

**Harness Racing Congress**  
**Thursday, February 9, 2006**  
**General Session**

**11:20 a.m. – 12 p.m. Detention Barns: Pros and Cons**

- **Bill Nader, Senior Vice President, New York Racing Association**
- **Peter J. Lang, Field Supervisor, Thoroughbred Racing Protective Bureau and Standardbred Investigative Services**
- **Jamie Martin, Director of Racing, Woodbine Entertainment**
- **Moderator: Chris McErlean, VP Racing, Meadowlands and Monmouth Park**

**Stan Bergstein:** The question of whether there should or should not be detention barns is going to be discussed right now by Pete Lang, who has probably had more experience with detention barns than anyone else in racing at the moment, and by Jamie Martin from Woodbine where they do have retention barns, and by Bill Nader from New York Racing Association. Chris McErlean is going to moderate it.

**Chris McErlean:** Thank you Stan. I worked for Stan for a few years. I thought I did a good job for him, so he honored me with giving me the last panel on the last day. Thank you for letting me be the closer. Stan asks his directors to give suggestions of possible topics for the congress and of course I always try to respond, so I gave him a few suggestions. I believe he picked this one out, so of course he put me on it. I guess I got what I wished for in that respect.

The topic is detention barns: pros and cons, and I speak from some experience in this. To give full disclosure: the Meadowlands does have detention barns for its standardbred racing. We were probably one of the first tracks to implement it on a wide-scale basis over ten years ago and we run the gambit. We started with stake races; we've gone to overnight races; we've gone to specific penalties if trainers have infractions with their horses because of positive tests; so we've been all over the board in that respect, trying to find the right mix, and trying to find the right formula. I'll say flat out that I'm not sure if we have the right formula or not, and one of the reasons we wanted to have this panel today was to get a perspective from both sides of the table, both breeds, because as I said, from the standardbred side I think it's somewhat accepted that

detention barns are a fact in standardbred racing, like it or not. When it first came out it always was perceived as a “standardbred problem or issue” and I think some recent occurrences indicate that that is not the case. There’s more happening now on the thoroughbred side and, that’s one reason for this broad-base panel.

I want to introduce Bill Nader first, I’ll throw it out to you since you’re the thoroughbred side, but I will mention that you have standardbred roots from Rockingham and Liberty Bell Park. Bill’s been with NYRA forever, 12 years, and he wears many hats from PR to marketing operations to being on several industry boards. So Bill, maybe you can give your perspective: NYRA made a very dramatic decision this past year to implement detention barns, not just for selected races or selected people, every race every day, all three meets. What went behind that decision-making process?

**Bill Nader:** Thanks Chris. Maury Wolff in the last panel talked about drugs in racing having a pretty long history, it is not a new issue but when you look back at the Breeder’s Cup pick six scandal, the Pick Six Fix back at Arlington in 2002, it kind of elevated the integrity issue for our sport. Later it became even more magnified in other sports with high-profile athletes like Barry Bonds and performance-enhancing drugs. And I’m sure it is going to be a big issue at the Olympic Games and amateur competitions later this year. So we looked at horse racing as being the only legal form of gambling in professional sports, picking up on the wagering side and on the back side. Whether you think of the public perception problem—and there is a public perception problem in our sport of thoroughbred racing—the issue of performance enhancing drugs (whether you think it is real or imagined) is out there.

So we took the opportunity, on the exact day of the 100<sup>th</sup> anniversary of Belmont Park, May 4<sup>th</sup> of last year, to introduce and implement a program that would collect all horses in every race at least 6 hours before the race, on the morning of the race day, and put them in a secure environment. That would serve to accomplish a couple of things. Most importantly, it would take the veterinarian out of the mix because, once these horses are gathered in our security barns, the private veterinarian is not allowed in unless there is really an emergency, and even in that case, the veterinarian is escorted by security. In all probability, if that takes place, the horse is going to be scratched because this is a serious problem. The NYRA veterinarians administer Lasix and, as you know, that usually happens four to four and a half hours before the race, so the

horses are in a secure environment in a period that allows for that. We've done that in order to give the public every assurance that our races are going to be as level of a playing field as we can possibly produce, in the most secure environment that we can produce. We do this because the integrity of our content is vitally important to our customers and to our horsemen—who also deserve a fair opportunity to compete, because as much as there is a perception problem among customers, it is also prevalent among horsemen.

