

01 BEFORE THE CALIFORNIA HORSE RACING BOARD

01 OF THE STATE OF CALIFORNIA

02 ROBERT H. TOURTELOT, CHAIRMAN

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06 In the Matter of:)
07)
07 The Regular Board Meeting of)
08 the California Horse Racing Board)
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17 TRANSCRIPT OF PROCEEDINGS

18 Pomona, California

19 Friday, September 22, 2000

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24 Reported by:

25 Frances Eggleston, RPR
01 CSR No. 11662

02 Job No.:
03 CHBD267

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OF THE STATE OF CALIFORNIA
ROBERT H. TOURTELOT, CHAIRMAN

In the Matter of:)
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The Regular Board Meeting of)
the California Horse Racing Board)
_____)

TRANSCRIPT OF PROCEEDINGS, taken
at 601 West McKinley Avenue, Pomona,
California, commencing at 10:30 a.m., on
Friday, September 22, 2000, heard before
ROBERT H. TOURTELOT, Chairman, reported by
FRANCES EGGLESTON, RPR, CSR No. 11662,
a Certified Shorthand Reporter in and for
the State of California.

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APPEARANCES:

Chairman:	ROBERT H. TOURTELOT
Vice-Chairman:	JOSEPH B. FENLEY
Member:	SHERYL L. GRANZELLA
Member:	MARIE G. MORETTI
Executive Director:	ROY C. WOOD, JR.
Assistant Executive Director:	ROY MINAMI
Deputy Attorney General:	TOM BLAKE

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I N D E X

AGENDA ITEM NUMBER:	PAGE
1 - Approval of the minutes for the regular meeting of August 25, 2000.	5
2 - Discussion and action by the Board on the Application for License to Conduct a Horse Racing Meeting of the Churchill Downs California Fall Operating Company (T) at Hollywood Park, commencing November 8 through December 24, 2000, inclusive.	6
3 - Discussion and action on the proposed amendment to CHRB Rule 1691, Colors and Number, to permit advertising on jockey attire, owner silks and track saddle cloths.	16
4 - Discussion and action by the Board on new and re-appointments to the Board of Directos of the California Thoroughbread Horsemen's Foundation.	16
5 - Discussion on the effectiveness and accuracy of the current method of clocking horses' works.	19
6 - Staff reports on the following concluded race meets:	51

- 15 A. Churchill Downs California company at Hollywood
15 Park from April 28 through July 24, 2000.
16 B. San Joaquin County Fair at Stockton from
16 June 14 through June 25, 2000.
17 C. Alameda County Fair at Pleasanton from June 28
17 through July 9, 2000.
18 D. Solano County Fair at Vallejo from July 12
18 through July 24, 2000.
19 E. Sonoma County Fair at Santa Rosa from July 26
19 through August 7, 2000.
20

20 7 - General Business: Communications, requests for 52
21 future action of the Board, reports.
21

22 8 - Old Business: Issues that may be raised for
22 discussion purposes only, which have already been
23 brought before the Board.
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01 Pomona, California, Friday, September 22, 2000
02 10:30 a.m.
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05 MR. WOOD: Good morning, everyone. If you will
06 please take a seat -- we can start the meeting as soon as
07 everyone finds a place to sit down.

08 I want to welcome each of you to the Regularly
09 Scheduled Meeting of the California Horse Racing Board,
10 and this is being conducted on Friday, September the 22nd
11 of the year 2000, at the Sheraton Suites Fairplex in
12 Pomona, California.

13 Present at today's meeting are Chairman Robert
14 Tourtelot, Vice Chairman Joe Fenley, Commissioner Sheryl
15 Granzella, and Commissioner Marie Moretti.

16 Before we go to the business of today's meeting,
17 I do respectfully request that if you give testimony in
18 front of this Board, that you provide our court reporter
19 with your name and association. If you have a business
20 card to give her, it would be very much appreciated.

21 With that, I would like to turn the meeting over
22 to our Chairman, Mr. Bob Tourtelot.

23 MR. TOURTELOT: Good morning and welcome to the
24 September Regular Meeting of the California Horse Racing
25 Board.

01 First item on the agenda is the approval of the
02 minutes for the Regular Meeting of August 25th, 2000.

03 MS. MORETTI: I would make a motion to approve.

04 MR. FENLEY: Second.

05 MR. TOURTELOT: All in favor?

06 (Motion was unanimously carried)

07 MR. TOURTELOT: So approved.

08 Next item is discussion and action by the Board
09 on the Application for License to Conduct a Horse Racing
10 Meeting of the Churchill Downs California Fall Operating

11 Company at Hollywood Park, commencing November 8 through
12 December 24, 2000.

13 Jackie.

14 MS. WAGNER: Good morning, Commissioners. Jackie
15 Wagner, CHRB staff.

16 The Application before you is from the Churchill
17 Downs California Fall Operating Company for their
18 Hollywood Park Fall Meet that will run from November the
19 8th through December the 24th. This is 35 days, which is
20 4 days more than in 1999.

21 The Association is proposing to race a total of
22 301 races, or 8.6 races per day. They meet the 10 percent
23 requirement of stakes versus pay for Cal Bred.

24 They will be racing five days per week, Wednesday
25 through Sunday, with eight races on Wednesday, Thursday,
01 and Friday; nine races on Saturday; and ten races on
02 selected Sundays and November 24th and 25th. They are
03 also requesting the right to increase or decrease the
04 number of races based upon the availability of horses.

05 Their first post time will be 12:30 p.m. daily.
06 They are proposing a 7:00 p.m. post on Friday, November
07 the 10th and the 17th, and an 11:00 a.m. post on Thursday,
08 November the 23rd.

09 They will be using CHRB rules for their wagering
10 program. We have received the TOC Agreement this morning,
11 and the only item missing is the fire plans.

12 Staff would recommend that the Board approve the
13 Application contingent upon us receiving this.

14 MR. TOURTELOT: Any comments or questions from the
15 Commissioners?

16 Any comments from the audience?

17 MS. MORETTI: Motion to approve.

18 MR. TOURTELOT: Motion to approve the application.

19 MS. GRANZELLA: I'll second.

20 MR. TOURTELOT: All in favor?

21 (Motion was unanimously carried)

22 MR. TOURTELOT: So approved.

23 Thank you, Jackie.

24 Item Number 3: Discussion and action on the
25 proposed Amendment to CHRB Rule 1691, Colors and Number,
01 to permit advertising on jockey attire, owner silks, and
02 track saddlecloths.

03 Jackie.

04 MS. WAGNER: Jackie Wagner, CHRB staff.

05 As you know, the issue of sponsorship logos and
06 advertising in conjunction with California Racing has been
07 discussed for a number of years. The topic was initially
08 discussed in September of 1997. Since that time the Board
09 has encouraged the industry to come together to reach a
10 consensus approach on the topic.

11 At the urging of Chairman Tourtelot, a recent
12 meeting was held with the Jockeys' Guild, the TOC, and the
13 California tracks to discuss the issue of creating a
14 structure with joint participation sponsorship revenues by
15 the owners, the tracks, and jockeys.

16 At that meeting consensus was reached and
17 subsequently TOC has requested that the Board propose an

18 amendment to its rules to allow advertising on the jockeys
19 clothes, track saddlecloths, and owner silks. The
20 proposed Amendment to rule 1691 will be just that.

21 Presently, 1691 prohibits advertising on logos,
22 labels, or product endorsement on the jockeys silk --
23 excuse me, the owner silk, the jockeys clothing, or the
24 track saddlecloths. The proposed amendment will allow
25 advertising in California Racing.

01 The advertising will be permitted on the attire
02 from the point of laying out for a race to the conclusion,
03 and it has to fall within the guidelines. No advertising
04 will be permitted that endorses tobacco, weapons,
05 pornography, or products detrimental to horse racing.

06 Staff would recommend that the Board instruct us
07 to initiate a 45-day comment period for notice on this
08 particular Amendment, so we can go out and receive
09 comments.

10 MR. TOURTELOT: Thank you, Jackie.

11 You indicated on the agenda that this is a
12 proposed amendment and a 45-day notice period, but what
13 we're talking about now is approving the go-ahead with the
14 notice period.

15 Comments from the Commissioners?

16 MR. FENLEY: I have one question here, and that is,
17 who is going to be the screening body for something that
18 might be questionable in terms of good taste? I don't
19 know if staff would be involved with that, or is there
20 going to be a body that is going to be appointed by the
21 owners, jockeys, or the NTRA that is going to screen
22 this? Who is going to screen this if something pops up
23 from time to time that might be questionable?

