



PENNSYLVANIA HORSE BREEDERS ASSOCIATION

www.pabred.com

September 2013

DEDICATED TO THOROUGHBRED BREEDERS

—PHBA'S FOCUS ON—

PA EQUINE COALITION REDUCES DIVERSION OF RACE HORSE FUNDS IN BUDGET, SAYS STABILITY NEEDED FOR FUTURE INVESTMENT AND JOB GROWTH

July 2, 2013, HARRISBURG, PA—The Pennsylvania Equine Coalition announced that a provision of state code that resulted in the diversion of 17 percent—more than \$200 million over the last four years—from the Race Horse Development Fund has sunset with the adoption of the state budget for the 2013–2014 fiscal year. The Pennsylvania Equine Coalition also partially turned back a budget proposal to divert approximately \$31 million this year from the Race Horse Development Fund (RHDF), reducing the diversion of funds to \$17.6 million.

The state's horsemen and breeder organizations engaged in an aggressive educational campaign throughout the budget process, talking with legislators about the negative impact that diverting more than \$31 million would have on the state's racing and breeding industries, the economy and jobs.

"We are relieved that the 17 percent diversion is over and that the proposal to divert \$31 million was scaled back, but we remain concerned about the long-term impact that diverting funds will have on the racing industry," said Pete Peterson, spokesperson for the Coalition. "Like any industry, businesses involved in horse racing and breeding require the ability to make long-term calculations about the viability of the industry. When the amount of money available for purses and breeders incentives is in constant question, it discourages business owners from making capital investments and it impacts the amount of money owners are willing to invest in Pennsylvania horses."

Peterson noted that the state's decision in 2009 to transfer 17 percent out of the RHDF to the state's general fund had a chilling effect on the state's breeding and horse racing industry. He said many investors who would have bred to Pennsylvania stallions opted not to because of the lack of stability of the fund. Similarly, Thoroughbred breeders who were considering investing in stallions with national profiles to stand at stud in Pennsylvania decided the high-dollar investment was too risky.

"The diversion of monies from their intended purposes in the Race Horse Development Fund has negatively impacted breeding operations in Pennsylvania and resulted in reductions in purses at the state's racetracks, which impacts horse owners, stable hands, trainers, blacksmiths, jockeys, veterinarians, and farmers who produce feed," said Peterson. "Diverting funds creates uncertainty, which results in less dollars being invested in Pennsylvania, which directly impacts jobs."

"Breeding of horses is a direct function of the stability of the RHDF and the current economy," Peterson continued. "It is a long-term process of approximately four years. Breeders and investors need to feel that they have an opportunity for a reasonable return on the dollars they spend. That is why stability of the fund is vital to the long-term success of Pennsylvania's racing and breeding industry."

Peterson pointed out, however, that even with the ongoing concerns about the stability of the RHDF, the racing and breeding in-

PA-BRED REMINDERS

- **Early registration:**
Within 365 days of foaling
- **Yearling registration:**
Dec. 31 of yearling year
- **Stallion registration:**
April 30 of year breeding
- **Broodmare domicile report:** Oct. 15 prior to year foaling or within 15 days of arrival in state

VISIT PABRED.COM

- **Current news**
- **Entries/Results**
- **PA-Breds for sale**
- **Rules, regulations, forms**

CONTACT INFORMATION

John B. (Jeb) Hannum III
Executive Secretary
execsec@pabred.com

Dorothy B. Weber
Asst. Exec. Sec., CIO/CTO

701 E. Baltimore Pike, Ste. E
Kennett Square, PA 19348
610-444-1050 phone
www.pabred.com

BOARD OF DIRECTORS

Brian N. Sanfratello
President

Roger E. Legg
Vice President

Richard D. Abbott
Secretary

Dale Schilling, V.M.D.
Treasurer

John D. Benson

David Charlton

Thomas B. Houghton

Steven E. Long

Carl McEntee

Susan Meckling

Elizabeth M. Merryman

Connie L. Nesteruk

Renee Nodine, V.M.D.

Vicky Schowe

Jane White

dustry in Pennsylvania has experienced a remarkable rebirth since the state legalized casino gaming and created the RHDF, which is funded through an assessment on slot machine revenues.