We embarked on that program on May 4<sup>th</sup> and, as Terry Lanni had said yesterday, we have a sport that's filled with a lot of critics and anytime we make a change there will be criticism, and there was criticism. The first big criticism was that it was an additional cost to horsemen, because they had to send somebody over with the horse and it was taxing the owner and the trainer in terms of getting the right people employed to do that, at additional cost. Eventually that did die down and the program has worked. I think that when you look at what NYRA accounts for, in terms of handle: our three race tracks Aqueduct, Belmont and Saratoga account for about 20% of the wagering in North America and 43 of the 100 Grade-1 races that were run in North America last year were run at NYRA tracks—I'm not suggesting that because we're at a higher playing field that we have to have higher integrity—I think the whole sport has to really address this issue and take a look at what we've done, and what some of the other tracks have done, and really analyze whether it is worth pursuing.

**Chris McErlean:** Jamie Martin, like the Meadowlands, Woodbine has maintained a retention barn solution up in Canada for well over ten years. What has been the evolution up there and what have your experiences been in terms of use? Has there been discussion about doing what Bill has done in New York? Or do you feel that the program up in Woodbine is sufficient?

**Jamie Martin:** Well I'll speak specific to standardbred because that's my background. Somewhat like the Meadowlands, our retention and detention program really evolved through concerns of horse-owners. In the standardbred business, horse owners make significant investment in our stakes programs: with our major stakes the investments they make in nominating, sustaining, and starting fees make up, in some cases, 50% of the purse. We were highly motivated to protect those programs, to offer some sort of retention program to supplement what the regulator was already doing. So that's how it started, with a few races, and

when our purse structure essentially doubled, in 2000 with the implementation of slots, then we started having discussions about similar programs for overnights. That was when we started getting feedback from our wagering public, who wondered “How can we have a standard for stake-races yet not really do anything to protect the betting public on overnights?”

One issue we have is that standardbred is a ship-in business; we’re not simply moving horses from one barn to another on the backstretch. Now at Mohawk we do have a backstretch, but the reality is that 80% of our horses ship-in from unregulated training centers and farms around Ontario. The other issue is the time you want them in, and we’ve evolved to a 24 hour system, essentially the night before (we mostly race at night), which creates some operational problems. So while our betting customers would love to see every race race out of that detention program, it isn’t always practical. So we have a random program where we do one or two races a night, and as we’ve been doing that for the past three or four years—like Chris said earlier, I’m not convinced it’s the right model—it has certainly been effective, and we see that statistically through the performance of horses and trainers both in and out of the program. But because of those inconsistencies, it causes some difficulties for our customers, and they learn that over time. So it’s something we’re monitoring, but because it is random it’s certainly not the optimum model like they have for the thoroughbreds at NYRA.

**Chris McErlean:** Pete Lang has been associated with TRPB for 25 years, since 1981, and has been the main person with Standardbred Investigative Services since its inception 10 years ago. Pete brings the perspective of both the harness and thoroughbred industries and has really made a cottage industry out of running, operating and formulating detention barn strategies. He is also the leader of the big event team that was put together by the racing consortium last year, which did about 10 or 11 events within harness and thoroughbred racing and is doubling the amount of events that they’ll be scheduled at this year. So Pete, from your perspective, you’ve seen both sides of the aisle, the good and the bad, where do you see the detention barns evolving toward and do you think that it’s been an effective tool, and can it be more effective?

**Pete Lang:** The quick answer is probably yes to everything you asked. Realistically, detention barns or retention barns, whichever you prefer, there’s a very big cost involved to any track getting involved in that situation, as I’m sure NYRA can tell you. You’re going to lose stalls or

you have to build additional ones. There's security in the area. And then you have to look at your post time: is it realistic to expect a 6 hour post time if you start at 12 noon? It probably isn't. You would have to get them there at 6 in the morning, and that may cause a problem. All these things, really, you have to factor in. The one thing we have learned over the past number of years working with detention barns—and I had the pleasure of working with NYRA both for the Belmont and for the Breeder's Cup this year, so I'm intimately familiar with their procedures—the problem we see is that everybody's going to complain about it.