24 MR. TOURTELOT: It's in the revision to 1691.

25 MS. WAGNER: Correct.

01 MR. TOURTELOT: It does not -- the Board determines
02 whether products are in the best interest of horse racing.
03 It has other categories; tobacco, weapons, pornography.

04 MR. FENLEY: Right, but certain language -- and I'm
05 talking about certain language can be construed -- can
06 have a double meaning, and at least it could show up at
07 the paddock; and there's no control at that point.

08 MR. TOURTELOT: They have to submit it to the Board
09 first for approval before they can put it on --

10 MR. FENLEY: Which Board?

11 MR. TOURTELOT: The California Horse Racing Board.

12 MR. FENLEY: You mean the Horse Racing Board will deal
13 with --

14 MR. BLAKE: The regulation provides that the initial
15 determination will be made by the stewards at the track.

16 MR. TOURTELOT: The stewards work for the Board.

17 MR. BLAKE: The stewards can then bring it to the
18 Board.

19 MR. FENLEY: So all the advertising will be first
20 presented to the stewards?

21 MR. BLAKE: That's right. It will be presented to the
22 stewards first.

23 MR. FENLEY: Are the stewards equipped to make a
24 judgment on all forms of advertising? Will they be

25 trained? How will that work?

01 MR. WOOD: Part of the process we're going through --
02 one thing we have to point out to everybody to review is
03 that this is a test program for a one-year duration. We
04 are asking that we adjust this regulation, and we are
05 going to review the circumstances of each incident during
06 the year.

07 Currently, when an owner turns his silks in at
08 the race office, they are accepted by the racetrack, and
09 the owner's silks are reviewed by the racing office.
10 Under this regulation and this approval, the stewards at
11 the racetrack would be responsible for making the
12 determination, as set out in the rule, of what is in the
13 best interest of racing, and to apply the rule as it is
14 written.

15 The stewards will be trained. We have a 45-day
16 notice period. We have another 45-day period to adopt the
17 regulation before it becomes effective, and in that time,
18 we have individual meetings with the stewards to discuss
19 the issues of what determination of best interest of
20 racing means. There is some questions that will come out
21 of that, but that's how the regulation is structured.

22 Thank you.

23 MR. TOURTELOT: Any questions or comments from the
24 audience?

25 MR. VAN DE CAMP: Mr. Chairman, John Van De Kamp with
01 TOC.

02 I think it just needs to be talked about a little
03 more here today. This proposed rule came about as a
04 result of interest of Board members as well as Jockeys'
05 Guild and those in the industry, to find ways of getting
06 new revenue sources into horse racing.

07 We started back in 1997. I think Mr. Fenley was
08 at one of the meetings where we thrashed this around. The
09 next meeting we had Nick Nicholson came in from Kentucky
10 and then with the NTRA to talk about establishing some
11 national standards. It was turned over since to them, and
12 nothing happened.

13 So earlier this year, the Jockeys' Guild
14 approached us, and we worked together to put together a
15 meeting at Del Mar this summer to try to come up with a
16 program, a pilot program, if you will, that would let us
17 put our toes in the water.

18 In England, we're told that, I guess, 5- to \$6
19 million a year in revenue goes to owners. It doesn't go
20 to jockeys or to the tracks necessarily, but it goes to
21 owners there; and they get it in the form of VAT relief,
22 Value Added Tax relief. Here we thought -- we think
23 probably in most instances, if this industry is to move
24 along doing new things, everybody needs to share and
25 participate in it.

01 And so in our meeting with Del Mar -- members of
02 the Board were there. We are grateful for their
03 participation -- we talked around this for three to four
04 hours and raised a number of issues and came up with the
05 consensus statement that was then taken back to Saratoga
06 this summer.

07 A meeting was held there to see what kind of
08 reaction it would have at a national level, and the
09 response was, "Well, we'll be interested in watching what
10 you do there." They did not turn thumbs down. They
11 basically said, "Go to it and try it."

12 So we have filed with the Board -- and it is
13 available publicly to anyone who is interested -- a draft
14 statement of consensus about how we would anticipate
15 operating. Now, that's basically -- what we're trying to
16 do is provide an opportunity for owners.

17 We cannot negotiate away individual contract
18 rights, but we can provide -- because the NTRA has
19 promised to be involved in trying to sell some national
20 sponsors on the use of these logos, whether it's on the
21 owners' attire, the jockeys' attire, or the tracks'
22 attire.

23 So we provided for some opt-out arrangements so
24 people do not have to wear logos, and we provided for a
25 split. So if any individual came up with a potential
01 sponsor, it would go through the NTRA, then go back, and
02 people could either opt in or opt out.

03 The sponsor -- the person who found the sponsor
04 would get a percentage. The NTRA would act as the banker,
05 and then there would be a split between the tracks, the
06 owners, and the jockeys; and we've worked that out in the
07 Agreement that we filed with the Board.

08 We would like to try it for a year, because we
09 think there are opportunities here that we have not tapped
10 on yet. We obviously have needs to find new
11 revenue sources for this industry. I would hope that
12 after a year, a year and a half, that the Board take a
13 look at this to see how it has worked out.

14 The rule, as it's drafted, does not prohibit, you
15 know, individuals from going out and doing things on their
16 own. That could conceivably happen.

17 And I think you'll have major questions about
18 taste, what is detrimental to the interest of horse
19 racing. That is in the rule.

20 Products that are detrimental to the best
21 interest of horse racing is determined by the Board. I
22 think that poses some problems for you, but I think we
23 have to get a start.

24 We welcome the support we've had from the
25 industry and from the Board on this issue.

01 MR. TOURTELOT: Thank you, John. Thank you for your
02 help and everybody else's.

03 I think what we've done -- and I believe I speak
04 for the Board -- is said, "We'll give you the key to
05 unlock the door." You all get together and you work out a
06 proposed arrangement that you all sign off; and we were
07 not going to be an impediment to you being able to
08 implement that, the key to unlock the door that previously
09 was locked. I think I speak for the Board on that.

10 So it's really up to the jockeys, the owners, the
11 Association, and the tracks to get this worked out. We've
12 come a long way.

13 MR. FENLEY: For the record, the Board will not be

14 involved in any disputes concerning this except on the
15 good-taste issue?

16 MR. TOURTELOT: Right.

17 MR. WOOD: I think, Mr. Chairman, there may end up
18 being disputes, as there are in every area of horse
19 racing, unfortunately. We, the Board, and the stewards of
20 the racetrack will have to determine -- as Mr. Van De Kamp
21 pointed out, this is a pilot program.

22 It is difficult to determine what disputes we may
23 find in the next year, but we are going to find
24 opportunities where the owner -- the Association may have
25 conflicting advertisers; and those are going to have to be
01 addressed.

02 Nowhere in the process did we ever determine that
03 this was going to be an easy issue that was going to have
04 a black-and-white solution to everything. We are going to
05 have some hard determinations about the best interest of
06 racing. We are going to have some hard decisions as it
07 comes to advertising, when people show up with different
08 circumstances that were prearranged by another group.

09 We believe the stewards can handle that on a
10 regular basis. They are going to have to err on the
11 conservative side to begin with.

12 We believe that the cause is loud and clear for
13 some proactive improvements in horse racing as compared to
14 other professional sports. We need to look at ways to
15 change the product and make it more accessible to bring
16 more people involved in sponsorship.

17 With all the problems that we may end up trying
18 to adjudicate in the next year, the benefits of this
19 program will have to come about; and the problems can be
20 handled by the stewards at the track.

21 MR. TOURTELOT: I can respond to Commissioner Fenley's
22 statement. Just on the surface it would seem that
23 basically the only dispute would be if somebody comes up
24 and says that there is a contract between -- a contract
25 where a track has allowed a certain product to be
01 advertised or used, and the jockeys are wearing a
02 competitor's.

03 I don't know how we will get involved in that.
04 That is something I don't anticipate happening every day.
05 I think on the surface of what Mr. Fenley was referring
06 to, it appears that signage is going to be the major
07 thing.

08 MR. WOOD: That will be the major issue. Yes, sir.

09 MS. GRANZELLA: How many other states allow
10 sponsorship?

11 MR. WOOD: In the United States California will be the
12 very first. We think that others will follow, if we set a
13 good example.

