

TDN **Q&A**

Dublin-born Geoffrey Russell joined Keeneland in 1996 and, five years later, was named director of sales.



Anne Eberhardt/Keeneland photo

In the years that followed, he has guided Keeneland through exponential growth and, over the past 12 months, has helped navigate the auction house through troubled economic times. On Thursday, the affable Irishman sat down with the TDN's Lucas Marquardt to

discuss what Keeneland has done to promote September, the new Kee-Bid program, and some of his favorite restaurants in the Lexington area.

The economy crashed almost exactly a year ago, halfway through the September Sale. Given the current economic climate, what are your goals and hopes for this year's renewal of September?

Our goal is that it will be a successful sale, that consignors will get their horses sold and buyers will come and be successful in bidding on the next future champions. The world is a totally different place than last year, but, being an optimist, I think we have a good sale ahead of us.

What are some of the things Keeneland has done to facilitate selling at September?

We have continued our normal recruitment of buyers, both domestically and internationally. It's not just something we do within 60 days or 30 days of a sale, it's an ongoing, year-round activity for Keeneland. We have actively been traveling the globe since January and criss-crossing America this year to talk to people and encourage them to come to September, and to all our sales. The most important thing is that our graduates have been successful, not just here in North America, but worldwide. We actually just came back from Russia, where our graduates had a very good weekend in what was their Breeders' Cup. We hope the success of those graduates will bring the buyers back.

In your view, how has the international response been? Do you think we'll see fewer international buyers or more, because of the value to be had?

It's a mixed bag. I think many of our regulars will be back here, and there will be some who won't be back. But we've had a great response and look forward to welcoming everybody back.

Some of the other things we've done is to work with the NTRA to distribute information to buyers to try and make sure everyone is aware of the stimulus package offered in the farm bill, which accelerates the depreciation of horses and gives greater tax benefits. It has a huge affect on domestic buyers. It expires this year, and it's a huge opportunity for them.

(Click [here](#) to read Tad Davis's TDN article regarding this issue)

Could you explain Keeneland's new Kee-Bid program?

Well, it's one of the new services we are unveiling this year. We are hoping it will help consignors should a horse [fail to meet its reserve]. It allows a buyer to make an offer on a horse through our website, at which point a notice will be sent both to Keeneland and to the consignor to let us know there is interest in the horse. Then we'll try to get the buyer and the consignor together to see if we can get a sale done. At that point, they'll have to go through the normal channels of our sales accounting office. As you know, we do a tremendous amount of RNAs-to-sales every year, and certain consignors have a network and work very hard to get their RNAs sold. We are hoping this will spread the net a little further, and help the smaller consignors who may not have the ability to appoint one person to try and sell horses that RNA'd.

Do you have to have credit established to use the Kee-Bid system?

No, because it's not an auction system. You submit a bid, at which point Keeneland and the consignor are sent a notice. Then everything is done face-to-face, or over the phone. All we're trying to do is put buyer and seller together.

What's the response been from consignors thus far?

The consignors love it. Anything you do to help the consignor in commerce, they're all for.

Will the sales sheets be changed to reflect the sale of previously RNA'd horses?

No, we'll only report the ring prices.

You had talked about the problems with supply and demand in the Thoroughbred market well before last September. How much of the current drop in prices has to do with the financial markets, and how much with an over-supply of horses?

Q&A cont.

I think a lot of factors come into it. I think we're talking about the surplus of horses--the overproduction of horses--and I think we're starting to see a change in that in the number of mares bred this year. That'll be reflected both at the November Sale and in future sales. And the financial markets clearly had an impact, because people buy horses with discretionary income. It's a combination of both.

Unfortunately, we ended up with a perfect storm. I think people expected a correction in the Thoroughbred market because of the oversupply of horses. Some of us expected it to happen in 2007, but because of the weak dollar we overcame that. Then in 2008, we were hit by both the collapse of the financial markets and oversupply. But the turnaround since last September in the macro-world has been phenomenal. I think there's an air of confidence out there we haven't seen--six months ago people were all down, and now you're seeing a little confidence back in the general economy and in the Thoroughbred economy.

Last question. What's one non-horse-related thing all visitors to Lexington should do?

I would encourage visitors to enjoy our extensive and varied dining establishments here in Lexington. Dudley's is probably the cornerstone of the Thoroughbred industry. People should go and enjoy Dudley's in its current location, as they will be moving in December. They're moving up to West Short St., which isn't all that far away. Dudley's has been in Lexington nearly as long as I have, and I have enjoyed eating and drinking there, and Debbie Long's hospitality. I think we'll all miss the old schoolhouse, but we look forward to celebrating her new venture once it opens up later this year.