



Race Track Industry Program

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**The Jockeys' Guild and Permanently Disabled
Jockeys Fund Presentations**

Speakers:

Roy Arnold, President, Thoroughbred Racing Association, President, Arlington Park

Nancy LaSala, Executive Director, Disabled Jockeys' Endowment

Mr. Steve Barham, If you could come in and take a seat, we'll get the panel started. We're a little behind. I'm Steve Barham, one of the associate coordinators from the Race Track Industry Program, and I'm just going to say a couple of words. First of all, thanking our sponsors. They're up there on the screen. Without them, we couldn't put on this symposium. The other thing I'd like to do is thank The Jockeys' Guild for their participation. They really have been great partners in this. I hope personally, and I think the faculty can say, we hope this relationship continues. With that, I'm going to — so I don't just sit up here and lecture — I'm going to turn it over to Roy and — oh, I guess I'm going to turn it over to Nancy and let the panel proceed, so thank you very much.

Ms. Nancy LaSala: Thank you very much. I would like to take this opportunity to thank The Jockeys' Guild for inviting me here to talk to you on behalf of the Permanently Disabled Jockeys Fund (PDJF). I think that the PDJF's biggest objective is to let the industry know what our program is, how it's governed, what our mission is and the people that we help. I think once there is more awareness within the industry, all of the industry partners, it was my hope, will support this program.

I'm sitting up here with all the jockeys, and the reason I've asked them to participate in this is because they have been one of my biggest assets throughout the year in doing fundraising and raising awareness. Without them it would be very, very difficult for me to advance the program. I know they give me a lot of credit but the credit is really to them because they are doing this for their fellow riders, and they know what the injuries are and they know — and many of them have sustained with their friends. With that

being said, I'd like to share with you how we are governed and what our objectives are.

The Permanently Disabled Jockeys Fund was created in 2006 by the industry. That really came about the Jockeys' Guild board meeting with the industry and explaining the situation and the industry come together to form this program. NTRA was paramount and critical in allowing the PDJF to form, because they allowed us to run on other charities for two years. In 2009 we became a stand-alone organization, and as a result of that I've had the pleasure of administering it with several of my board members.

Sitting up at this panel I have Roy Arnold, who's my treasurer of the PDJF, and I have Jon Court. I'll introduce you to the balance of our board members in a later slide.

One of our goals, our primary goals — is to one, meet the current funding levels we need each month. On average it is about \$62,000 - \$65,000 a month. In addition to that, we assist with reimbursing these individuals with Medicare Part B and D to allow them to have the appropriate hospitalization and prescription drug coverage. Beyond that we provide a certain level of support, and being their advocate in helping them in several situations such as Social Security, Medicare, and just fielding several things that they haven't had an opportunity to learn because their injury came very quickly, unplanned, and their lives are basically turned upside down.

We are currently assisting 60 members. G.R. alluded to several statistics earlier. Of those 60 individuals, nine of them are female, the balance of them are male. Of those individuals, eight of them are from the quarter horse and 16 of them rode both breeds, quarter horse and thoroughbred. It's I think a pretty even mix if you look at the numbers of starts in quarter horse and thoroughbred starts in this country and who that group is and how they represent it. Would you agree, G.R.?

Mr. G.R. Carter: I would agree.

Ms. LaSala: These individuals' injuries are catastrophic. I think one of the things that is necessary to clear up is — and I've heard this, and I think it's very important to understand — that this is not a retirement fund. This is not for individuals who just become disabled and unable to return to racing. These are for individuals who have suffered catastrophic injuries; who need in-home care, have difficulty functioning, would have no opportunity for any type of gainful employment. These are the ones that are most deserving and they need the extra boost in order to just meet basic things such as housing, food and other minor things. These are not something that we are providing a luxury for, so it's just for a basic existence. I think that's very important to understand what we give this money for.

One of the PDJF board's primary objectives was to look for a long-term funding mechanism. One of our concerns has always been that there could be a time that we might not be able to fund this program. There was one time in history that it was very sad that I was, within a 38 month period, would not have any funding to give these individuals. I hope that we never return to that time. Currently I'm in a situation where I have about 11 months of reserves to help these individuals. Beyond that I don't know where the funding would come from, so it's very important for us to continue the funding, to keep the money flowing into the program.