14 MR. TOURTELOT: Well, saddlecloths now seem to have
15 all kinds of advertising on them at major races, and
16 jockeys are wearing turtlenecks with some type of emblem
17 or advertising.

18 We were the first to do a lot of things such as
19 the different colors or the numbers on the horses, which
20 is not really an element to this; but the fact is it's

21 time to move forward on this.

22 At this point the Chair will entertain a motion
23 to direct the staff to send out the notice and start the
24 45-day period regarding this amendment to rule 1691.

25 MR. FENLEY: I make a motion, Mr. Chairman, to
01 instruct staff to initiate the 45-day comment period on
02 Item Number 3, the amendment to CHRB Rule 1691.

03 MS. GRANZELLA: I second the motion.

04 MR. TOURTELOT: All in favor?

05 (Motion was unanimously carried)

06 MR. TOURTELOT: That passed.

07 Item Number 4: Discussion and action by the
08 Board on new and reappointments of the Board of Directors
09 of the California Thoroughbred Horsemen's Foundation
10 John.

11 MR. REAGAN: Good morning, Commissioners.

12 John Reagan, R-e-a-g-a-n, CHRB staff.

13 As indicated in the staff analysis, the
14 California Thoroughbred Horsemen's Foundation provides
15 medical, dental, and other benefits to employees at
16 thoroughbred tracks. Our rules require that appointments
17 to their Board be approved by this Board, and they
18 recently had two reappointments and a new appointment.

19 The two reappointments, Doris Johnson and
20 Leonard Dorfman, have worked closely with staff in the
21 last several months. They are very much aware of the
22 situation at the CTHF and have made good contributions and
23 will continue to make good contributions.

24 Dr. Steiger is an excellent choice. As they
25 provide many medical benefits to their beneficiaries on
01 the back stretch, a doctor, someone in that area, would be
02 able to inform them of changes and other opportunities.
03 And we believe that appointing Dr. Steiger was also a very
04 good idea for the CTHF, and we ask that you approve these
05 recent appointments and reappointments.

06 Thank you.

07 MR. TOURTELOT: Thank you.

08 Any questions or comments from the
09 Commissioners?

10 Any comments or questions from the audience?

11 MR. Foreman: Mr. Tourtelot, I'm Bob Foreman, as you
12 know, and I do represent the CTHF. I would be happy to
13 answer any questions the Commissioners might have with
14 respect to these appointments, and I also after that
15 business is over, have a general announcement to make with
16 regard to CTHF.

17 MR. TOURTELOT: Thank you. Good morning, Bob.

18 Any questions of Mr. Foreman?

19 Well, the Chair will entertain a motion to
20 approve the CTHF appointees.

21 MS. MORETTI: I make a motion.

22 MR. FENLEY: Second.

23 MR. TOURTELOT: All in favor?

24 (Motion was unanimously carried)

25 MR. TOURTELOT: Okay, Bob, those have been approved.

01 MR. Foreman: At this time, then, I would like to
02 announce to the Board, to the Chairman of the Board, and

03 to all present that the CTHF has recently been fortunate
04 enough to acquire the services of Mr. Cliff Goodridge.

05 Mr. Goodridge, as you know, is the former CEO of
06 the Los Angeles Turf Club and widely respected within the
07 industry. Cliff will now become our chief executive
08 officer.

09 He starts October the 2nd; that's a week from
10 next Monday. We think he will do a wonderful job in
11 getting additional funding for us that's quite essential
12 to the organization if it is going to continue the
13 services it has historically provided.

14 We look forward to his arrival. We're confident
15 and I'm sure you're confident that he will do a great job
16 for us.

17 MR. TOURTELOT: He will make a great appointment.

18 MR. VAN DE CAMP: Mr. Chairman, John Van de Camp.

19 Mr. Chairman, I think many of us in this room are
20 crossing our fingers and hoping the Governor signs AB 2760
21 that's now on his desk. It has real relevance, I think,
22 to the Horsemen's Foundation, because out of the advanced
23 deposit wagering, which is one of the things that the bill
24 will authorize, a segment of that will go definitely to
25 the welfare fund and to the pension fund.

01 On top of that, a provision was included in 2760
02 that now mandates -- or will mandate, if it is signed by
03 the governor, that not 20 percent, but 50 percent of all
04 charity day revenues can be used for what I call,
05 "back-side philanthropy," which means that tracks could
06 dedicate funds, more funds than are available today, to
07 both the pension fund and the welfare fund.

08 So those are two major important revenue sources
09 that will be triggered by this bill should the Governor
10 sign it, as we hope he does.

11 MR. TOURTELOT: Thank you, John.

12 Any other comments, questions?

13 We have Number 5 on the agenda: Discussion on
14 the effectiveness and accuracy of the current method of
15 clocking horses' works.

16 Who will speak on that?

17 MR. WOOD: Mr. Mike Martin will speak on that.

18 MR. MARTEN: Mike Martin, staff for the California
19 Horse Racing Board.

20 Most mornings in California, thousands of race
21 horses go out and exercise in the morning at the various
22 tracks and training facilities, and of those, several
23 hundred do more strenuous workouts or works. Now, the
24 major tracks, they can have 100, 150; and the smaller
25 facilities have fewer, of course.

01 The accurate clockings for these works are
02 crucial to the para-mutuel wagering system. The fans depend
03 on this information for their wagering, and also, the
04 horsemen rely on accurate clockings because some horses'
05 eligibility to race is determined by their works.

06 So for that purpose, the racetracks employ
07 clockers, and the CHRB licenses these clockers as
08 employees of the Association; and that puts them under the
09 control and supervision of the Board and of the stewards.

10 This differs from the many private clockers who
11 can be seen in the grandstand areas in the mornings.
12 Those are not licensed clockers; they are private. They
13 sell their information to the public and to horsemen, and
14 they are not the subject of this presentation.

15 Opinions vary on the completeness and accuracy of
16 the official clockings. Even official clockers themselves
17 will concede that mistakes are made. The question is, how
18 many and how severe?

19 The supporters of the official clockers would say
20 that they do a very good job and nobody's perfect and
21 mistakes are made. The critics would say some of them are
22 incompetent and maybe even dishonest.

23 It is not the staff's job to take a position on
24 that. We'll leave that to something you might want to
25 address later. We want to stay as factual as possible.

01 The clockers are unionized. They are members of
02 the Teamsters, and they enter into collective bargaining
03 agreements with the Federation of the racetracks.

04 They consider themselves well paid. They have
05 excellent benefits: health, vision, retirement, sick and
06 vacation time; and for that reason, they stay on the job
07 for quite a while. One just retired after 30 years.
08 There are clockers with 20, 25, 30 years of experience
09 working right now.

10 They operate in crews of anywhere from two to six
11 members, depending on the activity at a track. Here at
12 Fairplex there's two clockers handling everything, because
13 on average, there is only about 30 horses working each
14 morning.

15 At a place like Del Mar, where they just left, it
16 wasn't unusual to have 150 horses working, and they have
17 the largest crew in the State of six; and that would be
18 comprised of four clockers up at the top of the grandstand
19 in the booth, and a tabwriter to record it, and then a
20 fifth clocker, who doesn't actually clock. He or she is
21 down at the track side collecting information on who is
22 working and passing that along by intercom upstairs.

23 Trainers are required by the California Horse
24 Racing Board Rule to identify horses before they work.
25 They will do that by either communicating to the
01 track-side clocker or sometimes phoning upstairs to the
02 clockers themselves.

03 The job of clocking would be simpler if, in the
04 course of a morning, from 5:00 to 10:00 a.m., if all the
05 horses worked through that five-hour period, but that's
06 not the way it works. Trainers are naturally interested
07 in the safety of their horses and the health of them, and
08 they believe that the best time to work a horse is when
09 the track first opens; when it's the smoothest, safest
10 surface.

11 That opportunity comes along several times in a
12 morning. There is the initial opening and then there is
13 at least two renovations of the track during the morning.
14 So after each renovation, that is essentially a new track
15 opening. So you have the burst of activity followed by
16 less activity.

17 So the -- on heavy work mornings, particularly at
18 the opening or right after these renovations, the clockers
19 are really put to the test. And if you've ever watched
20 them, it's amazing that they could handle so much activity
21 out there. First, they have to differentiate between who
22 is just out galloping and who is actually working. And
23 the longer they work together, the more experienced they
24 are, the better they do.

