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CHRB NEWS RELEASE

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ADW MAJOR TOPIC ON AGENDA FRIDAY

SACRAMENTO, CA – The eight-month experiment that has opened up thoroughbred racing to all Advance Deposit Wagering providers in California will be a major topic of discussion when the California Horse Racing Board meets Friday, June 27, at the Alameda County Fairgrounds in Pleasanton.

The experiment is scheduled to end with the close of the current Hollywood Park meet on July 13, but the Del Mar Thoroughbred Club has asked for it to extend at least through its summer meet. TVG, which currently has an exclusive agreement with Del Mar, has not as yet agreed to waive the agreement, a prerequisite for continuing the experiment.

In other important business, the Board will be considering requests from various fairs to increase their takeout by 1 percent, as authorized by a new state law subject to CHRB approval. And the Board will hear reports concerning progress and planning for thoroughbred racing alternative racing schedules and options in Northern and Southern California.

At the conclusion of the regular monthly meeting, the racing commissioners, staff, and industry leaders will participate in a legislative day, which will include lunch with members of the California Legislature, the presentation of resolutions, and a winner's circle ceremony.

For those who cannot attend the Board meeting, an audio link will be available on the CHRB website (www.chrb.ca.gov) beginning at 9 a.m.

As announced last November by CHRB Chairman Richard B. Shapiro, the industry stakeholders reached an accord to permit non-exclusive ADW wagering, so that “fans wagering on California racing (could) use the licensed platform of their choosing.”

Following intense negotiations late last year involving the Thoroughbred Owners of California (TOC), Hollywood Park, Bay Meadows, Golden Gate Fields, Santa Anita Park, TVG, XpressBet, TwinSpires, and YouBet, the parties reached an agreement that began November 7 with the opening of the Hollywood Park and Golden Gate Fields fall meets. The agreement temporarily ended the exclusivity agreements that prevented fans from using one ADW account for wagering at all California racetracks.

Jack Liebau, president of Hollywood Park and Bay Meadows, recognizing the inconvenience to the wagering public of having separate accounts for wagering on all California tracks, described the agreement at the time as a “new dawn for ADW wagering in California.”

Chairman Shapiro has asked all stakeholders to attend Friday’s meeting to provide their views and perspectives on the experiment. “The purpose of this discussion is to determine if the experiment should continue through the remainder of the year, if possible,” explained the chairman.

Vice Chairman John Harris wrote in his own communication to industry leaders, “As we all know, the only increasing revenue sector for horse racing is Advance Deposit Wagering. Horse racing is the only game one can legally bet on at home, or essentially anywhere with an Internet connection. Tremendous potential exists. I would like to see the complete results of how (the experiment) is all working out, but intuitively more distribution and opportunity for account holders to wager on California races seems like a good idea.”

In a recent development, the TOC announced it had assigned the account wagering rights of California horse owners to the Thoroughbred Horsemen’s Group, allowing the THG to conduct negotiations on the TOC’s behalf with ADW companies.

Concerning the requests for increasing the takeout by 1 percent, the Board has received requests from the Los Angeles County Fair and from the California Authority of Racing Fairs on behalf of the Alameda, San Mateo, Solano, Sonoma, Fresno, San Joaquin, and Humboldt County Fairs. The new law authorizes an additional 1 percent in takeout from wagers on fair races, provided the additional revenue is used solely for the maintenance and improvement of the fairs’ racetrack facilities, subject to CHRB approval.

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