The horsemen complain about it, the management gets tired of hearing horsemen complain, so they start looking for a reason to do something about it. The reality of it is that the detention barn is the most effective deterrent to stop pre-racing. It's not the total answer, by any stretch of the imagination. Part of it has to go to how many hours do you have that horse secured. Obviously if you have it secured for 24 hours, you can pretty much expect that that horse has not been pre-raced in that 24 hour period. If you have it secured for 6 hours, you again can expect that at least for the 6 hours, that horse has not been pre-raced. For example, I'll tell you the story at the Breeder's Cup, the big event team came in at 3:00 in the morning, knowing that some of the Breeder's Cup courses would be going into the detention barn at 6am and at 3:00 in the morning, and there were vets at the backside. Now I'm not saying the vets were doing anything wrong, but I've never seen a vet on a backside unless it was an emergency at 3:00 in the morning. All these things we noticed, so it really comes upon the track itself to make the decision: how serious they are about wanting to stop pre-racing? And the best and most effective way, as I said is the detention barn. I've seen various states try various other things: some good ideas, some not so good ideas. None of them are as effective as putting a horse, basically you're putting a horse in jail, and there's nothing as effective as that. I know at the Meadowlands they indicate if the race is in detention in your program. Do you think that too, Jamie?

**Jamie Martin:** Yes, we do.

**Pete Lang:** Has there ever been a study as to if there is a difference in betting on the ones that are in detention as opposed to the ones that are not?

**Jamie Martin:** There has not been an extensive study. But we do publish statistics of trainers and their records in and out of the detention barn.

**Pete Lang:** If you walk around your grandstand, you'll find people who will look at these programs and say "well this is a good race to bet, because it has been in detention," and that tells me that if you want to get the interest of the betting public, and particularly the serious gamblers, you've got to give them what they want, and if it's going to cost you a little money, make you spend some time and energy, that's the answer. It's going to clean up your racing product, but it is not the end-result. There has got to be more we can do. Unfortunately, unless you all have some idea, we haven't figured out what 'more' is yet.

**Chris McErlean:** Pete brings up a good point, and again, from our perspective speaking of the Meadowlands, and I've said this before, if I had much greater confidence in our overall testing systems, a greater emphasis on investigative efforts, the administrative legal system being more streamlined, so cases get adjudicated quicker, maybe things like this wouldn't be necessary because other areas would be stepping up in terms of enforcement, in terms of protection. Really detention barns are an outgrowth, or reaction, to some of the failures of these other areas. Every effort you've seen up here, and I think just about every effort at most other racetracks, is a racetrack effort...it's not done by a commission. From your perspectives, would you rather a racing commission came in and mandate something like this? Do you feel more comfortable with it under your jurisdiction? Do you think there should be a more universal policy? I know we've talked a lot about universal rules and policies and whether its medication, whether it's betting rules, should there be something along these lines?

**Bill Nader:** I can tell you, in New York we had a great dialogue with the state Racing and Wagering Board, and we include them in every step as the process unfolded. I don't think the board really had the resources frankly, to Pete's point, to really come in and help us in that regard, and in 2005, again realizing we didn't start until May, the hard dollar cost to NYRA was about \$750,000. So for a company that's well publicized, we're not cash-rich. It was a pretty steep price to pay, but when you look at our content and the way we, from a senior management level, approach our business: we believe we have the best product, we believe we have some of

the best pricing to the customer in terms of takeout on win, place, show; exacta, daily double and quinella wagering but the other part of it—and it's a very important part—is the integrity issue. I heard Scott Waterman yesterday talk about medication and integrity: best practices, policies, and procedures, and it's only as strong as the weakest link. While we might have the content, we might have the pricing, we really needed to tighten up the integrity.