25 As we stated, errors are made. And I think most
01 people would agree that there's more at Del Mar than
02 anywhere else, and that's for several reasons.

03 One is, there is more horses stabled at Del Mar
04 than at any other track location; 2,300 at this past
05 meeting as opposed to 2,000, 1,900 at some of the other
06 major tracks.

07 Also, there isn't an adequate training track at
08 Del Mar. It is only a 3/8 track, and trainers don't like
09 to work horses on a 3/8 track. So they are forced onto
10 the main track.

11 And thirdly, it's a less-experienced crew at
12 Del Mar. Clockers with seniority chose not to go to the
13 added expense of getting a hotel room and eating at
14 restaurants at Del Mar.

15 The three senior clockers in California were all
16 at Hollywood Park this last summer; and counting the other
17 people with them, they had about a century of experience,
18 which was at Hollywood Park this last summer. That left a
19 less-experienced crew at Del Mar.

20 Management at Del Mar is trying to deal with this
21 problem. One thing they did was opened at 4:30, trying to
22 spread that workload out. 4:30 is the earliest opening in
23 the State.

24 They also added a third renovation; one more than
25 other places, so you essentially have four track openings.
01 So again, they are trying to spread the work out.

02 They also proposed, two years ago, to build a
03 training track in a little-used part of the parking area.
04 They met obstacles at the California Coastal Commission.

05 Joe Halwood, president of Del Mar, says a
06 training track is part of the master plan being worked out
07 with the Ag District and with the State Racetrack Leasing
08 Commission, but he says that is at least two years away.

09 The clockers come under the oversight of the
10 stewards. Because this job has -- there's very little
11 turnover in this job so it's very rare to have new
12 clockers, but when one does come along that the stewards
13 are not familiar with, they rely on the head clocker to
14 provide an affidavit of some sort that this person has
15 been properly trained.

16 During each meet, the associate steward spends
17 some time with the clockers. In the Southern California
18 Thoroughbred Circuit, that is Jack Williams. He spends
19 some hours with them at each meet. He goes there fairly
20 early in the morning, tries to surprise them, as he says,
21 to keep them on their toes.

22 He also did, a few years ago, more in-depth
23 research. He spent several days at Santa Anita, Hollywood

24 Park, Del Mar with the clockers, and his assessment was,
25 quote, "I have a lot of confidence in the clockers. I
01 found absolutely no problem with any of them. They were
02 thorough and accurate."

03 Suggestions on how to improve clocking methods in
04 California, we can look at other jurisdictions. In
05 Hong Kong, for example, the clockers -- the horses wear
06 identifying numbers to make it easier for the clockers to
07 differentiate, as opposed to, say, England where they work
08 privately, so there is no official clockings at all.

09 At the request of the Thoroughbred Owners of
10 California, the CHRB staff last year looked at the
11 automated system in use by the Japan Racing Association.
12 And the staff reported in the November 10, 1999 meeting
13 that the cost would be about \$3 million.

14 One way for the Board to improve the
15 identification of the horses would be for the stewards to
16 more rigidly enforce the rule that requires trainers to
17 provide the names of the horses about to work.

18 Whenever the stewards receive a complaint from
19 the clockers that a trainer is not complying with that
20 rule, they all issue a warning; and if it continues, they
21 have been known to take sanctions as well.

22 But I think it's pretty much understood that the
23 clockers don't routinely turn in trainers for not
24 reporting. They just try to work around it. The stewards
25 cannot enforce something that isn't brought to their
01 attention.

02 That concludes the staff report. I know there
03 were individuals in the audience who probably would like
04 to speak, including Karen Colender -- I'm not sure if I
05 pronounced that correctly -- who would like to speak on
06 electronic I.D.

07 MR. TOURTELOT: First, are there any questions or
08 comments from the Commissioners?

09 MS. GRANZELLA: I'm curious, how does Japan do it?

10 MR. MARTIN: They have chips of some kind.

11 MS. GRANZELLA: Like transponders?

12 MR. MARTIN: I wouldn't want to put a name on it.
13 Just chips of some kind that the horses have to carry and
14 then there are sensors at each pole.

15 MR. FENLEY: Mike, we know a lot of those times are
16 inaccurate that are posted in the Racing Form. Do you
17 think it would be fair to the public to put a disclaimer
18 in there, saying we don't guarantee, or there could be
19 some discrepancies, or something to let them know that if
20 they are going to swear by that before they make their
21 bet, that they understand that it could be wrong?

22 MR. MARTIN: You are referring to the Racing Form.

23 MR. FENLEY: Well, wherever they refer to it, if it
24 works.

25 MR. MARTIN: That would be up to the Racing Form.

01 MR. FENLEY: What I'm saying is, should we put a
02 little heat on the Racing Form to put a disclaimer in
03 there? It's just an opinion.

04 MR. MARTIN: I have no opinion on that.

05 MS. MORETTI: Mike, first of all, from my point of

06 view, clarify for me, we're not looking at whether or not
07 someone is doing their job well or not. I think the
08 clockers do a really good job, given what they have,
09 especially at Del Mar this summer.

10 Joe and I were talking about it earlier. It is a
11 huge job, as you said. So I acknowledge the work that
12 they are doing.

13 My thought is just there are lots of ways that
14 horse racing should come into the 21st century where
15 someone else might be in the 20th century; and this is one
16 of those things we need to look at. And again, the item
17 on the agenda is the effectiveness and accuracy of it. So
18 that's where I'm headed for in this discussion.

19 You mentioned a \$3 million cost figure that the
20 TOC estimated. Was that for implants in the horses or
21 what was that figure for?

22 MR. MARTIN: It is not the TOC estimate. We have a
23 letter from the Japan Racing Association. Again, this was
24 presented in November. And this is from June Tacouchi
25 (phonetic) who said, "According to the Sua Sec, Inc.,
01 which has ALIS system, our system costs more than
02 \$3 million dollars to build up total system." These are
03 very rough numbers, they say. Please contact so-and-so.

04 MS. MORETTI: That may or may not be relevant to what
05 we might want to consider here, but --

06 MR. MARTIN: I wasn't part of this review last
07 November, so I really don't know.

08 MS. WAGNER: Jackie Wagner, CHRB staff.

09 In researching this particular topic last year,
10 the Japan Racing Association did provide us with this
11 letter.

12 Their system primarily consists of a microchip of
13 some type that is imbedded in the saddle cloth that goes
14 on the horse, and they also have the mechanism that will
15 read that microchip. So that's where the cost comes into
16 play. Because they have to put those microchips in the
17 saddle cloth as well as have the equipment to read it.

18 MR. FENLEY: \$3 million seems like a lot of money for
19 what you just described. Is that a competitive number
20 or -- let me ask Roy.

21 Has there been any study done on this to see if
22 somebody can get into it?

23 MR. WOOD: Commissioner Fenley, I think it is always
24 worth it to investigate and look at what the actual cost
25 would be. The staff has looked at the cost in 1999. We
01 worked diligently with the Japan Racing Association to
02 find out the particulars of this product that was
03 introduced there.

04 At that time, because of the cost of it and the
05 newness of it, the Board directed us to continue to be
06 watchful of it. But I think it is an area that needs
07 additional interplay.

08 MR. TOURTELOT: Craig.

09 MR. FRAVEL: Mr. Chairman, Craig Fravel, Del Mar
10 Racetrack. I am addressing Ms. Moretti's suggestion.

11 I happen to be on the Board of Directors of
12 AquaBase, which is the provider of all data for

13 racetracks, including workout information that goes on the
14 Daily
15 Racing Form. AquaBase had a very comprehensive project
16 under way about four years ago to investigate electronic
17 means of tracking workout data, going anywhere from
18 reviewing microchips to cellular technologies, to
19 triangulation, satellite, GPS-type monitoring.

20 Candidly, with three or four large companies
21 working on it, probably a quarter of a million dollars
22 invested in that project, they threw up their hands about
23 three years ago and said, "Now is not the time. We can't
24 seem to be able to find the technology to handle this
25 accurately and fit within the context of the rider, the
01 saddle, and the number of horses on each racetrack."

02 It is easy to say, "Well, the Japanese have done
03 it." I would point out that the Japanese have more money
04 than anybody in this room combined, except maybe, well,
05 Mr. Lewis, but --

06 MS. MORETTI: Bob did indicate he would pay for the
07 whole thing.

08 MR. FRAVEL: I'm here to volunteer on his behalf.

09 In any event, one issue in Japan is that they
10 train and operate out of various training centers. I
11 think there are three or four.

