



TOC

Thoroughbred
Owners of
California

Winter Newsletter

January 2018

President's Letter

By Greg Avioli



In October of 2017, the TOC Board of Directors unanimously adopted an updated Mission Statement. The primary reason for the new Mission Statement is to refocus TOC's efforts on the areas where we can best serve our membership. This begins with a renewed emphasis on negotiating the best possible overnight and stakes purse schedules so that California racing can remain competitive with the best racing in the U.S. To view the complete Mission Statement, visit toconline.com, and click on the "About TOC" tab.

We have just completed the horsemen's agreement for the six-month 2017-2018 Santa Anita Winter Spring meet with target overnights of \$312,000 per day. The 2017 Del Mar Thoroughbred Club Summer and Fall meets paid out overnight purses of \$353,000

and \$303,000 respectively, and we expect the levels for 2018 to be at or above the 2017 levels.

In 2017 California tracks led the nation with a combined 115 graded stakes offered with purses of \$25.5 million. In 2018 California has again been awarded the most graded stakes races of any state in the country. The 2017/2018 Santa Anita Winter Spring meet features 59 graded stakes in 60 days of racing, including 14 Grade 1 races.

The critical factor for maintaining competitive overnight and stakes purses is to increase the total wagering on California Thoroughbred races. This is especially so in California because we are the only major racing jurisdiction in the U.S. without any form of subsidy for purses from casinos or slot machines. This means that all the purses that are paid out in California are generated directly from pari-mutuel wagering. By way of example, in 2017 casino interests generated over \$100 million in purse revenue for New York, Florida, Pennsylvania, and Maryland.

Under the federal Interstate Horseracing Act of 1978, TOC must approve any agreement for the sale of the California Thoroughbred signal outside

of California, including all simulcast and ADW wagering. We spend significant time and effort working each week with our partner tracks in California to maximize the revenues available to purses from these wagering agreements. Last year total out-of-state simulcast and ADW wagering on California races was almost \$1.2 billion, or 64% of all-source live handle.

While we work to maximize pari-mutuel generated revenues, we continue to advocate with the California legislature for additional sources of purse revenues -- similar to the other major racing states noted above. The most likely near-term source of such revenues would be from the potential legalization of sports wagering in California. The United States Supreme Court is expected to decide the constitutionality of the Professional and Amateur Sports Protection Act (PASPA) in the first half of 2018. If the court holds PASPA unconstitutional, states would be allowed to legalize sports wagering within their borders. Assemblyman Adam Gray (D-Merced) introduced a bill to legalize sport wagering in California at the end of the 2017 legislative session, and we expect that bill will continue to move forward

in the coming months.

The TOC staff and management appreciate the opportunity to represent all of the Thoroughbred owners in California. Please feel free to contact me (gavioli@toconline.com) or our Executive Director, Mary Forney (mforney@toconline.com), with any questions or suggestions on how we can better serve your interests.

2017 BY THE NUMBERS

for California
Thoroughbred Racing

3,396

Number of Races

24,882

Number of Starters

\$117,312,249

Total Purses Paid

233

Stakes Races

\$36,570,000

Stakes Purses Paid

TOC EVENTS



**TOC MEMBER Q & A:
Entries & Carding Races**
GOLDEN GATE FIELDS
Sunday, January 21
Registration is now open



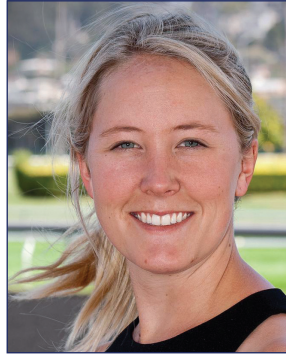
TAX PLANNING SEMINAR
GOLDEN GATE FIELDS
Saturday, February 10
Registration Opens January 10



CONFORMATION CLINIC
GOLDEN GATE FIELDS
Saturday, March 24
Registration Opens February 24

RACING INNOVATIONS New CHRB Regulations

By Elizabeth Morey



Microchipping – All horses on the grounds of a CHRB-approved racing and training facility will be required to have microchips as of January 1, 2019. Microchips will be used to identify horses entering and exiting the grounds, and both microchip numbers and tattoos will be used to identify horses prior to racing. The CHRB estimates that 60% of two-year olds of 2018 already have microchips, and all horses registered with the Jockey Club born in 2017 or later are required to have microchips as part of the registration process.

The Jockey Club will provide microchips along with other registration materials for all foals born in 2017 or later. For older horses,

owners will have the option of microchipping their horses before they come in to the track or having them microchipped at the track or off-site training facility. All microchips must be ISO 11784/11785 compliant and ICAR approved and can be purchased privately or through the Jockey Club.