There's a lot of ways that we do this, and that's through fundraisers. That's through jockey sponsorships. I know it was spoken earlier on this panel. I don't think anyone understands what these jockeys give back in sponsorship dollars, over \$150,000 last year to the Permanently Disabled Jockeys Fund just for this program. Without that, I would have a huge deficit. I'm hoping as we go forward, sponsorships improving, it would help us build our endowment which is paramount for us.

With that being said, our endowment goals are to achieve \$14 million. With that and our basic — I should say our current needs are approximately 60 individuals — we'll be able to provide them with assistance and an investment portfolio and would minimize the amount of fundraising and the demand on the industry that I continue to ask for at the present time, so that's very important.

With that, the endowment is also critical, and there was an existing endowment that G.R. alluded to earlier that was in California, and it has \$2.1 million in it. Fortunately, we were able to work with that board and most recently we have agreements to merge that endowment with the PDJF endowment, which gives us an immediate boost of \$2.1 million to reach our goal of 14, which I'm very proud to say that the group of individuals that we've now assembled to be on that board is the ladies and gentlemen that you see on this particular slide.

With that, you have Roy Arnold, Bob Bork, G.R. Carter, Jon Court, Bo Derek, William Farish, Craig Fravel, Jack Fires, Peggy Hendershot, myself, Terry Meyocks, Bill Murphy, John Velazquez and William Punk. This particular board was put together because it represents people from various facets of horse racing. As well it was important to look to people from various regions in the country that would provide representation. Bo Derek currently sits on the California Horse Racing Board so that would be helpful to us in communicating to that part of the country what our efforts are and how they can support those efforts.

As I mentioned earlier the fundraising efforts are paramount to what we do. This last year there were several major fundraisers. I think it was mentioned earlier about Keeneland's karaoke event. For some I think it was a fun event but \$40 plus thousand. In addition to that, we had Dining with the Dynasty.

Arlington Park had their first annual gala that benefited the Permanently Disabled Jockey's Fund, and numerous other events. I would like the gentleman in the back, if you wouldn't mind Willy; can you play the tape for me?

[Video tape played]

Ms. LaSala: I want to thank everybody for sitting through that movie. I know it was a little lengthy. Going through the collection of things that happened this year, it was difficult to pick out spots. I thought it was important as opposed to me or anybody else speaking about it. You hear it from people like Dennis Cann and Jo-Ellen Hayes. You see some of the fundraising efforts and some of the race tracks and other groups that get behind the PDJF. Arlington Park, Roy Arnold, they did a phenomenal job as staff, a great, great group to work with. They're willing to do that and so much more. I'm just overwhelmed by that. Keeneland, their event that they threw, and I know that they want to do this again and again. That I think is phenomenal and I'm looking forward to working with them.

One of the things that I hoped to do while I'm here in Arizona, and I've met several people and I hope to meet more, is to get an opportunity to talk to you and let you know that we want to work with every group in this industry; race tracks, horsemen's groups, etc. We feel that — our board feels that each of us who realize a profit within this industry, and we're all part of it, should be doing our appropriate share. With that, if we're successful we can reach our endowment goals, which is of singular importance to us and to I think this industry. We can all say we're proud of the fact that we've come together and did this together.

I would like to open up if there are any questions from the group in attendance here as well as any of the jockeys that are on this panel. In addition, now I would like to introduce you to Matthew Straight. Matthew is the brother of Michael and he will be speaking with you for a few minutes. His brother Michael had suffered a serious injury this past August, and I'll allow Matthew to speak with you.

Mr. Matthew Straight: Like Nancy said, my brother went down in an injury or accident this year, August 26th. He was riding an 8-5 favorite. I was planning on watching him win the race but what actually happened was far from a win. He fell really hard on his head and suffered a severe brain injury as well as a severe spinal injury. I don't think the horses crossed the finish line before I was in my car on the way to Chicago. When I arrived in Chicago, I was told that he would never walk again, and there was a bolt screwed in his head to relieve the pressure from his brain. It's been a real roller-coaster ride as far as his recovery's been.

I'm kind of in a unique perspective as I'm a rider as well. It's been tough getting back out there for me and my family has just gone through a

tremendous traumatic event. It's fortunate that my parents have been able to be up there and support Mike and be there with him every single day. They've left everything back home; their jobs, their dogs. I'm sure a lot of the other riders that have gone through these events haven't had the fortunate parents and the fortunate people involved in my brother's injury.