12 And when I was in Japan three or four years ago,
13 they had a bar code reader and you had an overhead system
14 that read those bar codes as the horses go around. It is
15 a very large bar code, kind of funny looking thing; but
16 you have to install those at each facility around the area
17 that's using it.

18 And the cost of those kinds of things -- and I
19 think that was one of the things that AquaBase looked at.
20 It was somewhat cost prohibitive. You also end up with
21 shadows across the racetrack, which during races, we all
22 know would cause issues with horses jumping and shying and
23 those kinds of things.

24 It is not as easy -- for those of us who are
25 technically unsophisticated, it sounds like an easy
01 solution to find some electronic or technical means of
02 addressing this question.

03 I think Akwa Base is going to reinstitute that
04 process. Because they do currently provide reimbursement
05 to tracks around the country for providing workout data,
06 it's in their interest to reduce that cost ultimately and
07 to make the process more efficient. I do know that there
08 are plans to reinstitute that investigation and try to
09 find the technical means of addressing it, but it's not as
10 easy as it seems.

11 MS. MORETTI: I understand also in Britain they are
12 doing something. Are you familiar with what that might
13 be?

14 MR. FRAVEL: There are things that are buried
15 underneath the track. There are various and sundry
16 methods that are used. I am not familiar with what is
17 done in England. I'm sure somebody else may know more
18 accurately what is done over there.

19 MR. TOURTELOT: Thank you, Craig.

20 MR. FENLEY: There was one last question I wanted to
21 ask you.

22 MS. KLAWITTER: Good morning, my name is Karen
23 Klawitter. I am the executive officer of Southern
24 California East Side Foundation and the Research
25 Foundation. I am not associated with electronic I.D. at
01 all.

02 The only point I want to address this morning was
03 that of identification of the horses. We have been
04 looking at the possible means of identifying each horse.
05 In England, they have gone to chip I.D. where the
06 veterinarian will insert an I.D. chip into a foal. As of
07 the year 2001, they will start screening the horses as
08 they come on the track for identification. The system
09 basically scans the chip and it lets the horse identifier
10 know that it is the horse who has been entered for that
11 race.

12 I gave the Commissioners information on this
13 process, and at their leisure, hopefully be able to read
14 it, and consider it as an option for at least the
15 identification, the positive identification of the horses,
16 both in racing and for the workouts.

17 Thank you.

18 MR. TOURTELOT: Joe, did you have a question?

19 MR. FENLEY: My question was, do the stewards have a
20 system -- maybe not the stewards themselves, but others
21 that do an oversight check on the clockers clocking? Does
22 anybody come out just to clock and see what they have just
23 as a check?

24 MR. WOOD: Commissioner Fenley, it was my report -- in
25 1998, I believe, we had a similar discussion about the
01 validity and accuracy of clocking the horses, and we had
02 several discussions. Not only were the clockers involved,
03 but the horsemen and others were involved.

04 We instituted at that time a program with the
05 associate steward with an unannounced visit to the clocker
06 stand to clock horses and oversee the operation. That was
07 conducted on a very serious basis for four and five-day
08 stance.

09 Since that time we have enacted and kept in place
10 a program where an associate steward would visit, on a
11 random basis, the clocker stand to check on the accuracy
12 of the clocker. So that has been done and continues to
13 be done on a regular basis.

14 MR. FENLEY: So there is a constant evaluation?

15 MR. WOOD: Yes, sir, there is.

16 MR. FENLEY: All right.

17 MR. BASSETT: Mr. Chairman, my name is Lafe Bassett. I'm
18 the head clocker at San Francisco, Bay Meadows, and Golden
19 Gate Fields. I have 27 years of experience at clocking.
20 I've been at Del Mar for a greater part of my career.

21 I came here today because it seems like the only
22 time the clocking becomes an issue is when there is damage
23 control. It's a very -- clocking is a very esoteric
24 division of racing, and not too many people understand.
25 When they step into the realm of racing, as Mr. Martin or
01 the people down south, they found out it how extremely

02 difficult clocking is.

03 I would like to stress the point that in the
04 State of California there is an enormous amount of money
05 and a tremendous amount of effort put forth to make sure
06 that all times are the right times. Now, I will say, in
07 my 27 years, as I'm standing here before you, that
08 clocking is 99.9 percent effective. It's right on.

09 It is a very important aspect of racing in that
10 with maiden races, that's the information you have to go
11 by. The public has to feel that they are being
12 represented in the morning. When they are not out there,
13 those times have got to be correct; and that's where the
14 clockers step in.

15 I have had a lot of affiliation with private
16 clockers. I know a lot of private clockers. The
17 difference between the two is that a private clocker can
18 begin clocking a horse and stop clocking it. By that I
19 mean, if you are down at Del Mar and a horse starts to go
20 5/8 of a mile, a private clocker starts on it and doesn't
21 like the way it is going in the starting gate break, he
22 can clear his watch and just clock the starting gate. We
23 don't have that. We have got to clock every single horse
24 that works on the track.

25 What we do is take multiple splits. We're
01 talking four, five, six horses at a time. That takes a
02 lot of time to learn how to do this.

03 And the main gel that holds a good clocking
04 together is experience. It's not just the fact that you
05 can clock a horse; it's that you are working together in
06 unison. And that's what you don't have at Del Mar. It is
07 very hard to do that when people come in from different
08 areas. They don't know the cloths, they don't know the
09 riders, and it is hard to do.

10 When you are at Del Mar, you start to get
11 together probably just about the last two weeks. You
12 start feeling your way around, working in between each
13 other. It is an extremely difficult job to do.

14 What makes it hard on clocking is definitely the
15 size of your stable area. When you have a large stable
16 area as you do at Del Mar and Hollywood Park, it is very
17 hard to do.

18 So much effort is put forth to make sure that
19 this is done accurately. Personally, I have contacted the
20 Daily Racing Form, I've contacted Equibase, I've
21 contacted the Jockey Club every day to make sure that it
22 is done right.

23 We want private clockers on the grounds because
24 we never want to have a closed-door atmosphere. So when
25 we open those doors, when we let those people come in, we
01 are basically telling them to go ahead and grade us. Like
02 I say, 99 percent of the time, you never hear anything,
03 until something happens at Del Mar.

04 I think the problem we are confronting at Del Mar
05 at this time is a lack of dialogue. There is no dialogue
06 between the different clockers. I don't talk to Santa
07 Anita. I don't talk to Hollywood Park.

08 The problem I read in the Daily Racing Form

09 pertaining to the workouts at Del Mar, we encountered the
10 same problem in Northern California, and we took care of
11 it for \$25. For \$25 dollars that could have been taken
12 care of. It's just a matter of talking.

13 While we are on the subject of clocking,
14 throughout the United States, a month ago, Steven Christin
15 of the Daily Racing Form stated in print, "If you want to
16 do your clocking right, New York, look to California." In
17 Chicago they said, "If you want to do your clocking right,
18 look to California," because California sets the standard
19 in clocking. That is not an accident. That's a lot of
20 effort put forth. It takes a lot of time to bring a clock
21 around.

22 What I think we should do at this time, since
23 there are forums in Arizona -- I've never been to one. I
24 don't know if clockers are included in those forums. You
25 need to get your clockers together to talk things over.
01 They have to work things out.

02 Maybe they are doing something at Del Mar that
03 will help me. Maybe they are doing something at Santa
04 Rosa that will help Santa Anita. I don't know. We need
05 to talk with each other.

06 So at this time I would like to say that I think
07 clocking in California should be very proud.

08 Thank you.

09 MR. TOURTELOT: Thank you. We appreciate your
10 comments. They are very helpful.

11 Mr. Friendly.

12 MR. FRIENDLY: My name is Ed Friendly. I'm an owner.

13 I'm not here, I reiterate, I'm not here to bash
14 clockers. I think they have an extraordinarily difficult
15 job, and they do it extremely well.

16 But having been to Del Mar almost every morning
17 for the past six, seven years and watched the operation,
18 I'm acutely aware of the fact that we are, as a group, not
19 doing an adequate job in supplying the public with
20 information -- accurate information on clocking. I'm not
21 blaming the clockers for this.

