



The Horsemen's Newsletter

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Angelos seeks to buy Rosecroft

Rosecroft Raceway could be getting a new lease on life. Peter Angelos, the prominent Baltimore attorney who is a Thoroughbred owner/breeder as well as majority owner of the Orioles, is attempting to purchase the bankrupt harness track near Washington, D.C.

Mr. Angelos has agreed to pay \$9 million in cash, and an additional \$5 million if the law is amended to allow slots in Prince George's County and a casino is operational at Rosecroft by December 1, 2012.

His proposal reportedly is supported by bankruptcy trustee James Murphy and by track owner Cloverleaf Enterprises Inc., (CEI). However the deal is far from complete. Additional bids will be entertained at an auction on January 28. Mr. Angelos also must satisfy the rules of Major League Baseball, which prohibit team owners from involvement in a gambling enterprise.

Rosecroft discontinued live racing in the summer of 2008, and closed down completely last July. CEI has been embroiled in legal disputes with the Thoroughbred industry since January 2009, when it reneged on an agreement to pay \$5.9 million a year for the right to simulcast Thoroughbred races.

Pimlico stable area to open March 21

Pimlico will open for training on March 21. Equipment may be set up on March 20. Trainers are asked to fill out and submit stall applications to Charlie Hall or Terry Overmier before March 1.



Jim McCue (2)

Governor Martin O'Malley (inset) took immediate action following the Maryland Racing Commission hearing on December 21. Pictured during the hearing are Commission Chairman Lou Ulman (center), with Senior Assistant Attorney General Bruce Spizler to his left. Flanking them from left are Commission members John McDaniel, John Franzone and David Hayden.

ers and various other industry participants, the Commission voted unanimously—and in accordance with the overwhelming majority of those in attendance—to deny the Maryland Jockey Club's revised business plan for 2011 and also deny the MJC racing dates for 2011.

See *Shutdown*, page 2

Gov. O'Malley acts to avert shutdown

December 21, 2010, could be described as the darkest day in the history of Maryland racing.

That afternoon, hundreds of horsemen packed the Carriage Room at Laurel Park and witnessed a highly contentious, four-hour-long Maryland Racing Commission hearing that left the entire industry reeling.

After listening to testimony from track owners, MTHA lead-

Purse increase to take effect February 2

Purses will increase by approximately \$27,000 per day, as of February 2. The increase takes effect with the second book of the current Laurel Park winter meet.

Only overnight purses are affected at this point, although some adjustments to stakes are expected in the spring and fall.

The MTHA's Negotiating Committee, chaired by Dale Capuano, worked out details of the new purse schedule in a January 18 meeting with track management.

The purse increase factors in revenue from Maryland's two operating slots facilities—Hollywood Casino Perryville, which opened in late September, and Casino at Ocean Downs, which has been in business since January 4.

"Obviously, we have waited a long time for this to happen," said MTHA President Richard Hoffberger. "But the slots revenue is finally beginning to make a difference for horsemen. While we still face substantial difficulties, we are moving in the right direction."



Board actions

Special Meeting held
December 21 at Laurel

Members present: Richard J. Hoffberger, President; John V. Alecci, Dale Capuano, Phillip L. Capuano, William T. Fitzgibbons, Sr., Linda S. Gaudet, H. Neil Glasser, Christopher W. Grove, Arnold A. Heft, Timothy L. Keeffe, Laurence E. Murray, John J. Robb, Katharine M. Voss

Members absent: Howard M. Bender, Richard J. Meyer

2011 Racing dates

The board approved three separate motions, each by unanimous vote:

- An expense contribution of \$1.7 million to the MJC, payable by the end of 2011, provided that Laurel Park/Pimlico Race Course conduct a total of 146 live racing days in 2011, barring cancellation caused by weather or act of God.
- Withdrawal of any and all previous consents regarding simulcasting, effective January 1, 2011, until an acceptable racing schedule is agreed upon.
- Rejection, in total, for the MJC's proposal submitted to the Maryland Racing Commission on December 21.