It's great that people like Nancy and the Jockeys' Guild has been very supportive of getting my brother and my family through this event. I came out here to raise awareness and to tell people my story because it will happen again. It will happen again. I'm 100 percent of that. If there's anything we can do as jockeys, as leaders in this industry, I think this is a great place to do it. Just continue thoughts and prayers go out to all the permanently disabled riders out there. It's a tough ride to go with, and I just want to thank everybody that's helped us thus far.

Mr. Roy Arnold: My name is Roy Arnold. I am the president of Arlington Park. I also have the honor to be the president of the Thoroughbred Racing Association of North America, although Chris Scherf is the real power behind the throne and keeps the organization on track. As Nancy said, I'm also honored to sit as a member of the board of the PDJF.

Terry Meyocks asked me if I would address this group today and give some thoughts about safety because over the last few months as well as on board calls, we've talked about safety. Safety, not just in terms of the jockeys, but for the industry overall, some of the areas that we really need to focus more on in a more comprehensive way. Many of you are probably aware I was a Marine for 30 years. What you may not know is I was a pilot, and as a pilot obviously part of something that is inherently dangerous; military flying, combat flying, obviously inherently dangerous.

As one of my duties kind of growing up within aviation I had the opportunity to go to aviation safety school and then not necessarily the honor but had to, as part of my duties, participate in the investigation of what we call Class A mishaps or mishaps that involve the loss of an aircraft or fatalities. Coming to racing and being confronted with a catastrophic injury, I couldn't help but start to look at it with that same perspective, which is to recognize that almost never is there a single cause that contributes to an accident. It's usually a combination of factors, and I don't have a lot of slides here today but I do have a couple.

First of all, the first thing is that no one comes to the race track, no one goes to work — I don't care what your job is — with the intention to contribute to an accident or a tragedy. The fact of the matter is that when you actually look at accidents, whether its car accidents or airplane accidents or anything else, you find that 75 to 80 percent of those accidents will be found to have some component of a human error involved.

The other thing that's interesting is almost never — I don't think I ever investigated a single accident where there was a single thing that caused the accident. You might be able to see something that was a prime causal factor but there were always other things there to be learned. Even if it wasn't directly attributable to that accident, in the course of doing the investigation, you would discover things that you could do better. Switch position in a cockpit may not have been the primary cause of an accident but you figure it out in the course of the investigation, and obviously you want to correct that. You want to remove it from potentially being an issue in another accident. That said, in a lot of circumstances, you can definitely see that if you remove one or two factors from a causal chain of events, you can many times prevent the accident from happening.

Why do we need safety programs, and that's really what I'm here to talk about, is kind of building on what the NTRA has started. To lead us down a pathway to have a more formalized, deliberate, continuous safety program throughout the race tracks in the United States, with all participants; horsemen's groups, regulators, jockeys, participating in this in order for us to hopefully get to a point in time where although we probably will never reduce all injuries, we would certainly not like to have additional people joining the ranks of the disabled riders.

This is just a real simple diagram kind of showing that. When you look at these accidents and you find out again, multiple factors, and a lot of things had to line up in order for that accident to actually occur. With the yellow line there, if you can do something to interrupt that chain of causality, again, you can potentially prevent the accident.

Now the other thing when I got to thinking about this I thought was interesting was I see a lot of similarities between jockeys and pilots. You know, jockeys are by nature very competitive. They're very self-confident. You're skilled at what you do and you're not shy about letting other people know just how good you are. You approach each race as a pilot approaches a flight, which is the intent to win. You understand that the business that you are in is inherently dangerous. Despite that danger, I've heard from most of you that you wouldn't want to do anything else.

What I'm hoping that we can do is by embracing safety as part of both the Guild's core values as well as racing's core values, we can contribute to each other's professionalism, reduce the opportunity for an accident, interrupt that chain without compromising the independence of competitiveness that's so central to our sport, being a competitive sport. Safety doesn't mean being less competitive or less aggressive on the track. It just means being more professional. The racing industry needs a strong and professional guild.

This is a really important topic for us, not just because of trying to avoid the human tragedy of accident, but our industry is in stress. If any of you have listened to the Betfair presentation, it got kind of depressing there for a

while. Ten percent per year decline in our industry's overall performance; contraction, numbers of tracks, reduction in racing days, handles down. You go through this long litany and it can get depressing.