22 But in every society and in every walk of life,
23 there are dishonest people. There are probably a lot in
24 this room that we don't know. We've had them as
25 vice presidents, governors, as judges, as policemen, so
01 let's not assume that everybody is honest because they are
02 not.

03 We need to have very careful vigilance in case
04 there are people out there cheating. I have seen, on an
05 individual horse, three different times on the workout.
06 You'll get the official clocker, the private clocker, and
07 the one from the trainer's stopwatch, and you will come
08 out with three different times. That's a fact.

09 You will also see workouts on the official
10 workout sheet where a four-furlong workout where a horse
11 worked for five furlongs. And that's because the trainer
12 has possibly said we are working four furlongs, but in
13 actually he isn't; he is working five; because he works a
14 furlong beyond the wire. The clocker doesn't know it.
15 There is no way he could record it.

16 I think we need to have the stewards do a much
17 better job in monitoring clocking than they are currently
18 doing. And there are certain ways, besides through the
19 chip, that that can be accomplished, and I would like to
20 mention a few of them here. And I would like to see the
21 California Horse Racing Board stop talking about it and do
22 something affirmative.

23 Mike Martin gave a very good and accurate
24 report. This has been talked about for years, and I
25 haven't seen any changes myself.

01 On the chip thing, if I may for a moment, I
02 think California can be the leader in discontinuing the
03 I.D. process of tattooing horses on the lip. I think we
04 can put in a chip in the horses right-front shoulder and
05 get rid of the tattoo, have that be the I.D., and for very
06 little money, put an electronic gadget in the clocker's
07 stand or around the track -- I'm not an electrician; I
08 don't know how to do that -- and know every horse that's
09 working that fast.

10 So it isn't going to be that expensive if we can
11 develop something that will be both I.D. and workouts.
12 I'll leave that to the experts. It can be done. It is
13 much cheaper than the Japanese system of putting them in
14 the saddle cloth, because you accomplish so much more. It
15 is good for the horse identifier, it is good for the
16 tattooing; it saves money all around the lot.

17 But getting back to some other areas, if that
18 isn't a practical and quick solution, I will just comment
19 briefly that in Europe there are no clockers. They seem
20 to get along very well without any official clocking.

21 Now, we even have a rule here that a European
22 horse doesn't have to have a workout if he's running in a
23 stakes race and has arrived ten days or eight days or
24 whatever number of days. They don't even have to have a
25 workout.

01 So obviously workouts are desirable, but not
02 imperative, because they don't use them overseas in
03 Europe. We could consider possibly not having workouts.
04 I don't propose that, but it is certainly something we
05 could think about.

06 Here are some ways to help make the clocking
07 more accurate, and let's get somebody working on some of
08 these things. To help the clockers we could mandate that
09 each trainer's saddle cloth be distinctive and be utilized
10 for all workouts.

11 Now, right now there are -- you can get down to
12 saddle cloth and it has a white fox on it. You can
13 identify Bob Ballard who has all kinds of funny stripes on
14 it; but there are hundreds of them out there with just
15 plain white or blue saddlecloths. You don't know who the
16 horse is. The horse goes whizzing by; you don't have a
17 clue who the horse is, if the trainer hasn't reported it.

18 So one thing is to mandate that all trainers
19 have their distinctive saddlecloths, and have a person at
20 the gap who doesn't let a horse on the track, denies
21 access to the track unless he has the distinctive trainer
22 saddle cloth. Right away the clocker knows who that horse

23 belongs to and can check with the trainer.

24 You could computerize -- now, some of these
25 ideas come from other people besides me -- you could
01 computerize the color of every horse. When you register
02 the horse and put the registration paper in the racing
03 office, it is very easy to quickly computerize with that
04 the color of the horse; four white socks, a glaze of the
05 face, the gray, blue, whatever. Then give that
06 information to the clocker, so the minute a trainer tells
07 that clocker what horse is working, he can punch that in
08 and see the horse's I.D.

09 Because a lot of trainers -- and forgive me for
10 saying this, but it is true -- a lot of trainers will tell
11 you horse A is working when horse B is working, and the
12 clocker doesn't know. It happens. Because if a horse is
13 running in a claiming race, and they want to lose the
14 horse, they will put a fast horse to get a good workout,
15 and it won't even be that horse; and the clockers don't
16 know. It happens.

17 You could require every trainer to supply the
18 clockers with a list of horses working the next day. They
19 won't like it. It's extra work, but it gives the clockers
20 an opportunity to know who is to work and who isn't to
21 work, so that they can pretty well I.D. them and get more
22 accurate information.

23 Stewards could then check if the horses who were
24 supposed to work actually do work. And the clockers, if
25 they see a horse that isn't listed, can then contact the
01 trainer, because he has seen the saddle cloth, and find
02 out who that horse is.

03 We also -- and I don't know how you do this, but
04 I do know that in the length of a horse's workout, I know
05 we are not getting the accurate information all the time.
06 We are getting a lot of misinformation.

07 And here is the little sort of a sensitive one.
08 I have been told by a very high-ranking official at a
09 track -- and I'm not going to give his name -- but I have
10 been told that the racing office and the clockers have on
11 numerous occasions gone to the stewards, and said, "We're
12 not getting the information on who's working from this
13 trainer. This trainer worked four horses this morning and
14 he didn't tell us any of it. We had to chase him down to
15 find out who he was, and we don't know if it really was
16 the horse or not," and the stewards have done nothing.

17 I am not aware of any suspensions or any fines
18 ever given a trainer because he hasn't reported a workout
19 or hasn't reported a wrong workout or anything else. I do
20 not think the stewards are doing their job in this area.
21 This does not come from me. It comes from a high-ranking
22 official at a track who represented the racing office and
23 the clockers. So there are things we could do.

24 And I implore, I ask this group to be proactive
25 and do something for the integrity of racing, because it
01 is well known, well known, that the information on the
02 official clockers' reports are not as accurate as we would
03 like them to be or as the clocker would like them to be.
04 And it is hurting the integrity of racing.

05 There has to be a reason why there are so many
06 private clockers. Bettors are relying on the private
07 clockers rather than official clocking, because they know
08 they are doing a better job, because they know they are
09 only looking for certain horses. They know the horses,
10 they recognize the horses, they yell at the trainer who
11 just went by.

12 I know there are trainers who hire private
13 clockers to help them in the claiming of horses, because
14 they are getting accurate information as to what horse
15 worked well that they want to claim.

16 Thank you very much.

17 MR. TOURTELOT: Thank you, Ed.

18 MR. MARTIN: I would like to point out that the
19 clockers do have access to the markings of the horses.
20 They are online with the Jockey Club and they can pull up
21 the marking information in an instant.

22 MR. VAN DE CAMP: John Van de Camp, TOC.

23 Just to pick up on what I think are very
24 excellent reports -- and I hope that this thing will not
25 die today; I doubt that it will. But, you know, most
01 marathon races runners carry numbers on their backs. I
02 don't know why we cannot set up a system, at least an
03 interim system here, where the horses that are going to be
04 worked out are identified and they are given numbers where
05 the jockeys wear them on their backs, as they are riding,
06 by which they are identifiable. I think a system like
07 that would help immeasurably because I think it is more
08 identifiable than the saddle markings.

09 MR. TOURTELOT: Thank you, John.

10 MR. SWEENEY: Brian Sweeney. I am a trainer and
11 owner/breeder. I actually came to hear about racing
12 colors and silks. In fact I'm going to use my space in
13 the morning to advertise products rather than put numbers
14 on any horses, but -- sorry to be so officious.

15 In listening to this, I must tell you that I
16 have had horses in California for 20 years. I've been in
17 the racing business for 40, 45 years; more years than I
18 care to admit to. I think that the clocking in California
19 is extraordinarily well done, considering the amount of
20 horses that are trained at these tracks.

21 I've trained now for about 15 or 16 years. Sure
22 they miss a workout or they differ slightly from mine now
23 and again. But as was pointed out to you, private
24 clockers can be watching just a small number of horses
25 that are important to them, or stop clocking a horse if
01 they are not interested in what is happening; but the crew
02 that we have have to clock the horses throughout and all,
03 whether they gallop on out, they try to catch everything.

04 I've worked horses and told the jockey to gallop
05 strong to the 7/8 pole, and if they have gone too strong,
06 most of the time the clockers will register the extra
07 furlong. So I know that they are watching.

08 I think oversight is very important in our
09 business. I think the public should know that our
10 stewards are watching clockers, trainers, jockeys, or
11 whatever at all times. I think that that is very

12 important.

