



**Delaware Thoroughbred Racing Commission
Minutes of Public Hearing and Regular Meeting
November 3, 2011**

The Delaware Thoroughbred Racing Commission held a public hearing and regular meeting on Wednesday, November 3, 2011, at 10:15 a.m., in the second floor conference room of the Horsemen's Office, located on the grounds of Delaware Park, 777 Delaware Park Boulevard, Wilmington, Delaware 19804.

The following Commission members were present:

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| Bernard J. Daney, Chairman |
| W. Duncan Patterson, Jr., Secretary/Commissioner |
| Henry James Decker, Commissioner |
| Debbie Killeen, Commissioner |

The following individuals also were present:

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| Andrew Kerber, Esq., Deputy Attorney General, Commission Counsel |
| John F. Wayne, DTRC, Executive Director |
| John E. Mooney, Delaware Park, Executive Director of Racing |
| Jeff Ganc, Delaware Park, Assistant Director of Security |
| Bessie Gruwell, DTHA Executive Director |
| G. Jack Houghton, Jr., DTRC, Chief State Steward |
| Fritz Burkhardt, DTRC, Associate State Steward |
| Dennis Lima, DTRC, Associate State Steward |
| Madeline Locke, Owner/Trainer, DTHA President |
| Dr. Carissa Wickens PhD, University of Delaware, Asst. Professor, Equine Extension Specialist |
| Keli Rizer-Peterson, Trainer, DTHA Board Member |
| Ruth A. Lee, DTRC, recording minutes |
| John T. Peters, D.V.M., DTRC, Chief Veterinarian |
| Ramon L. Rodriguez, DTRC Inspector |
| Francis J. Swift, Jr., DTRC, Inspector |
| Paul Trapani, Owner, DTHA Board Member |
| Michael Vild, Esq., Delaware Park, Sr. Vice President of Racing/General Counsel |

1. Welcome and call to order

At 10:15 a.m., Chairman Daney called the meeting to order and welcomed those in attendance.

2. Approval of Minutes

The minutes for the October 18, 2011 meeting were not submitted and will be ready for review prior to the January 11, 2012 meeting at DDA.

3. Old Business

There was no old business brought up at the meeting.

4. New Business

Mr. Wayne reported that the DTRC and DHRC are hosting a Racing Officials Accreditation (ROAP) meeting on November 7 and 8th, 2011 at the Veranda Room at the White Clay Creek Country Club at Delaware Park. Per ROAP, attendees have to be either accredited officials, be listed on their ROAP directory, or are current racing officials wishing to gain accreditation. There are approximately 53 attendees scheduled to participate on the two-day, 16 hour continuing education class. Some of the key note speakers that will participate are:

- **Bernard J. Daney**- opening remarks and welcome to the first state.
- **John E. Mooney**- Welcome to Delaware Park and industry overview.
- **J. Curtis Linnell** – TRPB Director of Wagering Analysis – discussion on wagering security and betting anomalies.
- **Dr. Kathleen Picciano** - Breeder's Cup report and equine injury database.
- **Joseph J. Strug**, Laboratory Director – Dalare Associates to discuss laboratory accreditation under ISO 17025 standards and what's new with equipment for today's equine forensic laboratory.
- **Lance Morell**, Corporate Director of Security, Parx – Interesting case studies and communication with Stewards.
- **Dr. John T. Peters**, Chief Commission Veterinarian, DTRC – Scratches at the starting gate and Salix administration ideas for 2012.
- **Andrew J. Kerber**, Deputy Attorney General – Legal issues, case preparation and what aspects should be included in cases referred to the Commission.
- **W. Duncan Patterson**, Secretary Commissioner, DTRC and ARCI Drug Testing and Standards Practices Committee updates and Racing Medication and Testing Consortium plans for 2012.

Thus far, the attendees represent jurisdictions across North America and the West Indies. Following the conference, a press release will be issued on the event.

Laboratory Accreditation

DTRC Executive Director Wayne related that Dalare Associates, the official laboratory for the DTRC and DHRC will be undergoing the process for ISO 17025 accreditation

starting on Tuesday, November 8, 2011. Following successful completion of the process, it is intended that Executive Directors Wayne and Gallagher will conduct an inspection during the first quarter of 2012.