One of the things I think we have to be able to step outside of our personal view as participants in this sport, that earn our livings from this sport, is the fact that to the majority of Americans, they virtually hold no opinion about racing. If it went away, they wouldn't notice it. When you talk to legislators, regulators, there's no inherent right for us to conduct pari-mutuel wagering on horse races. We can't become complacent and believe that we can just isolate ourselves from the rest of America and not acknowledge the fact that if we want to continue to pursue this sport, whether as jockeys or as track management or as horsemen, we have to recognize that the public trust is essential for us to maintain. If we want to get alternative gaming in Illinois, we have to maintain the public trust that that's a worthwhile thing for the legislature to do for us.

The NTRA Safety and Integrity Alliance was born after the Eight Belles tragedy, but not exclusively from that. I think that as leaders within the industry, horsemen's groups as well as tracks, talked about what was happening and the just unprecedented scrutiny that the industry came under by the general public in an uninformed way. We also recognize that there was a lot of things we could do better in racing, just fundamental things that could be done better; best practices at certain race tracks that could be exported, standardization of how we conduct racing, kind of breaking down some of the state-by-state barriers in terms of how we race, and getting to a point where the race track is a much safer and more standardized place.

The key component of the safety and integrity alliance is the code of standards, which was adopted and covers a wide range of parts of the racing program, everything from medication testing, how starting gates are constructed and maintained, jockey health and nutrition, the scale of weights, talking about safety equipment on the track, pre-race inspections of race horses, on and on and on and on. It was a very laborious process to go through but very important for us to do. It's not going to be a silver bullet, but just by focusing on going through those checklists and looking at those programs in a methodical way, helps us to be better. That's what the safety program's objective is. It's to identify areas where we can improve, identify hazards where they can be eliminated and get rid of them or mitigate them before they cause injury or damage.

Now again, experience shows that if you can break the chain, you can prevent a lot of injuries. From my point of view, when we talk about taking steps, for instance with pre-race inspections, doing 100 percent pre-race inspections on race horses before they take the track. We start to address and remove those opportunities to catastrophic breakdowns, and if we can reduce catastrophic breakdowns, we can reduce the exposure of jockeys to potentially life-ending or life-altering mishaps.

I applaud Alex Waldrop and Mike Ziegler, although there are many others that were involved in getting this program off the ground. It's the first step in establishing an industry safety program, but it's not the last thing because again, when a mishap does occur, the other purpose of the safety program is to help us investigate those accidents in order to figure out what we can do to prevent it from happening in the future or mitigate the severity of the accident.

One of the things that you need to do is you need some sort of a monitoring or modeling process that can support those seeking remedies with the data necessary to form opinions and conclusions that can lead to recommendations that are intended to improve safety. Now it's been mentioned here we had two serious jockey injuries in Arlington in 2009. In the days and months after that I talked with many in this industry about a range of factors that may have contributed to the mishaps and especially the severity of the result in injuries. What I found very perplexing was that as I looked at this, and I tried to be as broad-based as I could, I could find precious little data there upon which to base any conclusions.

We've established an equine injury database, although that too needs to be improved. Right now it only looks at that slice of time when we have a catastrophic breakdown, and I frankly believe we need to be looking at electronic medical records and a full medical history of horses so that there's a basis, not to question what a trainer does. That's not the intent. The intent is to be able to look back and start drawing correlations between, did a foal have a corrective surgery, and then over time do you see that there's a higher percentage of those types of animals that are subject to potential catastrophic breakdown. That doesn't mean that we mandate that you can't do surgical correction, but its information. Its information that breeders, trainers, jockeys, all of us in the industry can benefit from having in order to make good decisions.

That's my first recommendation to this group and one that I will make to the TRA as well, which is that I think we need to take the lesson from the equine injury database and we need to establish a jockey injury database that can help us track injuries, not just the catastrophic ones, but any time that a jockey comes off a horse or has to see an EMT, there should be a record of that. We should know where the accident or where the mishap took place on the race track. We should know what equipment they were wearing or not wearing. We should know the weather that was involved; age, gender, experience level, medical histories. As important we need to know what was the outcome, what was the treatment and what was the outcome so that this information can be made available to doctors and sports medicine researchers that may result in recommendations to practicing jockeys, riding jockeys, about how they can better take care of themselves or how they can better equip themselves in order to avoid potential catastrophic injury. Now

there's never, again, going to be a silver bullet, but I think history shows us in a lot of sports that that's true.

