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by arthur hancock

ALTERNATIVE TO SLOTS

Many voices are saying that Kentucky racing is being compromised by slot machines in adjacent states, and that our legislature must legalize them to help our industry relieve this crisis. If this can be done, they say, it will benefit the state as well as our industry. But what is our industry and who are we?

The horse industry in Kentucky consists of two different factions. There are the racetracks and there are the breeders and owners. What has brought us to our current situation? I am one of the owners and breeders, and, for our part, there is a huge oversupply of horses. Stallion managers are breeding their stallions to 200 mares in some cases. Just who is going to buy all of these horses? All the slots in the world will not help if there are too many Thoroughbreds. The law of supply and demand is infallible and is the oldest and most profound economic law of all. Besides, slots are the prelude to a full-blown casino.

If the tracks can't manage without slots, what makes people think they can manage with them? How about reducing the mega-salaries and expenses and treating the fans like customers instead of intruders? How much are tracks making on ADW's? We don't know, but just remember how vehemently Churchill Downs protected its position during the purse dispute with horsemen over ADW commissions last year. What the tracks really want is a new industry, and it is our deadly competitor. If they get it, we will eventually become irrelevant. It is already happening in other areas.

Collectively, we are all guilty of casting our integrity to the wind. Drugs and cheaters prevail. Just recently, for example, a NASCAR driver was randomly tested and found positive for an unnamed drug. His punishment? He was suspended indefinitely. Nearly simultaneously, one of our trainers was caught red-handed in the detention barn with a syringe. His punishment? A one-week suspension that was postponed until after the Kentucky Derby because he had a horse in the race! This goes to show how the horse industry is policed and why we are losing the public trust and consequently our fan base. In other industries, people who commit drug violations are not even allowed to work because industry leaders realize that this behavior takes bread right off the table. Has anyone heard NASCAR screaming for slots lately? We need to rid ourselves of drugs and cheaters, and we need to breed a reasonable number of horses.

Senate President David Williams has offered an alternative plan that will inject \$65 million into our industry. This would be a huge boon and would help us compete on a level playing field. Senator Williams's plan includes a 10-percent surcharge on lottery tickets that would make the purses in Kentucky the best in the nation and would double the breeders' incentive fund. This \$65 million would cover everything that the slot advocates claim is needed, and would benefit owners, trainers, breeders and all the folks associated with them. So, why is it that certain voices within our industry scoff at this plan?

Among the loudest voices pushing for slots is KEEP, whose mission statement is "To increase awareness of the benefits of Kentucky's horse economy, and to promote jobs and economic opportunities for Kentuckians through the Commonwealth's world-class horse industry." Indeed! Another voice, the three trustees of Keeneland, spent \$30 million to buy Turfway in partnership with Harrah's and G-Tech. Now, apparently, they need slots to shore up that investment. The other tracks think slots will make them money as well, and that is what the owners and shareholders care about. The problem with the Williams plan, for them, is that it would be chump change compared with the profits they can make from gambling.

These racetracks, KEEP and other elements are trying to convince horsemen and Kentuckians alike that it is "slots or die." Don't buy this. Slots are a short-term gain and a long-term drain. Slots are the Trojan horse. At this very minute, the Greenbrier Resort in West Virginia is preparing to build a casino and the voters have already given their approval for it! Don't think it can't happen in Kentucky. Remember, if you let a snake into your tent, he will bite you. It is only a matter of time.

Arthur Hancock is the owner of Stone Farm in Paris, Ky

Comments for publication? Email suefinley@thoroughbreddailynews.com.