



# TOC TIMES

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THOROUGHBRED OWNERS OF CALIFORNIA

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## TOC's Fight for More ADW Revenue: Why We're Doing It

For nearly 7 years now, California racetracks and horsemen were locked into contracts that required us to split between 3.5% and 5% of wagered dollars, while the ADW providers retained up to 16% of those dollars; six to nearly nine times what purses received in CA. We were not alone in this predicament. Out-of-state horsemen and tracks similarly receive far less than a fair share.

Last fall, the Hollywood Park meet represented the first of the California TVG exclusive ADW contracts to expire. In advance of that meet, among other things, TOC informed track management that it would not permit ADWs to proceed under any exclusive wagering arrangement, nor at the rates previously paid. Based on prior suggestions TOC had discussed with the ADW providers, the parties compromised on a rate structure - including the payment of TV fees to broadcast partners - to be implemented as an "experiment" including four tracks: Santa Anita, Hollywood Park, Golden Gate Fields, and Bay Meadows. Consequently, "the experiment" represented a compromise intended to demonstrate the merits of broad signal distribution and non-exclusive wagering rights, under exclusive broadcast arrangements, using a slightly higher rate structure, albeit still inadequate from the track and horsemen's perspective. Unfortunately, "the experiment" did not secure for tracks and horsemen the long-term equitable share of ADW revenues to which they are entitled.

Today, despite its utter disregard for these good faith efforts, TVG intentionally misled viewers/players across the state, by falsely asserting that implementation of the newly proposed model would have reduced CA horsemen's revenues at the 2008 Hollywood Spring meet by \$500,000. To the contrary, CA Thoroughbred interests would have received over \$165,000 more from TVG alone, and over \$633,000 from all four licensed ADW providers during the spring meet alone! Over the entire calendar year, North and South, that adds up to millions more in purse revenues for California owners!

Moreover, racetracks and horsemen around the country would have also received over \$600,000 more than they did as a result of the races run at this one meet. Considering all of the meets run nationally each year, what is at stake is millions of dollars in revenue that it is being diverted from live racing to internet companies, having only a fraction of the investment stakeholders do in this industry!

### UPCOMING EVENTS

**Saturday, Nov. 15th**  
TOC Ownership 101  
Bay View Room  
Golden Gate Fields  
Albany, CA

**Saturday, Nov. 22nd**  
Handicapping Contest  
Sunset Room  
Hollywood Park  
Inglewood, CA

Contact the TOC for more information at 310-330-7142 or 800-994-9909

### TOC Owner Profile - Mersad Metanovic



What do you get when you pit nine handicappers in an handicapping contest against each other the weekend of the Travers and Pacific Classic? The answer, one handicapper with bragging rights over the other eight, a great weekend of racing, and one lucky thoroughbred retirement charity!

The winning handicapper who ended up with the bragging rights was Mersad Metanovic, an owner breeder from San Jose, Ca. Mersad has

been an owner for three years in Northern California and has entered the winner circle with two of his horses, Montenegrin and Star Runner. Mersad became interested in horse racing as a teenager while attending the races at Bay Meadows and Golden Gate Fields with his dad. A student of handicapping, Mersad has qualified for the NTRA National Handicapping tournament two times. Mersad's charity of choice for this handicapping tournament was the California Retirement Management Account (CARMA) who received a donation of \$1,200 for Mersad's effort. When Mersad was asked if he was going to be able to defend his title again next year, he replied with a resounding "YES".

### THE QUARTER POLE

Do you support the TOC's fight for more revenue from ADW?

Tell us what you think. Email us at [toc@toconline.com](mailto:toc@toconline.com)

### Footnotes

TOC Board and Staff attended the Northern California Annual Business Luncheon at Golden Gate Fields on October 4th. TOC Staff held two very successful seminars at Santa Anita and the Big Fresno Fair on October 11th, with over 85 people attending each event! TOC President Drew J. Couto, Chair Marsha Naify, Executive Director Guy Lamothe, and Director of Operations Mary Forney attended the CHRB meeting at Arcadia City Hall.

### Leading Owners

| North - Money Won                 | South - Money Won                        |
|-----------------------------------|--|
| Hollendorfer and Todaro \$134,059 | HRH Princess Haya of Jordan \$2,700,000  |
| Joseph P. Morey, Trust \$68,550   | Moss, Mr. and Mrs. Jerome S. \$1,638,900 |
| Kjell H. Kvale \$58,026           | Darley Stable \$1,363,310                |
| North - Races Won                 | South - Races Won                        |
| Hollendorfer and Todaro 8         | Gary and Cecil Barber 4                  |
| Joseph P. Morey, Trust 4          | Tommy Town Thoroughbreds 3               |
| Dennis Ward 3                     | Everest Stable 3                         |

### TOC DIRECTOR'S NOTE: Pete Parrella Appointed to TOC Board



Longtime California Thoroughbred owner/breeder Pete Parrella has been appointed to the board of directors of the Thoroughbred Owners of California (TOC). Parrella, 65, has been involved in the California Thoroughbred industry for more than 30 years and owns Legacy Ranch, a full service horse training facility, where he stands two stallions, Cindago and Our New Recruit. Originally located in Chino, the operation was relocated to Clements, Calif., in 2004 when Parrella purchased the former Blooming Hills Ranch. He resides in Corona del Mar with his wife, Evelyn.

Parrella owns Parr Lumber Co., Inc., a 10-acre lumber distribution facility in Chino with 40 employees. He is also on the board of directors of the California Thoroughbred Breeders Association (CTBA), and serves as

its Treasurer.

"We are very pleased to welcome Pete Parrella to the TOC Board," said TOC Chair, Marsha Naify. "In his many years as an owner and breeder, he has experienced many aspects of this industry, and he will provide a welcome perspective."

"I believe we are at the crossroads for survival," said Parrella. "We need leaders with an open mind that can make decisions that will benefit the racing industry. I look forward to working with the other members of the board and staff, and will put forth my best effort to serve the membership of TOC."

Contact us at [www.toconline.com](http://www.toconline.com) or call 800-994-9909