Commissioner Patterson commented that there are 19 individual laboratories utilized around the country by racing commissions/boards. Of that nineteen, twelve laboratories are in the process of acquiring ISO 17025 accreditation. Commissioner Patterson continued that accreditation is important to maintain consistency and labs meet the same standards testing uniformly and getting the same results. Commissioner Patterson relayed that Mr. Strug deserves credit because he has had to make the expenditures to meeting those requirements.

5. Report from Executive Director

Mr. Wayne presented the Summary of Activities report for the month of October, 2011. Contained in the six-page report were the following statistics from the licensing office through October 31, 2011:

| | |
|--|--------------|
| Number of persons fingerprinted | 103 |
| Total amount of fingerprint fees collected | \$6,636.00 |
| DTRC Licenses issued | 5,515 |
| Amount of fines collected | \$16,645.00 |
| License fees collected | \$197,515.00 |

Commissioner, W. Duncan Patterson asked Executive Director Wayne to comment on the Exchange Wagering Webinar that took place on 10-26-11. Mr. Wayne reported that he joined the webinar late. Mr. Kerber was suppose to participate, but had a previous conflict with a Superior Court matter. Mr. Wayne continued that the webinar was hosted by Betfair and the act of being able to bet on a horse to lose. There are some security issues that arise with that. Mr. Wayne was not 100% convinced that this is a good idea to promote the integrity of racing if someone has the ability on betting a horse not to win. Commissioner Patterson commented that he did not disagree with that statement.

Commissioner Patterson continued to state that there are cases in England that has raised some concerns. "It's so easy to have a horse beat by going against what a horse may like to do, stick them down the rail where is doesn't want to be. Mr. Michael Vild commented that unfortunately, they have that ability now. There are currently exchange wagers made on the Delaware Park races through Betfair. Mr. Vild explained that what the exchange does is that they match up wagers between parties. They cannot do this in the United States, but do so in the United Kingdom. Mr. Vild continued, "Actually we do...it's a small amount. I can't give you off of the top of my head what it is but I believe that its 10% of the amount of Betfair's take they send to the race track, which is then divided in accordance to our racing agreement. It's not very much money."

"Is that correct figure?" asked Commissioner Patterson.

"Take what you can get" commented Mr. Daney.

Mr. Vild added, "Betfair will tell you that because of the size of their market; the analysis that they do on wagering trends that they're actually in a good position to let regulator know if there is something nefarious going on; because they can track that stuff. And, a lot of the situation where people have been caught trying to either fix races or other

sporting events that has come to light because bet fair has notified authorities of suspicious wagering trends.”

Commissioner Patterson stated, “We had a presentation at the ARCI meeting in New Orleans, who was the head of security for Betfair. Very interesting basically they follow irregular betting patterns or red flags, but he conceded that it was very difficult to police that. It’s interesting, I happened to have TVG on last night and there was a harness race where the horse was 7-2 that went to 2-5. A horse that went off at 2-5 was very suspicious.”

Mr. Vild added that “lots of harness tracks the pools are so small, it would otherwise not be a significant wager on our pools, it would skew the odds.”

Mr. Wayne commented that “most of the time the investigation takes place after the fact, after a race has been fixed or manipulated and that is the problem with protecting integrity. Very seldom do you ever get the information ahead of time; it happens occasionally, but for the most part you usually are reacting to something that has already happened.”

Commissioner Patterson: “What has ever happened with that supposed irregular betting pattern that occurred at Michigan’s Great Lakes Downs; has it ever been resolved?”

Mr. Mooney commented “case is still going on...5 years now...It was a very large syndicate that involved a lot more than just horse racing... it’s amazing that it’s gone on this long; the attorney general up there keeps putting it off.”

Commissioner Patterson: “My reason for asking the questions regarding wagering taking place in either NJ or CA. That’s one of the reasons for the webinar.”

