

The TOBA Times

Summer 2006

Letter from the President

Thoroughbred racing has faced numerous challenges throughout its history in the United States. Some have been met with success, while others were not, hence our declining position in a very competitive sports and entertainment marketplace.

Success is not always measured by immediate returns. The long-term strategies of growth cannot be displaced by the corporate world's desire for immediate results. With a multi-billion dollar industry at stake, those in decision-making positions must evaluate the current situation, adapt to ever-changing consumer needs and plan for the future.

The principal investors in our sport are Thoroughbred owners and racetrack operators. Racetracks are a finite number, totaling approximately 125 in the United States, while the number of owners ranges in the tens of thousands. The representation of owners' interests is at the core of TOBA's mission to "improve the economics, integrity and pleasure of the sport on behalf of Thoroughbred owners and breeders."

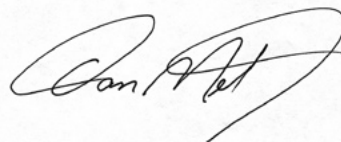
As one of the primary stakeholders in the business, representing the national interests of owners and breeders, TOBA recognizes the complex and challenging issues that face our sport. While other organizations may approach these issues with different strategies and tactics, we believe that the overall objective should be the same. As we have learned from the past, so-called allies working against each other instead of together is not only a wasted opportunity, but a setback for the sport.

The TOBA Board of Trustees and management are currently in the process of adopting a new strategic plan for the organization. We have carefully analyzed the existing situation

in the sport, not only for owners, but for all industry participants. A number of key strategic initiatives have been identified; from the flawed economic model of simulcasting and advanced deposit wagering to medication issues at the racetracks and sales to creating a more buyer-friendly process at public auctions.

We believe that it is important to remind everyone that the TOBA membership is comprised of many of the world's leading owners and breeders. These individuals have made a significant investment in horses and farms. These owners possess a perspective that is unique to the sport, one that is based on fundamental business experiences and one with a vision of what we can accomplish by working together as owners, as opposed to the alternative.

From the American Graded Stakes Committee, to the Sales Integrity Program to The Greatest Game, to the numerous economic or integrity issues that face owners, TOBA is committed to represent the position of owners at every opportunity. The decisions we make are often difficult, but we always believe that they are in the best interests of our constituents, the owners and breeders that make this great sport possible.



Daniel Metzger
President



Dan Metzger

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2006 TOBA Event Schedule

■ TOBA National Awards Dinner

Friday, September 8, Lexington, Ky.

■ Breeders' Cup Package

November 2 - 5

Lexington & Louisville, Ky.

■ TCA/TOBA Stallion Season and Art Auction

December 1, Lexington, Ky.

2006 TOBA SEMINAR SCHEDULE*

The Thoroughbred Owners and Breeders Association offer educational, non-commercial seminars and clinics for prospective, new and established owners.

TOBA's goal is to provide participants with the knowledge necessary to improve their likelihood for success in the Thoroughbred business. All TOBA seminars are sponsored by *The Blood-Horse*.

NEW OWNER SEMINARS

New Jersey - Monmouth Park

Friday, July 7

Illinois - Arlington Park

Friday, August 11

2-DAY PEDIGREE & CONFORMATION CLINIC

Kentucky - Lexington

October 8 & 9

**subject to change*



Conformation and Pedigree Clinic



2006 EUROPEAN RACING TRAVEL

Racing-Europe, a licensee of TOBA, has limited openings remaining on their fall trip:

ASCOT, GOODWOOD & THE ARC

September 21 to October 2, 2006

■ 3 nights in London, 2 nights near Goodwood, 5 nights in Paris

■ 5 days of racing at Ascot, Goodwood, Chantilly and Longchamp

Features Festival Saturday at Ascot and the Arc de Triomphe at Longchamp, as well as training and farm visits in Sussex and Chantilly.

For more information about Ascot, Goodwood and the Arc, or 2007 trip information call (800) 261-0499 or go to www.racing-europe.com.

2006 TOBA National Awards Dinner

The 2006 TOBA National Awards Dinner will be held on Friday, September 8 at Dr. Tom Simon's Vinery in Lexington, Ky.

The annual Awards Dinner honors the achievements of Thoroughbred owners in four North American racing regions and Thoroughbred breeders in 26 states. Also honored at the dinner are the National Breeder of the Year, the Small Breeder of the Year, the National Owner of the Year, the recipient of the Industry Service Award and the New Owner of the Year presented by The Greatest Game.

The evening has become a "can't miss event" as it leads into the most prestigious yearling sale in the world, the Keeneland September Yearling Sale. The dinner attracts nearly 1,000 prominent Thoroughbred industry guests and features popular entertainment, a silent auction and a stallion show. For more information on this event or to purchase tickets, please call 859-276-2291.



Sales Integrity Program Survey

If you have purchased a weanling, yearling or two-year-old in training in the last two years from either Keeneland or Fasig-Tipton, then you should have received a survey from TOBA on mandatory disclosure of surgical procedures that cause permanent changes to a horse's conformation, mainly transphyseal bridging (also known as "screws and wires") and periosteal elevations ("PE's").