Now strangely enough, one of the areas that I found data on was with rodeo riders, and there was a lot of data on rodeo riders. They've been collecting data on these guys. One of the things that I saw that may not be of use to this audience but for instance just simple things. They went back and looked at the severity of injuries over time and took medical histories on the riders that had been injured. They determined that the riders that were using aspirin had more severe injuries, and that by simply informing riders that they should be taking something other than an aspirin product, they reduced the severity of some of the injuries downstream; recommending Tylenol, as an example, as opposed to an aspirin product. It reduced hemorrhaging; it reduced swelling and post-race things.

That's the kind of thing I'm talking about where we cannot make those kind of correlations and provide that information so that individual jockeys as professionals can make their own decisions about their health decisions. You have to have the information to do that. Along with hopefully research on spinal injuries and cooperating with other sports that share this, and again, as I started to look into this, I find out occasionally you view the world from where you sit, but there's lots of other equine sports out there to include eventing that have lots of these injuries. It's a huge topic within the eventing world because they are also subject to coming off a horse at speed, rotational component to their fall, resulting in spinal or head injuries, and so they've been looking at this as well. We're not alone. There are other resources where if we take a comprehensive approach, I think it can help us come up with some ideas. Again, a jockey injury database is one of the first steps we can take in order for us to be able to find ways that we can improve safety.

Now safety has to be inherent in everything we do. The Guild, track management, racing officials and regulators, we all need to work to make racing as safe as possible, but we also have to recognize that while racing is not a contact sport, it remains a high-risk activity and each race is potentially dangerous, which brings me to my second recommendation.

Although I think we do it pretty well, there's no doubt in my mind that we can do better, and working with Mike Ziegler and the NTRA Safety and Integrity Alliance, looking at the checklist, one of the things that we found there's a great difference in between tracks is emergency response. The other thing that I think we need to do as an industry is concentrate on establishing what our best practice is in terms of emergency response plans and how can we ensure that both jockeys, one, have the confidence that the procedures are in place, the equipment is in place, to ensure that if they are subject to an injury, they're going to get absolutely the best possible care. You need to have an emergency action plan. Most tracks have it but there's wide variation. We need to break down that variation or compress it. We

need to have better standardization, and we need to find best practice from around the industry, spread that information out and move towards a standard plan.

Now I can tell you at Arlington Park next year there are a couple of things we're going to do in this regard, and the first is I'm going to work with the Guild, the local representatives. Before the meet ever starts, we're going to go through rehearsals. At least that's my recommendation, is that we walk through what the procedures are with all the jockeys. We actually go out on the track. We get the EMTs involved. We get the track maintenance personnel involved. We actually go through these steps so that if anybody has any questions, if there's anything that we can do better, we have an opportunity to identify it and make it better. I want to include the emergency room in that process as well.

InCompass has been good at helping us with jockey injury database, but it doesn't do any good if the information isn't in there. We found much to our chagrin that there were jockeys who because they were healthy didn't think that they needed to put this information in there, but it could be as simple as saying that you have an allergy or that there's a particular medication that you're on; you're healthy but those are things that the doctor may need to know. So we need to also use that opportunity to make sure that that database is up and working, that it's properly filled out, confidentiality is protected, but we're in a position to, again, ensure best quality care to an injured jockey.

Professionals and safety. I've talked to Terry about this a little bit, and I don't want to get too controversial here, but I've got to tell you and share a story with you. I don't know of another sport where you can essentially show up at a race track and call yourself a professional rider. Now we've had some fatalities this year within our industry. Any time that an unprepared or unprofessional jockey takes a mount and goes out on the track, we're all placed at risk. Not only is he placed at risk but everybody's placed at risk, and the industry is placed at risk.

The first line of defense against accidents are the jockeys themselves on the track; their professionalism, their skill on the track and knowing their mounts, riding their mounts correctly, being aggressive but being safe, not taking unnecessary risks, recognizing changing conditions and reacting to that. For the most part I think the Jockeys' Guild members do an excellent job, but every once in a while you see somebody who makes a bad judgment. That's going to happen. The question is how do we reduce those opportunities for bad judgment on the track.