Mr. Wayne commented that in conclusion for his report that there was the press release from Delaware Park citing “HAVRE DE GRACE,” “UNION RAGS,” and “GRACE HALL,” all good horses with ties to Delaware. The press release carried well wishes for those equine to do well in the 2011 Breeder’s Cup.

6. Report from Chief Commission Veterinarian

Equine Injury Statistical Report

Dr. John T. Peters, Chief Commission Veterinarian presented the monthly injury statistical report for the period through October, 2011. Dr. Peters explained the injuries and ailments that made the report.

Dr. Peters related : *“this month of Oct has been very confusing we have had 4 deaths from racing. As I mentioned last meeting at that point we have had three more since then. Three of them have had broken sesamoids; one of them a busted cannon bone coming down the stretch. There were three training; one of them had a knee fracture and one had a condular fracture and one had a P-1 fracture. And then we had one die from colic. There is a suspected EPM case pending at New Bolton Center where they are testing a section of the horse’s spinal cord. It had neurological symptoms and they ruled out rabies thus far. Currently we should hear something in a week or so it looked like an EPM case to me. It was treated by Dr. Hawk overnight and the owner didn’t want to continue expenditures so the horse was euthanized and*

sent to the New Bolton Center with the permission of Mr. Wayne. The reported deaths are higher because of the lack of horses; we have had 1000 less horses race this year than last. It might not necessarily change the % the last four starts; these four horses were coming down the stretch either at the finish or shortly after the finish. I think all were \$5000 claimers as far as the causes of why this happens I don't know. We examined these horses each morning and go over them at 11 am. We discussed each case as far as their lameness is concerned. Usually it's a sound horse that breaks a leg and he I can't tell you why that is but I will be glad to answer any questions that you have."

Mr. Daney: are these horses over raced; do you have any stats over that?

Dr. Peters: The condition of the horse would be determined about by how many times he has raced, but not necessarily; but he can only be worth one race instead of 6, 7 or 8. There a lot of factors here that do; that some horses cannot go the distance and get

fatigued on a heavy track; at that point and time they don't know where to put their legs. They might make a misstep and snap it off is the main reason. It is difficult to find because most of the time something can happen to a perfectly sound horse."

There was a general discussion on the report.

Bessie Gruwell: discussed the letters that she received from PETA involving a horse that had broken down at Delaware Park. She shared a copy of the first letter that she received with the DTRC.

Mr. Daney- unfortunately, breakdowns occur at all tracks.

Bessie "They (PETA) never really focused any attention here; I don't know where this came from, I don't know what to say. I know they never sent me a letter, personally, before so it's definitely got their attention; we have one more day of racing to get through."

7. Report from the Delaware Thoroughbred Horsemen's Association

Delaware Certified Thoroughbred Program (DCTP)

Bessie Gruwell referred to the DCTP report that she handed out earlier. Ms. Gruwell read the statistical information from the report at the meeting and made She had a lot of new people from MD this year, but overall there were less applications received.

Bessie Gruwell: John Wayne brought up to me when I came up today that we have actually more farms but I say we really don't Sharp farm is now being leased; Lynn Ashby is going to be leasing that farm and she also ...there is going to be other people there that will be doing Delaware Certified, but we're going to call it one farm. we are not going to list it out to be 5 or 6 different farms because there's going to be different people on that property certifying horses.

Duncan Patterson: I talked to John about his before. You don't have any criteria for the farms do you? (Bessie "No we do not") because I know John has mentioned some of fencing around the farms are not perhaps best for thoroughbreds.

Bessie Gruwell: Some of them are down state there are more standard bred farms there fencing isn't we would use as thoroughbreds. We encourage any certifiers that are going to send their horse to one of the farms that they are happy with what they offer.

Mr. Daney: They should inspect them. That is their responsibilities. It's as the same way like an owner picking a trainer. Some of them want to pay more, some want to pay less, some of them don't want to pay a trainer.

Mr. Wayne: There are a lot of farms that I visited that are outstanding and are well maintained, I have an new appreciation for how many horse farms we actually have in this state. My question to Jane today was, is there any canvassing to try to recruit some of these farms to become Delaware certified farms?