Committee bulletins

Bowie

Backstretch committee co-chairman Linda Gaudet reported that the mobile chuck wagon is up and running, and is popular among backstretch workers, who enjoy the reasonably priced hot breakfast and lunch items brought directly to the barns.

Food service is no longer available in the track kitchen.

Laurel

Backstretch chairman Larry Murray reported:

- A new floor has been installed in the trainers' shack near the three-eighths pole. Special thanks go to Lindy Redding, who donated the supplies, and John Salzman, Jr., who handled the installation.
- The race track is in good shape for the winter.
- The horse path remains navigable.

Shutdown, from page 1

Responding to the urgency of the situation, which potentially shut down major live Thoroughbred racing in the state, Governor Martin O'Malley, with the assistance of his chief legislative officer Joe Bryce, brokered a deal the following morning.

Under that agreement, the MJC will conduct 146 days of live racing this year—following a schedule similar to that of 2010—while receiving up to approximately \$5.7 million to offset expenses.

The expense contribution consists of \$1.7 million from the Purse Account, and \$3.5 million to \$4 million from slots revenue originally earmarked for capital improvements at the tracks. In addition, the MJC agreed to maintain the Bowie Training Center for another year.

The Commission conducted another hearing on the afternoon of December 22 and ratified the plan.

"It is deeply regrettable that the situation had to reach that point," said MTHA President Richard Hoffberger. "Many efforts were made to negotiate the issues in the weeks leading up to that hearing. We were truly at an impasse."

Attempts to resolve the issue of 2011 racing dates had been unsuccessful at the hearing conducted by the Commission on November 29. At that point, the MJC was proposing 47 live racing days, with no plan in place beyond the Preakness.

The MJC's revised business plan, presented on December 21, called for wide-scale concessions from horsemen while offering no commitment regarding live racing beyond late May. It would have eliminated the MTHA's right of approval for simulcasting—one of the horsemen's most fundamental rights.

The MTHA Board met on the morning of December 21, and voted unanimously to reject the plan (*see Board actions at left*).

Still, the MJC moved ahead with its presentation of the plan at the Commission hearing.

Top executives of the MJC's two ownership entities, Frank Stronach of MI Developments Inc. and Peter M. Carlino of Penn National Gaming, Inc., each spoke before the Commission, but made little headway. Mr. Stronach repeatedly stated that the "model is broken" in regard to racing. However, he offered no suggestions for fixing it.

MTHA counsel Alan Foreman, the lead speaker in a panel that included representatives of horsemen and breeders, called the MJC's proposal an "insult to Maryland racing," and said it was time for the state to intervene in the best interest of Maryland racing.

That message obviously was heard in Annapolis—a fact for which all horsemen can be grateful. But the current agreement will expire at the end of 2011.

The next logical step is to come up with a plan to support the long-term viability of Maryland racing.

Commented John Franzone, a Commission member and former Commission Chairman: "Things were said with passion and sometimes in anger [at the December Commission meeting], and I did think that Frank Stronach is not treated fairly at times. Mr. Stronach is correct that 'the model is broken.' It's time for everyone involved in Maryland racing to work together to make things work once again in Maryland."

Laurel/Pimlico's racing schedule for 2011

The Maryland Jockey Club will conduct winter and fall meets at Laurel Park, and a spring campaign at Pimlico this year. There will be no live racing at the major Maryland tracks during the summer.

The Laurel winter stand began on January 1 with live racing four days a week, Wednesday through Saturday (with holiday exceptions). The 49-day meet ends March 26.

Racing moves to Pimlico for a 29-day stand beginning April 1 and extending through May 21.

After a 15-week break, which will include seven live days of racing at Timonium, Laurel will run from September 10 through December 17, four days a week in September (Wednesday through Saturday) and five days a week in October, November and December (Tuesday through Saturday).