I think the Jockeys Guild can play a role in this, and I think that — I think that there needs to be a little bit more formality. Again, I know this varies jurisdiction to jurisdiction, but I can share with you that I was in the paddock this year towards the end of the meet talking to some owners wishing them

well before a race. I turned around and there was a jockey who I had never seen before being interviewed. Now, nothing against that jockey, he had nothing to do with it, but as the president of the race track, I had no idea that there was somebody who had never ridden before was going out to ride for the first time. I'm not going to let that happen again. Not that I would have prevented it, but there should be a process where somebody who does not have an established record needs to go through a process prior to them being able to ride a professional race on an American race course.

I think that's an issue for the Guild to discuss. I'm not going to try to dictate that to you, but I would certainly like to work with the Guild to identify what those professional standards should be.

There are a couple of things that I think are important that I would like to recommend that the Guild consider; pre-meet medical exams, documented health and readiness of riders to participate at the professional, the highest level of the sport. I think that this — I mean, my son cannot play high school football without having a medical exam yet people show up at the race track, we have no idea whether they're physically fit to ride. A rider who has been injured should have to get some sort of a return to ride form from a doctor. We all know that there are jockeys that are participating at different levels of the sport.

Now Junior Alvarado came off a horse in a starting gate at Arlington, not seriously injured but shook up a little bit, took off the rest of the mounts that day. We were going to have a couple of day break. Came back to ride, and like most jockeys, was taking some exercise mounts that morning. Rode his first mount and said, "You know what, I'm not 100 percent," and he took himself off his mounts that day. Now Junior could do that because he's pretty — he's financially successful. We all know there are jockeys in the room that need those mounts every day. The question is if you have a jockey who has been shaken up, should that jockey be going out on the track if they're not completely 100 percent ready to ride. There needs to be some check and balance.

The same thing is true. In my last assignment, I was the assistant wing commander. I had essentially — I had 500 airplanes that I could choose to fly, but it didn't matter what my rank was. I could have been a three-star general. If I hadn't done the required simulators within the required time in order to be put on the flight schedule, some lieutenant was going to say, "I'm sorry, sir, you can't fly today, you're not putting your name on the flight schedule". There are certain standards that are there to protect the individual as well as to protect those that are around him, and I think we need to have — and I know some jurisdictions have this, but again, we have a wide variation.

Stewards, there needs to be, again, I think, some sort of a formal process by which the stewards along with Guild reps can review jockeys that are new to

a colony and make sure that they are in fact ready to ride. Apprentices, I'd like to see apprentices have a formal steward's school requirement, in their first year or their rides are being reviewed by other riders as well as the stewards, to make them better riders, not because they've done anything wrong. These are just a couple of examples. You guys got to determine what your professional standards are, but if you're going to be a professional guild, if you want the TRA to respond to you as a professional guild, then these are the kinds of things which I think you have to identify for yourselves, so I'm just throwing these out there just as examples, not as dictates.

Other people on the track, stewards and starters supervision; the jockeys are the first line of defense in terms of their professionalism, their ability to detect danger on a track and avoid it. Right after that are the starters and the stewards. I think, again, we need to be more aggressive as an industry and asking more of our racing officials or out riders, our starting officials to recognize dangerous conditions on the track and feel empowered to make recommendations whether to race or not to race, or whether to scratch a horse or not to scratch a horse. There's going to be some people, some horsemen upset with some of those things, and sometimes you're going to — but you know what, that horse will race another day if it's been scratched, and we're not going to expose somebody to unnecessary injury.

These are some of the things that I think we need to discuss, in addition to ensuring that we have a mechanism when somebody is injured, that we can ensure that they are taken care of. I want to see us spend a hell of a lot more time preventing the accidents from happening in the first place, by reducing catastrophic breakdowns, by improving safety equipment. One of the ways we do that is by having better data of where and how jockeys have been injured over the years. I think we can do a better job of lowering the incidents of catastrophic injury of jockeys.

My point of view, it's one person's point of view. It's something that I offer up. I'm very committed to working with the Guild, working with the other TRA member tracks to develop consensus concerning areas that we can collaborate on to make our sport safer. I think the code of standards, by the way, one of the things about that is I've got a sub bullet there that says continuous improvement. I've talked with Mike about this, and we're not — just because we passed a safety inspection, what the NTRA wants, doesn't mean we're done, and it doesn't mean that the NTRA is done. As we identify areas that should be tightened up, those things will be added to the code of points. As we go along, the process will get more stringent, will get more comprehensive, and every time we take a step farther, I think we make the race track a safer place for everybody that earns their living on the track as well as for the racing public. That's really all I have. I appreciate the opportunity to address the Guild today.