13 But I think it's really a misplaced perception
14 here that things are that bad. I would be the first to
15 complain if that's the case.

16 And Del Mar is an extraordinary situation.
17 Maybe somebody should look into the problem of why the
18 senior clockers don't go there. They are the ones that
19 are the most familiar with the horses that are running at
20 racetracks. And if the senior clockers decide not to go
21 there, and they put on a whole new crew of clockers who
22 are not familiar with the horses who are training at Santa
23 Anita and Hollywood Park, of course it is more difficult
24 for them.

25 We probably have too many horses training in Del
01 Mar, period, never mind the clocking problem. Without a
02 training track, it is very hard, with as many horses that
03 are stabled in Del Mar, to handle just general training;
04 and the clocking becomes extremely more difficult.

05 I just don't believe that there's that much in
06 untoward activity on the part of people in our business;
07 certainly no more than people who are dishonest in other
08 businesses.

09 I agree with Mr. Friendly. People are
10 dishonest, and people like to think that something is
11 going on, especially in a betting game. But in defense of
12 the clockers here, I just believe that it is done better.

13 I've spent a lot of time in Hong Kong where they
14 do have numbers on the saddle towel, but the clocking
15 there is not done accurately. I trained two-year-olds in
16 Hong Kong during the month of November because they were
17 being sold in December. I had trouble getting clocks --
18 my times registered there. And they were only work
19 perhaps 15, 20 horses a day in Hong Kong. There were only
20 700 to 800 horses training.

21 So I know I have to be up there supporting the
22 clockers. Every so often you do get mad at them because
23 they miss the work, and you try to -- because whatever it
24 is you are trying to do, the horse off the steward's list,
25 or whatever it is you are trying to do; but for the most
01 part, I would say that I'd say -- I don't know whether
02 they are 99 percent accurate, but they are more than at 90
03 percent accurate.

04 MR. TOURTELOT: Thank you, Norman.

05 MR. HALPERN: Commissioners, Ed Halpern, California
06 Thoroughbred Trainers.

07 MR. TOURTELOT: Good morning.

08 MR. HALPERN: I would like to second what Brian has
09 just said. I may be naive, but I don't think so. I've
10 been in this business for a long time; and if there is a
11 problem with clocking, it seems to me that it's a
12 perceived problem because I don't see it out there.

13 A number of the comments that were made
14 regarding the problems with clocking seem to me to rise
15 out of a lack of information about -- for example, I'm
16 always amazed at how quickly the clockers can identify,
17 experienced clockers. It is pretty hard to sneak a wrong
18 horse by. They, for the most part, remember the markings

19 on horses. As far as saddle towels go, if they are not
20 distinct, you will find most of the clockers can identify
21 the horse by the rider.

22 There are a number of other specifics that have
23 been raised, and I will be glad to speak to any of them if
24 you have any questions about them. But I think overall,
25 this problem is one that in reality we don't face much of
01 the time. I would mention also the private clockers,
02 because that struck me as a possible -- had the sound of a
03 true indictment.

04 I think you would find that the private clockers
05 serve a little more of a function and different functions
06 than just getting the time, and that is most trainers, if
07 not all, would tell you that what's more important than
08 the time is how the work goes, how the horse breaks off,
09 how the horse finishes. And that's the kind of
10 information that a private clocker can keep and can give
11 to his clients.

12 Our clockers don't have the time or the
13 resources to add those kind of comments to their notes.
14 So I don't think, in reality, that the use of private
15 clockers is an indictment of clockers. I think overall
16 they do a tremendous job. Thank you.

17 MR. TOURTELOT: Thank you, Ed. Anyone else from the
18 audience, any comments? Commissioners?

19 MR. WOOD: Mr. Chairman, I think that the staff would
20 recommend to the Chairman and the Board members that we
21 continue to evaluate some of the statements that were made
22 today, continue to look at some of the innovations in
23 clocking throughout the world, and I also reiterate that
24 this is not a new conversation that would be instituted in
25 2000. We started this conversation in 1998, and we have
01 taken some action with some of these areas.

02 It may be that there actually needs to be
03 re-enforced; and I also would say respectfully to everyone
04 in this audience that regulation's a tough game, and if
05 you are a high racing official and you find a violation in
06 regulations and you do not report that, you are just as
07 guilty as the person who committed the violation. It is
08 imperative that you report to us when things don't go
09 right so we can take action. I think you need to continue
10 this dialogue and continue the actions that we are
11 implying right now.

12 Speaking for a person who raced across this
13 country in different locations and has faced different
14 clocking situations, I'm proud to tell you that with my
15 knowledge, and all of the things I do see, we do have a
16 good group of people. We have a lot of integrity, and it
17 is an area where people are going to make mistakes and
18 people are not going to report their horses properly. If
19 staff could come up with recommendations so that we could
20 have consensus from the industry to be implemented, we
21 need to continue that method.

22 MR. TOURTELOT: Putting aside the stake for a minute,
23 I am concerned about what Mr. Fenley said that a trainer
24 has
25 Horse A entered in the claim race and sends Horse B under

01 the name of Horse A. What are we doing or what should we
02 be doing to prevent that or to make sure that that doesn't
03 happen? That is very, very serious. That is outright
04 fraud. And I think the Board, I speak for everyone, is
05 concerned that we do everything we can possibly do to
06 prevent that from happening.

07 MR. FENLEY: I think it promotes that kind of activity
08 if there is lack of control out there; but if there is
09 some sort of control, it won't be done.

10 MR. WOOD: I think that is the situation that
11 Mr. Fenley brought out that needs to be heard.

12 MR. TOURTELOT: That's not fraud -- excuse me, that's
13 not a mistake. That is pure fraud --

14 MR. WOOD: That is not a mistake.

15 MR. TOURTELOT: -- and it is outrageous. And I have
16 enough respect for Mr. Fenley. If he said that he heard
17 of it being done, it's being done; I accept that. Maybe
18 not on some of the things we argue about; but that, I'm
19 concerned about that. And we ought to be doing something.
20 What should we be doing, and why aren't we doing it?

21 MR. WOOD: We'd better find out what that person was;
22 we ought to find out how they put the wrong name of the
23 horse and find areas to correct that.

24 MR. TOURTELOT: It is not so much going back in time
25 and catching that culprit. The problem is what are we
01 going to do from today forward? That's what I want to
02 know.

03 MR. FENLEY: They know today, the present system
04 allows that.

05 MR. WOOD: I don't disagree that the system would
06 allow someone to be able to falsify the correct name of a
07 horse or his identification. That can be done. And
08 possibly there are ways, by putting numbers or better
09 identifications, that we can address that. It is a system
10 that allows that to take place. I don't think it happens
11 very often, I think it does happen.

12 MR. TOURTELOT: Ed.

13 MR. FRIENDLY: Mr. Chairman, I'm delighted this is not
14 going to be a whitewash and know this won't be brushed
15 under the table for a couple of years. I am delighted to
16 hear you --

17 MR. TOURTELOT: I think it is turned off.

18 MR. FRIENDLY: -- I am delighted that this is not
19 going to be a whitewash and we won't have to wait another
20 couple of years before we see anything demonstrable done.
21 But I would ask the Chairman to request the staff to give
22 them a report as to how many people have been fined or
23 suspended or what action has been taken when
24 misinformation or no information has been given to the
25 clockers.

01 I would like to know what the stewards have done
02 in the last couple of years because I'm of the opinion
03 that they haven't done anything, which is why the racing
04 office and the clockers have stopped going to the stewards
05 for help. I think that might be meaningful, Mr. Chairman;
06 and I think it might also be meaningful because staff, I
07 think, is covering up for the stewards. And I don't think

08 the stewards are doing their job.

09 I think it would be meaningful to have somebody
10 talk to the various racing office directors of racing and
11 to the various head clockers to find out how many
12 complaints they have given, and if it has ever received
13 any action.

14 MR. TOURTELOT: Number one, I'm not going to cast any
15 aspersions at this point. But I am going to ask staff to
16 assemble that information for the Commissioner.

17 MR. WOOD: Mr. Chairman, staff will be happy to give
18 that to you, and I respectfully report to you and to the
19 audience that staff is not covering up for anybody. The
20 staff will tell you what the stewards have done. The
21 stewards speak for themselves about what areas they've
22 looked at, but we have no intention of covering up
23 anything. We put this on the discussion, not to cover up
24 any area whatsoever. That information is for us really to
25 report to all the board members.