Notes from the Racing Office

- Trainers are reminded it's that time of the year. Please disinfect your vans, trailers, tack, etc. Please take the temperatures of your horses every day so as to deal with any illness in its early stages.
- Reminder: Trainers with stalls at Maryland tracks are expected to support Maryland racing.



Thoughts, from page 4

ging, and upon the quiet urging of former Governor Bob Ehrlich, approved zoning for the Mall casino.

At that point, 15 years of relentless efforts to secure expanded gaming for the future of Maryland racing went swiftly down the drain.

Even following our recent catastrophe brought on by the loss in the November 2 referendum, some people apparently cling to the totally misguided belief that a casino at Arundel Mills Mall will be helpful to the racing industry. Listening to their warped perspective is distressing, to say the least.

The horse racing business is based on creating opportunities and incentives over the long-term. Slots at the Mall have never held any promise in that regard.

Those who continue to look toward Arundel Mills as a quick financial fix just don't know that they don't know.

/Arnold A. Heft, MTHA Director, Legislative Committee Chairman

IN MEMORIAM

Ellis Y. Pruce, one of Maryland's longest active owner/trainers, died on December 28 at the age of 94. Mr. Pruce began training horses in 1947 and did all of his stable work himself until several years ago. The MTHA honored Mr. Pruce with a Special Lifetime Award in 2005.

Carey K. Miller, a long-prominent owner/breeder, died on January 14. She was 87. Much of Mrs. Miller's success traced to graded-winning homebred Angelina County, who was the dam or granddam of numerous stakes horses.

Emma Favazza, 81, who owned and bred horses with her late husband, Frank F. Favazza Jr., died on December 11. Mr. Favazza was a member of the Maryland Racing Commission at the time of his death this past August.

The Horsemen's Newsletter

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The Horsemen's Newsletter

reports on issues and events of interest to owners and trainers in Maryland.

Your suggestions are welcome.

Hoofprints

Grove takes training title

Congratulations to MTHA board member Chris Grove, who ranked as Maryland's leading trainer in 2010.

With 57 winners at the major Maryland tracks during the year, Mr. Grove surpassed Scott Lake, who held the title for the past five years.

Mr. Grove was honored as the MTHA's Outstanding Trainer in 2007.

Recreation report

From Dan Mangum, MTHA Recreation Director. For information or to sign up for programs, call Mr. Mangum at (410) 802-5798.

Bowling

The bowling tournament is now scheduled for Monday, February 28, at Laurel Fairlanes. Call Dan Mangum or sign up in the track kitchens.

Donations

The following generous people recently donated clothing, reading material and/or other items for distribution on the backstretch: Debbie Edwards, Mike Ford, Gene Gilhooly, Sylvia and Arnold

NTRA reaches out to new fans

The National Thoroughbred Racing Association has a wide variety of resources for new fans on its Web site, www.ntra.com.

Features include a glossary of racing terms and instructions on how to place bets, video tutorials and NTRA Virtual Horse Racing.

Heft, Richard Hoffberger, Ruth Ann and Sean Lillis, Diana Sansosti and Taking Risks Stables.

Special thanks to the Maryland Jockey Club and Scott Lishia for making and donating card tables for the track kitchen at Bowie.

Winter clothing drive

The MTHA expresses heartfelt gratitude to Gary Bortnick, who conducted a clothing drive when the 2011 racing schedule was in doubt. Many items of brand-new winter apparel, including coats, were collected and distributed to backstretch employees.

New Bolton Center hosts lecture series

The University of Pennsylvania's New Bolton Center is hosting a series of free lectures on a wide range of veterinary topics. The one-hour talks are scheduled the first Tuesday of the month, beginning at 6:30 p.m., in the Woerner Amphitheatre at the Center in Kennett Square, Pa.

To register, call (610) 925-6500, e-mail phall@vet.upenn.edu or visit www.vet.upenn.edu/CalendarandEvents/UpcomingEvents/FirstTuesdaysLectureSeries/tabid/1847/Default.aspx.