"The racing and breeding industry has accomplished a great deal over the past decade, creating tens of thousands of jobs," said Peterson. "We have much to be proud of, but we will never know how much more we could have accomplished had the funds from the Race Horse Development Fund not been diverted. Looking to the future, we intend to highlight what we have accomplished despite the enormous uncertainty that has existed in recent years, and work to ensure the fund remains stable going forward."

Accomplishments as a result of Act 71, the Race Horse Development and Gaming Act, include:

Economic data from the Department of Agriculture, released in 2010, shows that between 2001 and 2008 the value of the racing industry in Pennsylvania more than quadrupled thanks to Act 71. The Department of Agriculture stated that due to the RHDF, the overall value of the equine industry increased by 380 percent to \$3 billion, with employment more than tripling from 13,870 to more than 41,100.

The number of Thoroughbred mares bred to Pennsylvania stallions increased from approximately 1,000 prior to 2003 to a high point of 1,753 in 2009 (when the legislature began to divert 17 percent from the RHDF and the national economy faltered.)

On the Standardbred side, registrants for Sire Stakes have increased more than 70 percent since the passage of Act 71.

Over the last five years, the number of Standardbred horses registered for the Sire Stakes has averaged approximately 1,750 to 1,800 horses, up significantly from the approximately 1,000 registrants prior to 2003.

With the stagnant economy, the number of foals nationally has been decreasing, yet the number of Standardbred foals in Pennsylvania has increased by more than 20 percent over the past few years. Pennsylvania-bred Thoroughbred numbers on the national level have also risen sharply: Pennsylvania-breds made up 5.9 percent of the total U.S. foal crop in 2010, compared to 2.8 percent in 2004.

Sires of the 2012 Eclipse Award-winning Horse of the Year and a Horse of the Year finalist are now standing at stud in Pennsylvania. The winner of the prestigious Horse of the Year Award, Wise Dan, was sired by Wiseman's Ferry of Dana Point Farm in Lenhartsville. Finalist Fort Larned was sired by E Dubai, who stands at Northview PA in Peach Bottom. The fact that these two horses are now breeding in Pennsylvania and not Kentucky demonstrates the growing national stature of the Commonwealth.

Pennsylvania will host nine graded stakes races in 2013, tripling the number in 2004. In 2012, Pennsylvania hosted seven graded stakes.

As part of the 2013 Kentucky Derby weekend at Churchill Downs, Pennsylvania-bred 3-year-old filly Princess of Sylmar pulled off an upset win in the Kentucky Oaks, the Grade 1 "sister stakes" to the Kentucky Derby. That same weekend at Churchill Downs, another Pennsylvania-bred filly, So Many

Ways, won the Grade 3 Eight Belles Stakes.

Last month, Pennsylvania-sired pacer Captaintreacherous (by Hanover Shoe Farms stallion Somebeachsomewhere) won the \$1 million North America Cup Final at Mohawk Raceway in Ontario, Canada, one of the most prestigious races in the Standardbred racing industry and the world's richest pacing event. Last year, Captaintreacherous became the first 2-year-old pacer in 25 years to be named Pacer of the Year.

About the Pennsylvania Equine Coalition

The Pennsylvania Equine Coalition is a statewide group representing more than 10,000 owners and trainers of the horseracing industry in Pennsylvania. Members of the coalition include the Pennsylvania Harness Horsemen's Association, Pennsylvania Thoroughbred Horsemen's Association, Standardbred Breeders Association of Pennsylvania, Pennsylvania Horse Breeders Association, Meadows Standardbred Owners Association, and Pennsylvania Horsemen's Benevolent & Protective Association.

— REMINDER —

2014 BROODMARE DOMICILE REPORT

(for mares foaling in 2014)

DUE OCTOBER 15, 2013

Now online at www.pabred.com! Go to Forms at top of home page, pull-down menu for the ONLINE form. Now there is no need to mail forms—send your information to the PHBA electronically (PDF form is still available for regular mail delivery)

Call Geoff Brutscher at the PHBA office with questions at 610-444-1050 • www.pabred.com

How the PA-Bred Fund Works

Pennsylvania's Breeding Fund Program distributes more money, on a per foal basis, than nearly every other state-bred program now in operation. Established in 1974, the

Pennsylvania Breeding Fund has grown from a disbursement of \$65,000 in its initial year of operation to over \$15 million annually.

