and competitive position ... and our reservations and predictions were largely ignored, undoubtedly for that very reason. At everyone else's peril, as it has ultimately turned out.

That Hollywood Park acquisition move turned out to be ruinous. For Hollywood Park! And the cascade of repercussions that followed, including changes of control at that track, led to another fateful regulatory change in the early 1990s: the splitting of the backstretch community's representation into separate and sometimes rival organizations of owners and trainers, which in every other state in the Union are joined as one. Before his death, the author of that idea (Hollywood's R.D. Hubbard) said, "That was the worst mistake I ever made."

Consider that in the first half-century of California racing, interests of the various track owners, as well as owners and trainers in one organization, were carefully balanced. No one track interest ruled, because the numbers of racing weeks were carefully allotted in the law by region.

Unilateral demands of horsemen went nowhere. Practically speaking, the Racing Law couldn't be changed in any important way without all the track ownerships agreeing, with the (single) horsemen's organization. In turn, that meant there were regular meetings of all the tracks together, often with the horsemen, or at

their request, to address the multitude of compelling issues that constantly arose.

But when that balance was disrupted, even destroyed, is it any surprise that for the last three decades the full industry-wide discussions that were commonplace through the 1980s are now so rare that track operators can't remember when the last meaningful one even took place?

Thoroughbred owners have meetings of their Board not even open to their own members, and never with the trainers' organization. The Federation of California Racing Associations (the tracks) apparently still exists, but hasn't even met since 2015. The Racing Board meets publicly, airing our laundry worldwide on the Internet, showcasing our common dysfunction and lack of internal coherence to anyone who might be tempted to race on the West Coast.

Not to mention those extremists who cry out constantly to "Kill Racing." And one private company, which also owns the totalizator and has vast ADW and other gaming holdings, not to mention all the racing in Maryland and much of it in Florida, answerable to nobody, controls most of the Thoroughbred racing weeks in both northern and southern California.

Our current regulators didn't make the long-ago decisions that set all this in motion, and may not even be aware of them. In addition, the original, elaborate regulatory and legal framework that was intended in 1932 to provide fairness and balance in a growing industry is unlikely to be effective in the opposite environment. And the State Legislature? All the stakeholders originally and for decades after believed nothing was more important than keeping the government persuasively informed, in detail, of the economic and agricultural importance of racing to the State. Tragically, that hasn't been a priority for anyone in recent history.

Just to top it off: as an old marketer of racing and tracks myself, I believe in strong, expensive advertising and promotion as vital investments. For the present and future. I once proved they succeed when properly funded and managed; but I'm a voice in the wilderness now, to be certain, when betting on the races doesn't even seem to be on the public's menu.

What? Me worry?! **T**

