

Profits At A Premium



From the Executive Corner

by **DOUG BURGE**

In the January 2009 issue of *California Thoroughbred*, I mentioned that the California Thoroughbred Breeders Association (CTBA) had been working diligently with other industry stakeholders to create substantial enhancements to our racing and breeding program. The goal being to further increase the value of California-breds and provide ample return and opportunities for those breeding and/or purchasing yearlings or horses of racing age.

I am pleased to announce, with the financial commitment and overall support from the Thoroughbred Owners of California (TOC) and the various racing associations, a new program has been approved that will greatly increase the return for those investing in Cal-breds. As the demand for our product is fueled foremost by earning potential, we have focused these enhancements on significantly increasing the purse money and opportunities available for state-breds. The backbone of this new program is the creation of a lucrative maiden bonus program funded jointly by the CTBA and TOC; providing a quick return for those successfully racing Cal-breds.

This program will provide:

1) A \$20,000 bonus made available for owners of registered Cal-breds, or California-sired maidens in maiden allowance races in Southern California; and

2) A \$10,000 bonus for owners of registered Cal-breds, or California-sired maidens in maiden allowance races in Northern California.

All or most of the bonus will go to the winner, and will be paid directly to the owner by the CTBA within 30 days after the race.

To put this into perspective: In Southern California at the current Santa Anita Park meet, a restricted maiden allowance race, going long, carries a purse of \$46,000 of which 60 percent, or \$27,600, goes to the winner. Under the new scenario, the winner would receive the \$27,600 plus an additional \$20,000 for a net amount of nearly \$50,000. Up north, the same applies with the owner receiving \$10,000 over and above the purse earned. With most, if not all, of the Cal-bred—or Cal-sired—maiden allowance wins in the north coming in open races, the owner would also receive the current owner bonus made available in open company, as well as the new amounts.

This program, designed to quickly reward those investing in Cal-breds, will significantly increase the value of our horses overnight. The various racing secretaries wholeheartedly support this tremendous boost and have made a commitment to write and fill more Cal-bred maiden races.

Also included in this breed enhancement program, is some benefit to Cal-bred maiden claiming horses. Although maiden claiming races will not qualify for the bonus, the tracks will, in conjunction with the new bonus program, increase the bottom level restricted maiden claiming race in the south from \$40,000 to \$50,000. Along with the increased protection/value of these horses, the purse will also be elevated a few thousand dollars to reflect the current purse offered in a maiden \$50,000 race. Plus, these horses who break their maiden for \$50,000 will still be eligible for the starter allowance races for open \$40,000 or less maiden winners.

Besides the huge windfall to maidens, there is also even more to this package. Although still being finalized, it has been agreed that the current eligibility requirements will be amended so that most state-bred wins will not be considered for eligibility purposes. Therefore, Cal-bred, or Cal-sired, horses will have numerous advantages and opportunities that will not exist for others. Also, Cal-bred or Cal-sired non-winners of two races will also be written.

As mentioned earlier, the maiden bonus program will be jointly funded by the CTBA and TOC with legislation required to re-allocate existing monies. It is estimated that each organization will contribute over \$1.5 million towards the funding, which would become available in January of 2010.

Given the current poor economic conditions that we are all facing it is obvious that this stimulus program needs to be implemented as soon as possible. We have identified other sources of funding within the industry and are very optimistic that we could implement these extremely positive changes sooner than January of next year. A major announcement to that effect could take place in the upcoming weeks.

We will utilize future editions of this publication and our website of www.ctba.com to provide further updates and explanations as to the status and details of this new racing and breeding enhancement program. The initial feedback that I have received from the major breeders and owners has been extremely positive. In fact, quite a few who either kept their mares out of state, or were on the fence to even breed this year, are now doing so in-state due to these changes.

We are very excited about this new program and appreciate all the efforts of those involved to help move this along. We will also request support from the membership to notify their representatives in Sacramento while the required legislation is heard. 🐾