The Pennsylvania Breeding Fund is financed by a percentage of pari-mutuel handle and slots revenues. It provides for individual award payments (breeder, owner and stallion awards), overnight races for PA-Breds, purse bonus supplements, and PA-Bred stakes races.

OVERVIEW OF AWARDS AND BONUSES FOR REGISTERED PA-BREDS

- \$ Award of 30% of purse earned to Breeder for PA-sired horses (first through third)
- \$ Award of 20% of purse earned to Breeder for non PA-sired horses (first through third)
- \$ Award of 10% of purse earned to Stallion Owner (first through third)
- \$ Award of 10% of purse earned to winning Owner on selected open races
- \$ Bonus of up to 40% of purse earned to Owner on selected races (first through third)
- \$ Bonus of 25% of purse earned to Owner for PA-sired horses in PA-Bred stakes races (first through third)

For more details, visit www.pabred.com

CONTACT INFORMATION

State Horse Racing Commission

Harrisburg, PA
717-787-1942

Parx Racing

Bensalem, PA
215-639-9000

Hollywood Casino at

Penn National Race Course

Grantville, PA
717-469-2211

Presque Isle Downs & Casino

Erie, PA
866-374-3386

Pennsylvania HBPA

Grantville, PA
717-469-2970

Pennsylvania Thoroughbred

Horsemen's Association

Bensalem, PA
215-638-2012

PA-BRED PREMIUM EARN MORE JOIN THE PHBA

Whether you are currently a breeder or an owner, or if you are just considering getting involved in this exciting industry, there are many reasons to join the PHBA. The PHBA is devoted to those involved in Pennsylvania's Thoroughbred breeding industry. A not-for-profit organization founded in 1948, we provide a number of services to members, including informational assistance, educational opportunities and a variety of social events.

The goal of the organization is to advocate on behalf of the state's breeding industry. We are mandated by statute as administrator of the Pennsylvania Breeding Fund program, and as official registrar of the Pennsylvania-Bred roster of eligible program participants.

Working with industry leaders over the years, PHBA has achieved several goals that have brought reform and benefits to breeders, owners, race tracks and the public. The PHBA is vital to everyone involved in breeding throughout Pennsylvania. Your support and participation can help Pennsylvania's breeding industry continue to grow and prosper.

2013 PENNSYLVANIA-BRED STAKES SCHEDULE

Sat., Apr. 13, Parx	\$75,000 Lyman H , 3 & up, 7 fur. 1st - Tujoes; 2nd - Arlo; 3rd - Layers
	\$75,000 Foxy J. G. S , 3 & up, fillies & mares, 7 fur. 1st - Villette; 2nd - Lisa Stannard; 3rd - Ann's Smart Dancer
Sun., July 14, PID	\$75,000 Leematt S , 3 & up, 1 mi. 1st - Roadhog; 2nd - Kelly Rock; 3rd - Great Investment
	\$75,000 Northern Fling S , 3 & up, fillies & mares, 1 mi. 1st - Lenape Rim; 2nd - Lotta Lovin; 3rd - Sixth and Arch
Sat., July 27, Parx	\$75,000 Crowd Pleaser S , 3YO, 1 $\frac{1}{16}$ mi., turf 1st - Big Feat; 2nd (DH) - A Fleet Attitude/Fessed Up
	\$75,000 Power by Far S , 3 & up, fillies & mares, 5 fur., turf 1st - Madrilena; 2nd - Chulula; 3rd - Estrada's Girl
Sun., Aug. 11, PID	\$75,000 Malvern Rose S , 3YO Fillies, 1 $\frac{1}{16}$ mi.

PENNSYLVANIA'S DAY AT THE RACES • Saturday, Sept. 7 • Parx

\$75,000 Banjo Picker Sprint S, 3 & up, 6 fur.

\$75,000 Roanoke S, 3 & up, 1 $\frac{1}{16}$ mi.

\$75,000 Marshall Jenney H, 3 & up, 5 fur. (turf)

\$75,000 Dr. Teresa Garofalo Memorial S, 3YO Fillies, 6 fur.

\$75,000 Mrs. Penny S, 3 & up, fillies & mares, 1 $\frac{1}{16}$ mi. (turf)

Sun., Sept. 8, PID **\$75,000 Mark McDermott S**, 2YO, 6 fur.

