

Eight Innovations....by Dave Astar, Astar Thoroughbreds

I spent my career as a Fortune 100 Chief Operating Officer responsible for turning mediocre companies, divisions and information technology operations into highly profitable ventures. For what it's worth, after years of being in the race industry and analyzing racing trends, I see 8 core elements that must be re-engineered to reverse what I see as the poorly managed demise of the sport of horse racing.

Unfortunately, little if anything is being done, on any of these 8 elements as 4% of consumers flock to other activities every year. Even when horse racing association executives occasionally find and agree upon improvements, it takes years to partially implement them.

I believe these 8 crisis intervention innovations are far too extreme for the controlling parties in the industry. That being said, it doesn't mean they are wrong and it doesn't mean the industry is not in a crisis. For example, recommendations related to speeding up the game or having universal rules and regulations, are seen as almost ridiculous by horse racing executives. These same "innovations?" were implemented decades ago in currently thriving sports because consumers demanded trust, consistency and action.

All recommendations are operationally viable and technologically feasible, which is the only test of re-engineering functionality in progressive industries.

1. **Speed up the sport.** This can be achieved through dual paddock saddling areas and schedules. Every major sport has progressed and focused on speed/action. In horse racing, there is 90 seconds or so of live action followed by 30 minutes of what any person under the age of 25 describes as excruciating boredom. The ratio of action to non-action is far outside the bounds of competitive when racing is compared to other sports or activities. Horse racing, as designed and practiced for over 100 years now, simply disenfranchises the younger "speed of light" generation.

2. **Utilize other sport's prevalent gambling options.** Handicapped lengths plus/minus wagering, head to head gambling lines, fantasy horse gambling, and more creative parlay options, are utilized extensively in other sports.

3. **Implement one universal set of immediately and fully enforceable medication regulations.** Trust and simple common sense is required in the best interest of the sport regardless of what non-progressive controlling bodies think. Even when horsemen agree on something, it takes years to partially implement solutions. Horsemen never look downstream to the ultimate consumer of their products but instead foolishly protect current interests which ultimately hurt the sport. Our sport needs to utilize best practices as defined by science and statistics, as other sports have done.

4. Implement modern technology to monitor and control all horse related activities. Our sport needs to focus on prevention, not after the fact inspection. The inexpensive use of multiple high definition cameras and monitoring in all barns, similar to gambling table monitoring, is required to create trust in the sport and eliminate cheats. New technology is inexpensive and simple to use. Physical barn rushing, like casino table rushing, and immediate penalties or bans, would be extraordinarily welcomed by the betting public.

5. Re-engineer breeders fund programs and incentives to promote a clear correlation to the quality and quantity of the racing product. Most programs are outdated and have never been properly studied to understand if they actually create the desired effects. The cause (actual breeding) and effect (payments made when horses run 4 or more years after the breeding) are separated by too much time to create a behavioral quality correlation. Quantity and quality breeding incentives have to be rationalized related to desired results if the racing product field size and speed quality are to become more acceptable over time. This is understood in all major sports as athlete's speed, power and quantity increase and evolve over time. The actual athletic product is diminishing in number and quality making the racing product less desirable to consumers.

6. Re-brand and re-market the sport consistent with trust, speed, technology and convenience. No consumer thinks of these 4 elements when thinking of racing today. In fact, they believe racing is filled with ex-cons, gambling degenerates, cheats, rich guys who only get richer if they get racinos, trainers who fix their horses so they can make money wagering on them, and animal abusers. Just watch "LUCK" on HBO or read the New York Times to see how horsemen's associations allow the media to brand the sport.

7. Coordinate 2nd/3rd tier track schedules, racing events, dual state bred races, and competitions. Smaller population tracks cannot compete with each other for product (horses) and expect to have quality field size and horses. At the current rate, 1 in 4 such tracks will disappear in the next few years without a redesigned method of cooperation. Egos and power structures have always prevented cooperation with each state running independent tracks, rules, regulations and racing commissions.

8. Modernize technology and create on site restricted wireless kiosks for all racetrack patrons. On site convenience has to parallel off site convenience. If the track has card games or casino games, those games could also be offered on the kiosks as virtual tables or machines used only on the property. Technology and the speed/action/convenience elements are slowly killing 2nd/3rd tier tracks without racinos.

In Minnesota at home, people can watch the Gophers, be with the family, have all racing information at their fingertips, play a few hands of poker on another site, watch any track, bet any track, watch the betting pools and odds details instantaneously, play Words with Friends between races, track their exact betting history and bet other sports. Every person under 30 who gambles **IS** the new Target Market, unfortunately horse racing doesn't seem to know this.

In closing, while these solutions may not be perfect they could form a basis to move from the dark ages of horse racing where 4% of their consumers drop out of the sport every year and bowling is more popular, to an age of aggressive innovative change. If however the powers that control racing today foolishly continue to think horse racing's declines are cyclical, as they sit on their hands and wait for things to improve, the data show inevitable constriction of the industry and at a minimum, a partial collapse.