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by bill finley

TAMPA BAY DOWNS: A TRACK THAT GETS IT

When Tampa Bay Downs out-handled Santa Anita one day last week, it seemed that the world of horse racing had officially turned upside down. Some 10 years earlier, Tampa--then a cheap track no one cared about or paid any attention to--doing more business than mighty Santa Anita would have been unthinkable. Now it has happened, and it will likely happen again before both tracks conclude their 2010-2011 winter meets.

Tampa's ascendancy is a remarkable story, and one with a simple message: Treat the customer right, put out a good product, sell your product at a reasonable price and good things will happen.

That's pretty basic stuff, but, sadly, something that is hard to find at a lot of racetracks. The California tracks are a perfect example. There, they race too much, the fields are too small and the only thing anyone could come up with to try to improve conditions was to raise the takeout, an awful decision made by the California Horse Racing Board and one that looks like it's going to have disastrous results. Those are among the reasons Santa Anita is having such a bad meet business-wise, and will surely have to slash purses.

(Don't blame the people who run Santa Anita for this. Led by George Haines, there are some terrific people on their team. The bad guys are the CHRB).

Hopefully, the folks out in California, not to mention several other places, are watching what is happening at Tampa. Watching and learning.

At Tampa, they don't have slot machines, and their poker room doesn't do that much for the bottom line. All they really have to sell is horse racing. A lot of people would tell you that you can't sell horse racing anymore, that it's a dying business, a money-loser and has lost the battle for the gambling dollar to casinos and other competitors. Tampa is showing that racing can still work, at least if it is done right.

Tampa used to be a pretty crummy place. The racing was lousy, the handle was next to nothing and the track had one of the highest aggregate takeout levels in the sport. In 2000, the average all-sources handle was \$1.8 million. At the 2009-2010 meet, the average daily handle was about \$4.2 million. During a decade when almost all tracks have seen their handles plummet, at Tampa there was a 133-percent increase.

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The smartest thing Tampa management did was install a turf course, which debuted in 1999. Turf races almost always attract big fields and often attract a better quality of horses. The addition of turf gave Tampa a lot of momentum when it came to its racing product, and the momentum has never slowed.

Tampa still isn't Saratoga or even Santa Anita, but the racing there is good and the fields are big. In those respects, they are giving the bettor exactly what he or she wants.

Last Wednesday, Tampa Bay Downs handled \$4,230,056, while Santa Anita handled \$4,038,175. Granted, there were 10 races at Tampa and eight at Santa Anita, but that Tampa could produce more in betting handle on one day than Santa Anita is mind boggling.

Tampa won the battle of the day, in part, because it averaged 10.3 horses per race versus 6.375 for Santa Anita. According to the *Paulick Report*, Tampa is averaging 9.77 horses per race, as compared to 7.96 for Santa Anita.

"People absolutely love big fields," Tampa Bay Downs Vice President and General Manager Peter Berube said. "I get upset when we have fewer than eight in a race."

Not only did Tampa bettors get a better product, they got a bigger bang for their buck than Santa Anita players did. According to the Horseplayers Association of North America, Tampa Bay Downs has the third lowest melded takeout rates of any track in North America. Tampa got there by finding ways to lower its takeout a bit every year. This year, with the takeout going through the roof at the California tracks, Tampa reduced the take on the popular Pick Three and Pick Four bets. They also lowered the minimum unit on the Pick Three to 50 cents, making it easier for the "little guy" to hit the bet.

"We got a positive buzz each year with the takeout reductions," said Berube. "It's self-perpetuating. People keep on talking about it, and people who might not look at Tampa start looking at Tampa."

With a 25.90-percent takeout on the trifecta and superfectas, Tampa isn't doing its customers any favors in those departments, and actually has a higher take on those bets than Santa Anita does. But Berube said he is aware the takeout is too high on those bets and he hopes to do something about it as soon as next year.

This is obviously not a management group that is satisfied with the status quo, even when business is so good. Berube said ownership spends at least \$1 million every year on track upkeep, and it shows. Tampa is a pleasant, comfortable place, where admission and parking are free. Meanwhile, it costs \$5 to get into the grandstand at Santa Anita.

Without slot machines, in a terrible economy and, during a period in this country where betting handle has fallen dramatically, little Tampa Bay Downs is a great success story. They didn't reinvent the wheel or the sport. They just understand how a business, any business, should be run.