I know I don't want to wait, I don't think anyone at NYRA wants to wait, for the next big scandal to react to, we want to be in front of it, and we want to be vigilant and show all the stakeholders in the industry that we're committed to it. I think, to your point Chris, we work with the state. One thing I left out, we do random milkshake testing—TCO2, our blood-gas testing—on 2-3 races that we select a day, and that testing goes up to Cornell University and we pay for that too, so that's part of the \$750,000 that we spent last year. We'll spend less this year because we've sort of addressed a lot of the up-front costs that we had to deal with. At Saratoga, we took a lot of criticism because we had temporary barns and the stalls were too small, there were plywood floors, we needed rubber mats, we didn't have enough electrical outlets, but we corrected that, and that got a lot of publicity because we left ourselves wide-open on that. That was a mistake that we made and we gave the critics a good opportunity to come in and blast us, but we quickly fixed that, we remedied that, and Todd Pletcher had a high-profile horse named Purge who had to be scratched on a hot, humid day because of some of the problems that we had. But Purge came back later in the year at Aqueduct and won our last Grade-1, The Cigar Mile, and probably ran the race of his life. So I think that was a telling moment for us: a high profile horse that was kind of identified poster boy for why security barns don't work was, at the end of the year, a Grade-1 winner, and probably elevated his price as a stallion from \$15,000 to \$25,000 in doing so. That's another thing we have to think about, a lot of these horses that compete at our tracks, once their racing careers are over are going to go on to produce the next generation, so creating that level playing field, as much as we can do that, is critically important.

**Chris McErlean:** Let's open up to any questions. One thing that is somewhat remiss on the panel, and I know there are some representatives out there, if there is anyone from the horseman side or from the racing commission side certainly, obviously the racetracks are the ones implementing, but the horsemen are the ones who have to participate and I'd be interested in any comments or questions from anyone on that side of the aisle.

**Conrad Cohen:** My question is, why not use surveillance cameras that either are portable or stationary in barns, so we don't have to disrupt the horses and don't have to worry about contamination, or disease and so forth by bringing horses back and forth into other stalls that they're not familiar with and disrupting a lot of the horsemen. I think it would certainly be a cheaper method of surveillance and a better method of surveillance for long-term rather than the short-term of having people watching horses on a consistent basis, year after year.

**Pete Lang:** I'll grab that one, for a minute. Surveillance cameras are great, they're a great tool to use inside a detention area, but within themselves they're not effective because they only have a limited view. What you're suggesting is to put a surveillance camera in every stall, in every barn, at every racetrack, the cost would be absolutely astronomical. If you have hand-held cameras you have to have a security person walking with that camera, following that person into the stalls and recording everything that happens in the stall. How many security people can you have if you're trying to do four races a day, let alone the whole card? So again, it's a nice extra tool to have, but surveillance cameras themselves are not the end answer to this situation.

**Chris McErlean** And I think it was brought up before, Jamie said it's not as much of an issue on the thoroughbred side, although it is becoming more so with ship-ins, from a standardbred side you don't control about three-quarters of the horses coming into your facility beforehand. So surveillance cameras on private property are probably not going to fly, at least not in the US under due process. Any other comments?

**A voice:** Bill Nader, I have one question. For your ship-in horses that normally come out do the statistics show, for your detention area, once you started it, that the number of ship-ins reduced? And if so, by how much as far as a statistic could you share with us?

**Bill Nader:** That was a big concern of ours, and our field sizes did decline this summer but that was true throughout the industry. I think the place that we felt most vulnerable, and had the most exposure, was at Aqueduct because post-time was 12:30. It's colder in the wintertime, horses have to arrive earlier, and fortunately for us—and I think this is a benefit of having the program

up and running for 8 months—field sizes have been very good, in fact, better during this current inter-track meet at Aqueduct than in past years. That was a big concern of mine personally, that we were going to suffer in that way, but we have not. So I think that's very refreshing and it shows how horsemen have sort of bought on to what we're trying to do and embraced it, and are being very receptive and supportive of our program.

**Stan Bergstein:** On the question of how it affects horses, and the disruption, whether it's an equine reaction or whether it's a perception of the humans that train them, is a question that remains to be answered. Not here, because lunch is now served. I want to thank the panel. I want to thank all of you, and that concludes the general sessions of this congress.