Ms. LaSala: Are there any questions, follow up?

Male Voice: I got one. Carl and Chris and you guys, head of the TRA, is the Jockeys' Guild — did it get stronger because what I've been hearing the last couple of days is for each group to be stronger in this industry, to make the industry get better is to be strong. For the treasurer of the Jockeys Guild, for our organization to stay strong, we need your help on the race tracks that need to pay their TRA receipts to the Guild so we can move on and provide better things for the jockeys, and we need your guys' help to maybe some way, somehow to help us have the other tracks step up.

Mr. Arnold: Yeah, believe me; I'll tell you, the tracks like the Guild are a collection of individuals, each with their own situations. Obviously Churchill Downs tracks, Keeneland, those tracks that maybe have a little more resources, I think we've tried to both meet our obligation to the Guild as we see it but also to participate in some of these other things which are not strictly obligations, but we think that they are the right thing to do, not because we have to do them. I think that there are more and more tracks that are taking that. There are some tracks that are holding on for dear life just trying to keep the doors open and lights on, and Guild assessments fall into a category of a lot of things.

I'll tell you just, not as an excuse, but to put in perspective, I probably get two or three "suggested invoices" a week from various very worthwhile organizations that we should support but who if you add them all up it gets to be a rather significant number that no one track can support. The way we solve that is by getting more universal support and by getting to a more formalized structure.

I don't have the answers. This is another thing which I think requires further dialogue. I think Chris and I both advocate for the Guild within the membership, but obviously we're a trade organization and tracks have to make their own decisions when it comes to those kind of financial decisions. Every jurisdiction is a little bit different. I don't have a real clear answer for you other than to say that I think I can speak for myself anyway in saying that we will continue to advocate for more tracks to participate in working with the Guild to identify appropriate levels of support in terms of Guild, what mount fees, or whatever it might be. I think longer term — maybe I will be a little controversial here without getting too far over my skis. We've talked about jockeys promoting the sport, and we've talked about the sport needing to have more innovation.

I think one of the difficulties that a lot of tracks have, and it's still something that I've got to tell you that as a newcomer to the sport, relative newcomer to the sport, I struggle with occasionally. Gerry, you and I, we've had these discussions before where on the one hand you're a Guild. On the other hand you're an independent contractor, and so there's this pull of really kind of two competing approaches to how you conduct your business. You're an independent contractor. You're getting your own mounts. You want that

flexibility to ride who you want to ride for, but on the other hand, the Guild is looking for a more formalized structure for the industry as a whole. Somewhere in the middle there's an operable solution, and I'm not sure what it is but I think we need to move towards that middle point where we can also bring an element of essentially sports promotion that's more effective, to promoting the athleticism and the professionalism of the jockeys in a way which the public will support.

Again, like I said, right now, from where I sit, I see people show up in the jockeys' colony and if they can stay on the back of the horse one time around, they can get a license in most states. I think that's the element that a lot of tracks have problems with. It's kind of what does this contribution to the Guild do in terms of furthering our ability to have an effective industry. We see the value, so I'm not pushing back on that Gerry. That's just, I think, one of the things that we do need to have better dialogue on, better communications. I think there was somebody earlier that said that we need to increase communications. We can learn a lot from Nick Nicholson down at Keeneland. I've been down there several times recently and he does a great job down there representing our industry beyond Kentucky, not just in Kentucky.

I think having constructive dialogue where it's not confrontational but where we're all trying to search for common solutions that will actually help us take the whole industry forward, that's what we need to do. I think along the way we'll solve that financial issue along the way, so long answer.

Male Voice: One second. Mr. Roy, that's not the question. The question Gerry was trying to ask is as far as — we have a number of tracks that aren't paying the TRA, our money, as far as media rights. Tiger Woods, who probably doesn't want to be in the press right now, he's — if he goes and he's on a magazine, he gets paid for it. If he's on say the Buick Open, he gets paid for it. We have media rights just like the trainers have media rights. When they want to pull the signal as trainers, they have it in — fortunately they have it written in congressional con — you know we don't have it written in.

They call pull their signals, Kentucky, Illinois. They get paid their media rights which runs their organization. We have the same media rights. We have a number of tracks and some of these tracks have a list, are very prominent, and they are not paying us. I hate to say it, and we're not going to name names because we don't want to do that because we're trying to do everything good as a whole. As far as the Jockeys' Guild, we'd love to get paid. We're a huge organization too. We would love to make standards for these riders, and we could do that with some of that money, but we don't have the money to do that, and that's part of our problem.