Sat., Sept. 21, Parx **\$75,000 Alphabet Soup H**, 3 & up, 1 $\frac{1}{16}$ mi., turf

Wed., Nov. 27, Penn **\$75,000 Blue Mountain Juvenile S**, 2YO Fillies, 6 fur.

Sat., Dec. 7, Parx **\$75,000 Pennsylvania Nursery S**, 2YO, 7 fur.

All stakes included a 25% PA-Sired Bonus for 1st, 2nd and 3rd

Total: \$1,200,000

SUBJECT TO CHANGE - updated 07/30/2013

—PENNSYLVANIA-BRED FUND STATISTICS—TOP EARNERS—

(January 1, 2013 through June 30, 2013, rounded to dollars)

LEADING EARNERS - TOTAL AWARDS

Breeder Name	Breeder	Stallion	Owner	Total	Breeder Name	Breeder	Stallion	Owner	Total
William J. Solomon VMD	52,033	117,641	0	169,673	Walnut Green LLC	39,525	0	0	39,525
Michael W. Jester	61,981	73,222	0	135,203	Arrowwood Farm Inc.	38,945	0	0	38,945
Xanthus Farms Inc.	94,929	0	0	94,929	Mark J. Reid Sr.	37,424	0	0	37,424
Smart Angle LLP	81,695	0	0	81,695	Gum Tree Stables LLC	37,078	0	0	37,078
The Elkstone Group LLC	76,998	0	0	76,998	Five Of Us Farm Inc.	36,260	0	0	36,260
Thomas G. McClay	75,578	0	0	75,578	Thoroughbred Associates LLP	35,573	0	0	35,573
Judith M. Barrett	52,297	18,624	0	70,921	James Hackman	35,028	0	0	35,028
George Strawbridge Jr.	45,242	15,477	0	60,719	Richard Molineaux	35,018	0	0	35,018
Charles A. Cuprill	44,217	14,069	0	58,286	Richard H. Bosshard Jr.	34,181	0	0	34,181
Charlton Bloodstock Agency Inc.	56,827	0	0	56,827	William J. Shively	33,636	0	0	33,636
Glenn E. Brok LLC	48,193	0	0	48,193	Pewter Stable	24,437	8,497	0	32,934
Fox Tale	30,547	16,004	0	46,551	Northview Stallion Station Inc.	0	32,833	0	32,833
Wyn Oaks Farm LLC	32,910	8,672	0	41,581	Sylmar Farm Inc.	31,524	0	0	31,524
Jose I. Samaniego	40,954	0	0	40,954	Hope Hill Farm	27,776	3,102	0	30,878
Equivine Farm Inc.	39,936	0	0	39,936	David B. Anderson	22,426	7,475	0	29,902

LEADING STALLIONS

Fund Money includes Stallion Awards only

Stallion Name	Stallion Owner / Manager	No. of Races	Award Total	Stallion Name	Stallion Owner / Manager	No. of Races	Award Total
Real Quiet	Michael W. Jester	167	53,966	Southern Success	Barbara A. Rickline	44	13,191
Lite the Fuse	William J. Solomon VMD	115	45,085	Aisle	Flint W. Stites	36	11,760
Albert the Great	William J. Solomon VMD	65	27,519	Partner's Hero	Peter Giangiulio	48	10,539
Changeintheweather	Pin Oak Stud LLC	59	21,567	More Smoke	William J. Solomon VMD	28	9,952
Fairbanks	Northview Stallion Station Inc.	75	19,835	Delaware Township	Benjamin W. Perkins Sr.	30	9,650
Activist	Judith M. Barrett	58	18,624	Weigelia	Wyn Oaks Farm LLC	32	8,672
Ecclesiastic	Walmac Stud Management LCC	79	17,317	Ops Smile	Bonita Farm	9	8,568
Cat Thief	Michael W. Jester	48	16,726	Show Tune	Kathryn Goldenberg	40	8,086
Rubiyat	Fox Tale	46	16,004	Congressionalhonor	Pewter Stable	67	7,897
Rimrod	George Strawbridge Jr.	36	15,477	This Bulls for You	David B. Anderson	30	7,475
Power by Far	Barbara J. Geraghty	42	14,654	Harry the Hat	Peter Giangiulio	30	7,442
Siphon (Brz)	Regal Heir Farms Inc.	50	13,385	Cetewayo	John A. Chandler	24	7,276