Bessie Gruwell: We go out; we do work with the Delaware equine counsel, we also have information at the Dept. of Agriculture. A lot of this has been from completely word of mouth. There has been no canvassing.

John Wayne: But there are a lot of horse farms out there. Including the ones that are in your program.

Mr. Daney: Any other comments?

Mr. Mooney: I don't have anything since the last meeting to report. There were more fatalities than injuries this year than in the past. We're looking into doing whatever we can to try to reduce them in the future. A complete renovation of the main track racing surface will take place at the end of live racing. Hopefully this will make a difference.

DELAWARE CERTIFIED THOROUGHBRED PROGRAM

Tuesday, November 01, 2011

| 2009 | DCTP Applications | Foals | Yearlings | Totals |
|------|---------------------------|-----------|------------|------------|
| | Jan - Mar | 0 | 20 | 20 |
| | Apr - Jun | 10 | 66 | 76 |
| | Jul - Sept | 21 | 122 | 143 |
| | Oct - Dec | 53 | 191 | 244 |
| | Total Applications | 84 | 399 | 483 |

| 2010 | DCTP Applications | Foals | Yearlings | Totals |
|------|---------------------------|-----------|------------|------------|
| | Jan - Mar | 0 | 15 | 15 |
| | Apr - Jun | 5 | 78 | 83 |
| | Jul - Sept | 25 | 110 | 135 |
| | Oct - Dec | 46 | 167 | 213 |
| | Total Applications | 76 | 370 | 446 |

| 2011 | DCTP Applications | Foals | Yearlings | Totals |
|------|---------------------------|-----------|------------|------------|
| | Jan - Mar | 0 | 32 | 32 |
| | Apr - Jun | 4 | 56 | 60 |
| | Jul - Sept | 7 | 73 | 80 |
| | Oct - Dec | 13 | 34 | 47 |
| | Total Applications | 24 | 195 | 219 |

Total DCTP Applications to date: 2798

2011 DCTP Horses of Racing Age: 2502

453 (2 yr. olds), 476 (3 yr. olds), 374 (4 yr. olds), 1199 (older horses),

| Year | # of Starters | # of Starts | 1st | 2nd | 3rd | 20% DCTP Earnings | 20% Certifier Awards | Total Annual Awards |
|-------------|---------------|-------------|-----|-----|-----|-------------------|----------------------|---------------------|
| thru Oct 31 | | | | | | | | |
| 2011 | 409 | 1282 | 160 | 184 | 170 | \$ 692,496.86 | \$750,648.86 | \$ 1,443,145.72 |
| 2010 | 364 | 1150 | 142 | 180 | 146 | \$ 705,631.25 | \$778,203.75 | \$ 1,483,835.00 |
| 2009 | 287 | 922 | 105 | 120 | 121 | \$ 511,810.00 | \$584,382.50 | \$1,096,193 |
| 2008 | 210 | 690 | 94 | 82 | 109 | \$ 367,963.60 | \$433,265.20 | \$801,229 |
| 2007 | 271 | 608 | 90 | 87 | 102 | \$331,809 | \$355,609 | \$687,418 |
| 2006 | 139 | 476 | 68 | 61 | 72 | \$201,286.80 | \$214,936.80 | \$416,224 |
| 2005 | 99 | 366 | 52 | 49 | 53 | \$179,690.00 | \$193,340.00 | \$373,030 |
| 2004* | 56 | 134 | 20 | 19 | 19 | \$44,947.00 | \$44,947.00 | \$89,894 |
| 2003* | 9 | 17 | 7 | 3 | 2 | \$13,505.00 | \$13,505.00 | \$27,010 |

Total DCTP

- * DCTP owners and certifiers received 10% each bonuses in 2003 & 2004
- * DCTP owners and certifiers received 15% each bonuses in 2005 thru May 2008
- * DCTP owners and certifiers received 20% each bonuses beginning June 1, 2008
- * DCTP owners and certifiers received 25% each bonuses beginning April 25, 2009
- * DCTP owners and certifiers received 20% each bonuses beginning April 30, 2011



RECEIVED

11/2/11 JRW

Current Delaware Farms enrolled: 82