01 MR. TOURTELOT: I would like to ask Commissioner
02 Moretti if you would be willing to talk to some of the
03 people, racing secretaries, whatever -- and would you?

04 MS. MORETTI: Yes.

05 MR. FENLEY: Roy, is it possible to have a meeting
06 with all the stewards and all the clockers?

07 MR. WOOD: Yes. I think the information that the
08 clockers from Golden Gate Fields will bring by getting the
09 clockers together for a meeting and have the stewards
10 speak is an excellent idea. When you made that comment, I
11 thought it was something we should schedule quickly. And
12 Commissioner Moretti then will be in charge of a
13 subcommittee to deal with that.

14 Is that all right?

15 MS. MORETTI: Yes.

16 MR. FRIENDLY: I agree with a lot of things Mr. Fenley
17 has said in regards to maybe going that extra step in
18 perfecting clocking, but I would also like to state that I
19 can name ten people right now that I have personally taken
20 to the stewards for trying -- for misfeances and for
21 duplicity. And I probably can name two of them that I
22 didn't get the satisfaction that I wanted.

23 Every other time -- without the support of
24 management, without the support of the stewards that are
25 appointed by the California Horse Racing Board, we have
01 not gotten anything done in San Francisco.

02 The man that I replaced in 1981 was under a
03 year's suspension for duplicity and was fined \$1500. It
04 was a very big problem we had in San Francisco. And if we
05 had management in the California Horse Racing Board
06 backing us, we would have never gotten anything done.

07 Like I said, I have taken ten people to the
08 stewards, and I have not gotten complete satisfaction.
09 And it also becomes a question of stabling. If we've had
10 a hard time with people, they are called and asked how
11 many horses there are for the next meeting. They seem to
12 have a problem here; but everything that can be done as
13 far as I'm concerned by the California Horse Racing Board
14 and management in Northern California supports everything

15 we tried to do to protect the integrity of racing.

16 Thank you.

17 MR. TOURTELOT: If any of you have any comments, if
18 you would like to send in written comments, you can send
19 those to Commissioner Moretti.

20 Anybody else have any comments? Any comments
21 from the Commissioners?

22 So the next item is staff reports on the
23 following concluded race meets: Churchill Downs
24 California Company at Hollywood Park on April 28 through
25 July 24, 2000.

01 MR. REAGAN: John Reagan, CHRB staff. Commissioners,
02 this is a set of end-of-meet reports. We have the sprint
03 meet at Hollywood Park in the first four fairs in Northern
04 California. I think it was interesting when this
05 information was passed to me that there was solid
06 increases at the Northern fairs and hope that this trend
07 continues. I know we've had a lot changes in the fairview
08 mix in the last few years, and now that this rate is
09 introduced. Next year we'll have even more interesting
10 situations to track, but it looks -- I was impressed with
11 the Northern Fair outcomes.

12 MR. TOURTELOT: Any questions from the
13 Commissioners?

14 Any question from the audience; any comments?
15 There's no action?

16 MR. WOOD: No, this is just for information only.

17 MR. TOURTELOT: The next item is general business. I
18 have a couple of words I want to say first. About a year
19 and a half ago I was driving down the 405 Freeway, and I
20 saw a billboard that is "bytel.com" (phonetic). The next
21 thing that popped in my mind is "wagerbytel.com." I got
22 back to the office and I asked for "wagerbytel," which
23 they did for me.

24 About a year and a half ago -- that was the last
25 I thought about it. I didn't know what I was going to do
01 with it. And about two weeks ago, I received a telephone
02 call from a Los Angeles Times reporter that was asking me
03 about this "wagerbytel" that I had registered. He
04 wondered if I was in the business of taking wagers. I
05 said, "Absolutely not." I said, "I registered this name
06 because it sounded like a neat name," and when I got off
07 the phone, I didn't know what to do with it.

08 My brother lives in Pensacola where they have
09 dog racing. I thought it might be a good idea to take it
10 down there. I had no idea at the time what I was going to
11 do with it.

12 He persisted and he said, "I think you have a
13 terrible conflict of interest." I said, "All I have is
14 the name registered. I haven't done anything with it."
15 So anyway, after being told that he thought that it was a
16 conflict of interest, we ended the conversation, and I
17 thought about it, you know, the perception and reality are
18 two different things. The most important thing is
19 perception. Well, I had that name, and it's funny, I
20 think sometimes I might do something with dog racing or
21 something.

22 I filed a statement of abandonment of the name
23 so that it no longer would have any interest,
24 intellectually or legally in that name. I did nothing
25 with it during the time it was registered. I wanted to
01 bring that to your attention because it was an accusation
02 of some conflict of interest.

03 I want to state I've never had any interest,
04 legal or intellectual, in a wagering business. I don't
05 have any now. And I certainly don't have any intention of
06 it in the future when I'm off the Board to go back to full
07 time practicing law, rather than three-quarters.

08 So that's a full airing of it, and I don't feel
09 that there was any conflict. And you can call something a
10 conflict if you want. But I know a lot about conflicts of
11 interest, and that definitely wasn't. It was a name that
12 was sitting there; but to avoid the misperception, it has
13 been abandoned and I have no more interest in it
14 whatsoever. Thank you.

15 Now, in the way of general business to come
16 before the Board, communications for future action of the
17 Board reports?

18 UNIDENTIFIED SPEAKER: Mr. Chairman, this is not
19 business really. I would just like to, on behalf of
20 everybody here at Fairplex, would like to invite everyone
21 to join us in the clubhouse for lunch this afternoon, and
22 if you can stay for racing, all the better. Lunch will be
23 served on club level 3.

24 And on your way to or from, you may want to stop
25 by and see the NTRA experience. It arrived here last
01 night and is the mobile exhibit of NTRA. It is just
02 inside the gate adjacent to the hotel here which is where
03 you would enter to go to the grandstand. I'm sure you
04 will be able to talk your way in the gate even if you
05 don't have the credentials.

06 MR. TOURTELOT: Thank you. Any other general
07 business?

08 MR. VAN DE KAMP: Mr. Chairman, I don't know if anyone
09 is going to say anything about this, but I think that
10 we're witnessing Mr. Fenley's last meeting with the Horse
11 Racing Board today, and I just wanted to express our
12 appreciation to Joe for his service. We haven't always
13 agreed on things, but I have to tell you that Mr. Fenley's
14 Pick Six Program or other ideas he's sprung before the
15 Board, I think he has been a thoughtful, interesting
16 member of the Board. He's been dedicated. He came back
17 from England I don't know how many times to make sure he
18 could get to Board meetings. And I think for many of us
19 he has become a very good friend. So we thank him for his
20 service and certainly wish him well.

21 MR. TOURTELOT: John, that's very nice, and I can
22 certainly speak for everyone out there; I know as a
23 commissioner I have something to say. I talked to Joe
24 before the meeting started, told him that I considered him
25 a very good friend and have great deal of respect for his
01 mind and integrity. And I'm going to miss him greatly,
02 and I know the other commissioners will, but hopefully we
03 will stay in touch, and we won't build a wall where we

04 won't see or hear from you again. But you have been a
05 shining light on this Board, and you contributed a great
06 deal to California horse racing, and you will be greatly
07 missed.

08 MR. FENLEY: Thank you, Bob.

09 I am concluding my four years, and I have
10 thoroughly enjoyed the relationships I have developed.
11 Although bizarre at some time, my behavior is only because
12 I am always looking out to be on the side of the business
13 and protecting the public, and I'm sure all the
14 commissioners have the same thrust that I have.

15 But I personally took all the agenda items to
16 heart for what's good for racing, and I am delighted today
17 that the sponsorship was approved because I brought that
18 forward in '97 as a way of wagering new money in the game,
19 but not to move money around the game that was there. So
20 I feel real good about that.

21 As I mentioned the Pick Six Program that I
22 brought forward in 1996/97, I think it is still a hell of
23 a bet I'd like some of the tracks to look at. (Inaudible)
24 is successful and not successful on another occasion, but
25 I will miss all of you and I will see you around the
01 racetrack and best wishes.

02 MR. TOURTELOT: We're now going to go into executive
03 session. There is no executive session. So that will
04 conclude for the Regular Meeting of the California Horse
05 Racing Board in September.

06 Thank you very much for attending.

07 (Hearing adjourned at 11:53 a.m.)

08