



INDUSTRY

Internet wagering affects tracks' net gain

Kentucky racetracks suffer losses from online gambling

by **Kayleigh Roberts**
Workshop participant

Betting on horse races is up; attendance at most tracks is down.

Back in the day, if you wanted to bet on a horse race, you had to physically go to the track to place your bet. Once you were there you had to decide how much to bet and wait in line at the appropriate window. Going to The Track was something you made a day of. Now thanks to the Internet, betting on a horse race is, for many people, as simple as double clicking on their mouse. It's because of this convenience that more people than ever are placing bets while fewer than ever are going to the track.

This year's Kentucky Derby drew in a crowd of 140,054, a 6 percent drop from 2003's attendance of 148,530. Attendance at the Oaks also dropped 2.1 percent this year with only 98,445 patrons. With numbers like these it may seem like the racing industry is plummeting, but this is far from the truth. Both betting and TV viewing numbers are up, on-track attendance is the only thing on a decline.

"Numbers for horse racing are at all time highs," said Fritz Widaman, director of marketing for the National Thoroughbred Racing Association.

In contrast to the drop in attendance at the track, wagering on horse races is up. On Derby day this year, Churchill Downs pulled in a total of \$142,775,857, 1.71 percent more than the \$140,379,426 in 2003. On-track gambling is down though. In 2003, on-track gambling accounted for \$20,639,221; this year it fell 6.75 percent to \$19,246,210. However, off-track gambling is up 3.05 percent since 2003. This year, Derby Day alone brought in \$121,750,638 in off-track wagers.



Because of Internet gambling, fewer people are going to the racetrack to watch live racing and more are becoming television viewers.

Television ratings for the Triple Crown have almost doubled in just three years according to the 2003-2004 NTRA Annual Report.

Kentucky has always made a major industry out of horse racing, but some fear online gambling will cut into attendance at the track.

"Top horses are born, bred, and raised in Kentucky, but Kentucky is starting to lose horses and breeding prospects," said Widaman.

Horses like Smarty Jones and Funny Cide plus the success of the movie "Seabiscuit" certainly

haven't hurt the industry. In fact, they get some credit for pushing horse racing into the top 10 sports and driving the fan base up to 97 million fans ages 12 and up.

The industry itself isn't failing, it's going strong, but more fans are choosing to stay home and watch the race on TV and place their bets online than to go to the track and experience it live. The fear is that without the patrons in attendance, the tracks themselves will lose money, which could eventually mean a blow for the sport.

Lawmakers struggle to improve racetrack attendance figures at Kentucky venues

by **Brooke Stutler**
Workshop Participant

Racetracks across the country have found that slot machines help improve overall attendance.

But even though racetrack attendance is down in Kentucky and many officials think slot machines could help, few can agree on how to do it.

Slot machines also face one other major obstacle: Kentucky is in the heart of the Bible Belt.

In February 2004, Rep. Larry Clark proposed House Bill 636, which would allow casinos and slots in nine locations including racetracks. But the bill failed to come to a vote in the 2004 Kentucky General Assembly.

In interviews with state newspapers, Nancy Jo Kemper, executive director of the Kentucky Council of Churches, has called Clark's Bill a "moral monster" and believes there are other options lawmakers are not considering.

Fritz Widaman, marketing director for the National Thoroughbred Racing Association, said adding slot machines seems



KRT graphic

logical to many lawmakers. It's a "quick fix," he said.

Indeed, many states have benefited from adding slots.

Widaman cited one New Mexico racetrack, which was virtually non-operative until the addition of slots. The state government covered 55 percent of the park's cost. The racetrack introduced 600 slots. Twenty percent of the profit was placed in purses; the other 25 percent went back to the state.

But in a conservative state like Kentucky, it's difficult to work through the issues necessary to allow slot machines, Widaman said.

It will be at least January 2005, when the next General Assembly meets for its yearly session, before such a bill could be considered again.

Blood-Horse source for facts and stats

by **Amanda Morris**
Workshop Participant

In 1916 the first publication of the Thoroughbred Horse Association was mailed to association members. Its mission was to let everyone interested in breeding and racing learn more about "improving the breed, producing, marketing, shipping and racing the Thoroughbred horse."

In 1928 the magazine changed its name to The Thoroughbred Record. After only a few months of this name it was changed to The Blood-Horse, which it is still referred to today. This publication is sent throughout the whole world.

Not only can the Blood-Horse be found written in English but also in Japanese. "The Japanese are crazy about horses," said Executive Editor, Dan Liebman.

Many business in the field save these magazines for years because of the quality of the facts. To make archiving easier the page numbers do not begin at one each month, they continue throughout the whole year.

Blood-Horse Productions not only produces the Blood-Horse Magazine but also approximately

seven other publications ranging from the Keeneland magazine to supplements. In June they moved to their new location, which is the site of the historic Beaumont farm, previously owned by Thoroughbred breeder Hal Price Headley.

By the numbers:

- ▶ 690 copies of the newsletter's first issue were sent out across the United States
- ▶ 1929 the magazine changed from 20-page monthly to a 28-page weekly
- ▶ 200 pages is the average for the magazine
- ▶ 26 original workers have now grown to 100
- ▶ 1983 the Blood-Horse had more advertisement in their magazine than any other magazine
- ▶ 2 languages are all that the Blood-Horse is published in
- ▶ 3466-3558 page numbers in the Blood-Horse June, 26 2004 issue
- ▶ 70 charitable organizations receive money for their efforts

Business, industry contributed to UK workshop's success

This workshop would not have been possible without the enthusiastic and generous support of our friends.

The Lexington Herald-Leader printed the workshop newspaper and provided the opening luncheon.

The Scripps Howard Foundation's generous contribution covered many expenses.

UK's Associate Provost Philipp Kraemer's office also provided financial support.

The Southern Newspapers Publishers Association helped with funding. Blood-Horse Publications provided a tour, copies of their publications and souvenirs. The National Thoroughbred Racing Association Director of Marketing Fritz Widaman and his staff provided lunch,

a detailed briefing and souvenirs including copies of the book "Seabiscuit."

Juddmonte Farms Barbara Taylor arranged an extensive tour led by Broodmare Manager Pat O Flynn. Hagyard-Davidson-McGee Veterinarian Clinic's Jamie O Flynn accompanied students as they toured the facility.

Journalists Sara Cunningham and Hank Ackerman took time out of their hectic schedules to speak during lunches. The Herald-Leader's Ron Garrison presented a session on photojournalism.

The staff of the School of Journalism and Telecommunications worked tirelessly on planning and logistical support. Julie Berry and Jennifer The led

the way. Lisa Brown offered office support. Nathan Stevens technical expertise was invaluable. Thanks to two graduate students: Rebekah Tilley coordinated early planning and NeShaune Mahin acted as dorm counselor.

The enthusiastic support of School Director Beth Barnes, Ph.D., is much appreciated and gratefully acknowledged.

Buck Ryan, executive director of the First Amendment Center, led sessions, coached writing and mastered the paper. Chris Poore, the Kentucky Kernel adviser, coached participants individually on reporting, writing and headlines. Alyssa Eckman, Ph.D, helped students shoot photos, write stories and design pages. Scoobie Ryan, associate professor, filled in as needed.