If you want to work on a one-on-one basis, we'd love to have the NASCAR model. Robbie Albarado is a polarizing figure. If we could use him, first

block, he's sitting over there, Wayne Catalno in Illinois, Todd Pletcher. It doesn't have to be just riders, but as a whole, riders are going to be there and the horses are going to go away. As far as our financing and us as improving, the only way we can get stronger is to have money to make us stronger. We're chasing a circle. We would love to get paid by these tracks and make improvements with ourselves.

Mr. Arnold: Well we could probably — I think this is beyond the scope of this panel because the whole issue of both media rights and whether there are media rights or not as well as sponsorship and a lot of our things do require our attention, but it's broader than just the jockeys. I'll give you an example. What's our biggest, "what's our biggest event" in racing? Breeders Cup, okay, it's a non-profit organization. All the prep races that lead to that, there's no financial return to the tracks or the horsemen that participate in that. I'm not pushing back against the Breeders' Cup. I'm just saying as an example of something else, this is a much more complex issue that we have.

I think it's worth saying there was a presentation in the other room just before this, or when yours actually had started, the first panel, that dealt with NBC and the Kentucky Derby and talking about some of the things that are going on there. I think what you need to understand is that unlike those other industries and unlike Tiger Woods, we pay, the industry pays for every single television minute we have, okay. There isn't a demand for sponsorship because we have not cultivated that. One of the — again, we could talk for hours and I'm going to shut up here, but we've made some fundamental errors in how we've designed the business model of racing, and they have to be corrected.

Right now there is no way for us to quantify who's watching our signals at any one time. Until you can tell "Joe the shoe man" that if he provides sponsorship to you, he's going to reach the core of his demographic that he's trying to reach, you cannot get them interested in sponsoring horse racing. Sponsorship dollars across sports are going down unfortunately now, and horse racing is no different. Arlington probably is 50 percent down what we were two years ago in terms of level of sponsorship and that we weren't that high to begin with. Absent a Breeders Cup, absent a Kentucky Derby, right now there's just not a lot practically out there. We can change that, but to change it we need to change how we present the sport overall and the Guild needs to participate in that.

Mr. Terry Meyocks: My name is Terry Meyocks. I'm the national manager for the Jockeys' Guild. I've been involved in the last two years, but I just want to thank Bill Murphy. Magna has been very supportive. Churchill Downs has been unbelievable. Keeneland, you can see what's happened. A lot of tracks have stepped up to the plate, but we need to keep on improving it. Our financial thing, we filed for bankruptcy when I first got involved. We're getting out of it. It's going to be another two years before we become whole basically.

The one thing we've been doing is working with the industry and a lot of issues. We've had meetings with The Jockey Club every month, the NTRA, TOBA, KTA, the Kentucky Racing Commission, and we have come together as a group. The one thing that's missing is we go to the ARCI model rules, and we've made so many changes in the last two years. What I'd like to see is Chris Scherf be more involved in these subcommittee meetings in each year because we made some changes to the model rules with regards to the standards of jockeys, being professional jockeys a year and a half ago. There was a jockey that got killed a year and a half ago in Albuquerque. We went and made the rule changes. They have to get licensed by the state. They have to get licensed by the stewards. Our recommendation, with the internal group that we have working, we got it passed. This is only in the model rules, that we have to get other states to adopt them, that to become a rider you must basically before you go to the stewards, you got to get approval of the starter, approval of the rider colonies, the out riders, and then the horsemen's organization, then they go get approval of the stewards.

That will take care of what you've been talking about if we all — the TRA tracks, all basically — they all either work for the commissions or the association. That takes care of the jockeys who did not qualify to ride, which then would help on-track accident policies and everything else like that. That's all I want to say. I think Chris needs to be at the table with these model rules for the benefit of the race tracks as well.

Male Voice: Well not to make this a Jockeys' Guild discussion because it wasn't supposed to be. I think the real people who need to be thanked here is Roy Arnold and Nancy LaSala for the work they've done with PDJF; because, the fact of the matter is, we've had three riders die in the last 15 months, and we're probably going to add three more to this list by the end of next year. So that's the real issue that needs to be brought up here today. Nancy LaSala, I don't know if people know what she's done for this organization but she needs to be thanked. I think maybe that can end the discussion.