Topics are as follows:

February 1: "Beyond EPM: Neurologic Disease in the Horse," Dr. Maeva May, Large Animal Internal Medicine.

March 1: "Diagnostics on the Run: High Speed Treadmill Testing the Equine Athlete," Dr. Elizabeth Davidson, Sports Medicine.

April 5: "Wounds: Care on the Farm and at the Hospital," Dr. Meagan Smith, Ambulatory Medicine, and Dr. David Levine, Large Animal Surgery.

May 3: "You Think It's Colic, but It's Not," Dr. Barbara Dallap, Emergency and Critical Care.

Horsemen's calendar

RACING

Laurel Park Now through March 26
. Sept. 10 through Dec. 17
Pimlico April 1 through May 21
Timonium Aug. 26 through Sept. 5

FASIG-TIPTON MIDLANTIC AUCTION AT TIMONIUM (410) 392-5555

Two-Year-Olds in Training May 23, 24
(Entries close Feb. 14)

OUT-OF-STATE AUCTIONS

Fasig-Tipton Kentucky Winter Mixed,
Lexington, Ky. (859) 255-1555. . . . Feb. 7

Fasig-Tipton Florida

Selected Two-Year-Olds in Training,

Boynton Beach, Fla.

(859) 255-1555. March 3

Ocala Breeders' Sales Company

Selected Two-Year-Olds in Training,

Ocala, Fla. (352) 237-2154. . . March 15, 16

Keeneland Two-Year-Olds in Training

Lexington, Ky. (800) 456-3412. . . April 11

Ocala Breeders' Sales Company

Spring Two-Year-Olds in Training,

Ocala, Fla. (352) 237-2154. . . April 18-21



Breakdown of slots revenue to Purse Account in 2010

Maryland had only one slots facility up and running in 2010. And it was in operation for slightly more than three months of the year. But the slots program got off to a promising start.

Machines began whirling at Hollywood Casino Perryville on September 27, and generated nearly \$27.7 in total revenue by year's end. Of that amount, \$1,378,954.67 went to the Thoroughbred Purse Account.

By law, 7 percent of the revenue is directed toward horsemen and breeders. That 7 percent is divided between the Thoroughbred and Standardbred industries on an 80/20 percentage basis. The Maryland-bred Fund receives 11 percent of the Thoroughbred share, and the remaining 89 percent goes to the Purse Account.

For continuing updates on the slots program go to www.slots.mdlottery.com.

	Total monthly revenue	Maryland Thoroughbred Purse Account
Sept. 2010	\$ 2,115,204.23	\$ 105,421.73
Oct. 2010	11,394,697.61	567,911.73
Nov. 2010	7,588,769.39	378,224.27
Dec. 2010	<u>6,568,959.54</u>	<u>327,396.94</u>
Total	\$27,667,630.77	\$1,378,954.67

Maryland State Lottery Agency



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January 2011

Thoughts and comment

We should all be proud of the MTHA for its role in maintaining a viable schedule of live racing for 2011. Without the foresight, initiative and strong advocacy of MTHA leaders, the outcome would have been far less satisfactory.

Still, our struggles are far from over, and our future is by no means secure. Without a long-term solution, December 2011 will find us back in the same dire situation.

It's important to be realistic—and the reality is that unless major changes occur, our industry is doomed.

The situation with regard to a major casino complex at Arundel Mills Mall

has not changed. No race track anywhere in the country has managed to survive in direct competition with a casino. When the Arundel Mills site becomes operational—as could happen by late 2011—the negative effect on business at nearby Laurel Park will be dramatic.

Our near-demise in late December can be traced to two major errors:

First, back in February 2009 the Maryland Jockey Club failed to submit the application fee for a slots license.

Then, the Anne Arundel County Council, after almost a year of foot-drag-
See *Thoughts*, page 3

MTHA Board of Directors

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