LEADING HORSES

Fund Money includes: PA-Bred Races, Breeder, Stallion and Owner Awards and PA-Bred Owner-Bonus Payments

Horse	Pedigree	Breeder	Races	PA-Bred Restricted Purse	PA-Bred Stakes Purse	Total Breeder Award	Total Stallion Award	Total Owner Award	Total Owner Bonus	Total Fund Amount
Lisa Stannard *	Lite the Fuse - Bijou Belle	Walnut Green LLC	6	0	15,000	39,525	13,175	0	22,000	89,700
Villette	Petionville - Untangled	Jon A. Marshall	3	0	45,000	20,200	0	0	16,000	81,200
Tujoes	Oratory - Mrs. Vanderbilt	Barbara Smith Brown	2	0	45,000	17,904	0	0	12,720	75,624
Edge of Reality	Lawyer Ron - Our Nancy Lee	The Elkstone Group LLC	4	0	0	26,488	0	0	37,840	64,328
Dani's Storm *	Changeintheweather - Stormy Danyelle	Xanthus Farms Inc.	5	0	0	27,695	9,232	0	26,376	63,302
Porter Central	Master Command - Stephanie's Road	Taylor Made Farm Inc.	3	49,800	0	9,960	0	0	0	59,760
One Smart Philly	Smarty Jones - Philly Gal	Main Line Racing Stables LLC	10	0	0	24,108	0	0	34,440	58,548
Chicharito *	Albert the Great - Twin Tower (Per)	James Hackman	6	0	0	26,040	8,680	0	22,800	57,520
Starship Girl	Lion Heart - Savage Beauty	Martin S. Schwartz	4	0	0	21,896	0	0	31,280	53,176
Hot Smile *	Ops Smile - Red Hot Iron	Maui Meadow Farm	9	0	0	25,704	8,568	0	18,480	52,752
Fusetheopportunity *	Lite the Fuse - Unique Opportunity	John M. Pelet	7	0	0	22,537	7,512	0	21,464	51,514
Anearful	Eavesdropper - Fulmine	Briter Farm	7	0	0	20,594	0	0	29,420	50,014
Danny Newman *	Rubiyat - Dancing Patrol	Fox Tale	7	0	0	21,975	7,325	0	17,500	46,800
What'smineismine	Mineshaft - Spring Star	George Strawbridge Jr.	5	0	0	18,928	0	0	27,040	45,968
Our Quiet Hanna *	Real Quiet - Savannah Hanna	Susan Bunning	7	0	2,250	18,816	6,272	0	17,920	45,258
Lemon Zing *	Rimrod - Berry Tart	R H Breeding LLC	6	0	0	20,559	6,853	0	17,580	44,992
Moon Eclipse	Malibu Moon - Brush Over	Smart Angle LLP	3	0	0	17,304	0	0	24,720	42,024
Reflected Way	Will's Way - Riva's Reflection	Circle S Ranch	5	0	0	17,248	0	0	24,640	41,888
Traffic Light	Peace Rules - Lears and Limos	William J. Shively	2	0	0	20,904	0	6,000	12,720	39,624
Miss d'Oro	Medaglia d'Oro - Princess Legacy	Chain Bridge Stable LLC	2	0	0	16,296	0	0	23,280	39,576
Rich's Gold Metal *	Medallist - Buena Noche	Richard Burgess	5	0	0	17,755	5,918	0	15,364	39,038
Sidisinforthree	Whywhywhy - Miss Sidisin	Al Gold	4	0	0	16,016	0	0	22,880	38,896
Stolen Dance	Broken Vow - Angliana Dancer	Phyllis M. Wyeth	8	0	0	16,106	0	0	22,522	38,628
Throw'n Smoke *	More Smoke - Marquee Kelly	Thoroughbred Associates LLP	4	0	0	16,296	5,432	0	15,520	37,248
Generally George *	Patton - Margeaux's Wish	Roberta L. Schneider MD	2	0	0	16,044	5,348	0	15,280	36,672

*Denotes PA-sired