

NATIONAL PERSPECTIVES

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Tom Gallo, current managing owner of the racing partnership Parting Glass Racing and owner of Thomas J. Gallo Sales Agency in Cambridge, New York, offers his opinion on attracting new owners to the racing industry in this week's National Perspectives. Gallo teamed with retired jockey Richard Migliore for a new owner seminar on May 22 at Belmont Park and hopes to continue the seminars on a monthly basis through the Belmont spring-summer and Saratoga Race Course meetings.



GALLO

Finding right new owners key to racing's future

Racehorse ownership is the most important key to our industry's survival and long-term sustainability. To quote one of the most renowned horsemen in our history, Racing Hall of Famer John Nerud: "Without owners these horses would be pulling plows!"

We have two challenges when attracting new people to racing and converting them into new owners. As an industry we have a short-term need of owners to purchase horses to fill races. Currently people with the enthusiasm to learn more about owning a horse don't know how to get involved. There is also the long-term challenge of creating a broad-based level of enthusiasm and awareness for the sport in general. A broad range of the populace really has no idea the racing world exists except on Kentucky Derby (G1) day and think "it's for rich people."

Goals and implications: The short-term goal of our industry should be to attract people directly to racehorse ownership. Owners are the most important people in racing. They purchase horses, hire trainers, and pay the bills. More owners mean more horses in training. More horses give us bigger fields, which translates to more betting interests. The more betting interests we have the larger the handle, generating more money available for purses. Higher purses are desperately needed to give an owner a shot to pay the high and constant cost of maintaining these wonderful athletes. Higher purses will then attract more new owners. Successful owners, enjoying themselves, will direct and fund their trainers (or racing partnerships, bloodstock agents) to purchase new horses to build their stables.

Instant action: Programs like the one we created at the New York Racing Association are a good first step to not only get people to the racetrack for an informative seminar and day at the races, but also to give them the opportunity to meet trainers and representatives of major racing partnerships. Prospective owners can then make direct and personal contact with people who can get them into racing action immediately. In an age of immediate gratification and interaction, racing horses is the way to go. The action and excitement of a horse thundering down the stretch to the wire is like an addictive drug. We need to attract more people to it, but that is only the first step. Once new people are in, they need to win. Our industry does a great job of promoting the big races on the big days, but any owner at any track can get the same thrill in just winning a race. Winning a race for a new owner is the reason they are involved, it's the "fix" that keeps them going.

Frame of mind: Many people today are familiar with the trials

and tribulations of the stock market. Someone is always watching CNBC and people are more familiar with risk and volatility. I am not comparing racing to the stock market, but people are more familiar with the terms that describe risk. This is perfect preparation for what goes on in our business. Volatility that would make an astronaut's nose bleed and downside risk with no hope of recovery is a pretty big pill for most people to swallow. We need to prepare people for what is in store. Speak of downside risk, talk about volatility, stop painting a rosy picture—be honest and people will appreciate it. The biggest leg up is you will get the proper people involved. There are people out there willing to take a shot at a whole new way of life with exciting things happening around every corner. These are the people we are looking for. People who are in racing with the right frame of mind have realistic expectations. They are having a whale of a time win, lose, or draw, living by one axiom: only use money you can afford to lose.

Expectations: Someone asked the other day at the Belmont seminar: "After I purchase a horse and I am paying all the bills, what should my expectations be?" We (the speakers were trainers, owners, and partnership representatives) all said quite frankly: Have no expectations, go day by day, and let your trainer get the horse from step 1 to step 2. If he gets to step 2, he will go on to step 3. If step 5 or 6 is getting the horse to his first race, then sing Hallelujah! It is now up to the horse, racing luck, and Mother Nature. If the horse moves forward in his first race and passes horses, you may have a racehorse on your hands. If he backs up or trails the field, then you might be in trouble. It may be time to throw out the big dream, adjust the plan, and find a level where that horse will win.

If a horse is one of the special ones that wins first time out, that is a wonderfully exciting day—just as long as you don't get the idea that it will happen every time.

Horse racing is the greatest game outdoors, and winning a race is the greatest experience you will ever have. When you win your first race, you will be a different person. It will change your life. If you win a big race, it's all over and you are in for life. You will meet fun and interesting people and travel all over following your horses. You are "The Boss" as an owner; you call the shots and reap the rewards. You get the early-morning calls—one of 99 reasons why you didn't win—but when it's finally your turn to be in the winner's circle, it's all about you and your horse, and you're both on top of the world!



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