Third-Party Lasix – As of December 26, 2017, race day furosemide (Lasix) may only be administered by veterinarians or technicians employed by the racing associations. Owners will not receive a bill for Lasix; rather, a Lasix Administration Fee of \$35 will be deducted from their paymaster account if a horse receives race day Lasix. This practice is commonly referred to as “Third-Party Administration of Lasix.”

Elizabeth Morey is the TOC Director of Racing. Please contact her with any questions regarding racing or medication issues at lmorey@toconline.com or (510) 559-7521.



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TOC Board Election Process Begins

The nomination process for candidates for the TOC board begins this month.

There are two ways that members may qualify for the ballot – nomination by the nominating committee or nomination by petition.

To qualify for board service, an individual must hold a current California Horse Racing Board (CHRB) owner's license, own at least 25% of a Thoroughbred racehorse, have started a horse or horses a minimum of six times in California during the prior calendar year, and be a member in good standing.

TOC Board member duties include attendance at monthly board and committee meetings and periodic attendance at CHRB and/or other industry events. Board members receive no compensation for their service, though reimbursements for necessary travel and lodging expenses are made.

There are a total of 15 directors on TOC's board, with members serving three-year staggered terms, such that five seats are up for election each year. According to TOC bylaws, at least two but no more than six directors must be from the owner/trainer class of members; of the owner/trainer directors, at least one must be from the Northern Zone and at least one must be from the Southern Zone; and at least three of the total number of directors must be from the Northern Zone at any given time. All qualified members, regardless of membership class as defined in TOC Bylaws, shall have the

right to vote for nominees from both the owner and owner/trainer classes of members.

To Qualify by Nomination: Owners interested in serving on the board should submit a letter to the nominating committee by February 15, including the reasons for wishing to serve on the board, confirmation of eligibility for the board, and a biographical statement. If sent by mail, these materials should be addressed to the TOC Nominating Committee, 285 W. Huntington Dr., Arcadia, CA 91007, and postmarked by February 15. The nominating committee will review the qualification of all applicants, and announcement of the nominees will be made after March 1.

To Qualify by Petition: Those seeking to run for the board through the Petition Process must qualify by obtaining 50 signatures from current TOC members supporting the candidacy on a petition issued by TOC. To obtain the petition form, contact TOC's Santa Anita office at (626) 574-6620. The deadline for filing a completed petition is March 1.

Ballots and candidate statements are mailed out to all TOC members on May 15. The postmark deadline for returned ballots is June 15, and the newly elected board members will take office on July 1.

TOC EVENTS



OPEN FORUM SANTA ANITA

Saturday, April 14

Registration Opens March 14



CONFORMATION CLINIC SANTA ANITA

Saturday, May 12

Registration Opens April 12



OPEN FORUM PLEASANTON

Saturday, June 24

Registration Opens May 23



SENTIENT JET DEALS FOR TOC MEMBERS

TOC and Sentient Jet have entered into a partnership to provide discounts for TOC members. For further information, call (626) 574-6620.

TOC BOARD COMMITTEES

TOC has a dedicated and hard-working board of directors, each serving on one or more committees, as listed below.

EXECUTIVE COMMITTEE

Nick Alexander, Chair
Bill Strauss, Vice Chair, So. Calif. & Treasurer
Jack Owens, Vice Chair, No. Calif.
Terry Lovingier, Secretary
Gary Fenton, Member at Large
Ed Moger, Member at Large
Mike Harrington, Member at Large

WAGERING COMMITTEE

Samantha Siegel, Chair
Joe Ciaglia
Gary Fenton
Jack Owens
Bill Strauss

RACING AFFAIRS COMMITTEE

Kathy Walsh, Chair
Bob Baffert
Mike Harrington
Terry Lovingier
Ed Moger
Bill Strauss

FINANCE COMMITTEE

Bill Strauss, Chair
Joe Ciaglia

NORTHERN CA RACING AFFAIRS COMMITTEE

Ed Moger, Chair
Jack Owens
Allen Aldrich
Marty Bach
Keith Pronske

OWNER RELATIONS/INDUSTRY COMMITTEE

Terry Lovingier, Chair
Allen Aldrich
Gary Fenton
Samantha Siegel
Kathy Walsh

Note: The Chair and President/CEO serve "ex-officio" on all committees.



TOC

Thoroughbred Owners of California
*Serving the California
Thoroughbred Racehorse Owner*

Contact Us

285 West Huntington Drive
Arcadia, CA 91007

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Email: info@toconline.com

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