Based on input from buyers on the Sales Integrity Task Force, the task force's code of ethics includes a section on the mandatory disclosure of such surgeries. Subsequent to the release of the code of ethics, consignors raised concerns about how the information on surgeries would be collected and managed as well as the importance of this information to buyers. Some consignors believed the input from the buyers on the task force was too small a sample and did not accurately represent the beliefs of the majority of buyers in the marketplace.

The Sales Integrity Program's monitoring committee, charged with overseeing the implementation of the task force's code of ethics, delayed the implementation of this section of the code and determined the best way to address the consignors' concern would be to conduct a survey of a large number of buyers. Such a survey will provide the monitoring committee with the quantitative, fact-based information it needs to make a decision that reflects the attitudes of buyers.



Thoroughbred Charities of America will hold their 17th Annual Stallion Season and Art Auction on Friday, December 1, 2006 at the Keeneland Entertainment Center in Lexington, Ky. Telephone bidding for the auction will take place from Monday, November 27 to Wednesday, November 29. The live auction on December 1 will feature artwork and approximately 20 select seasons. The TCA 2005 Stallion Season & Art Auction raised \$1.9 million, bringing the total amount distributed, among 170 thoroughbred charities, to \$12 million.



THOROUGHBRED CHARITIES OF AMERICA

All proceeds benefit national Thoroughbred non-profits in the fields of rescue, retirement, retraining, research, education, backstretch and therapeutic programs. TCA is an affiliate of the Thoroughbred Owners and Breeders Association. For more information go to www.ThoroughbredCharities.org or call Liz Harris at 859-312-5531.

State Association Members

- Arizona Thoroughbred Breeders Association
- California Thoroughbred Breeders Association
- Canadian Thoroughbred Horse Society
- Florida Thoroughbred Breeders' & Owners Association
- Georgia Thoroughbred Owners & Breeders Association
- Illinois Thoroughbred Breeders and Owners Foundation
- Indiana Thoroughbred Owners and Breeders Association
- Iowa Thoroughbred Breeders and Owners Association
- Kentucky Thoroughbred Association/Kentucky Thoroughbred Owners & Breeders
- Louisiana Thoroughbred Breeders Association
- Maryland Horse Breeders Association
- Massachusetts Thoroughbred Breeders Association
- Michigan Thoroughbred Owners & Breeders Association
- Minnesota Thoroughbred Association
- Mississippi Breeders and Owners Association
- Nebraska Thoroughbred Breeders Association
- New Mexico Horse Breeders Association
- New York Thoroughbred Breeders Inc.
- Ohio Thoroughbred Breeders & Owners
- Oklahoma Thoroughbred Association
- Oregon Thoroughbred Breeders Association
- South Carolina Thoroughbred Owners and Breeders Association
- Tennessee Thoroughbred Owners and Breeders Association
- Texas Thoroughbred Association
- Thoroughbred Breeders Association of New Jersey
- Virginia Thoroughbred Association
- Washington Thoroughbred Breeders Association



TOBA's mission is to improve the economics, integrity and pleasure of the sport on behalf of Thoroughbred owners and breeders.

As the voice of Thoroughbred owners and breeders, TOBA works to achieve its mission in several ways.

- TOBA manages the Sales Integrity Program, a project designed to educate new owners about Thoroughbred auctions.
- TOBA is the only national organization that coordinates new and prospective owner clinics and seminars, effectively recruiting new owners and breeders to the Thoroughbred industry.
- TOBA manages the American Graded Stakes Committee. Graded Stakes races provide owners and breeders with a benchmark for quality of races and horses.
- TOBA is a founding member of the Racing Medication and Testing Consortium, a program that develops policies, research and educational programs to ensure the fairness and integrity of racing and the health and welfare of racehorses.
- TOBA is a founding member of the NTRA and holds a seat on the board.
- TOBA manages The Greatest Game, a marketing program designed to introduce new owners and breeders to the sport of Thoroughbred racing.
- TOBA is an influential voice in the American Horse Council, the national trade association representing the horse industry in Washington, D.C. TOBA provides representation for owners and breeders on national and international racing and breeding topics.
- TOBA creates promotional projects such as the Claiming Crown, racing's day for blue-collar runners.
- TOBA has an alliance with Thoroughbred Charities of America, a non-profit organization, whose mission is to raise money for Thoroughbred rescue, retirement, retraining, research, education, backstretch and therapeutic riding programs.
- TOBA hosts the annual National Awards Dinner, a formal event recognizing the efforts of our colleagues in the Thoroughbred industry.



TOBA members can now save \$20 when you sign up for your National Racing Compact license (regularly \$150). Sign up on-line today and save at www.racinglicense.com.

- TOBA provides various member benefits including a subscription to *The Blood-Horse* and its two annual supplements, free clubhouse admission to most North American racetracks, affinity discounts and more.

TOBA MEMBERSHIP FORM

NAME: _____ E-MAIL: _____

ADDRESS: _____ CITY: _____ STATE: _____ ZIP: _____

PHONE (Office): _____ (Home): _____

Are you a subscriber to The Blood-Horse: ___ Yes ___ No

Are you a member of a state Breeders' Association? ___ Yes ___ No If yes, which one? (primary only) _____

\$250 Annual Dues _____ \$1,000 Sponsor (one time fee) \$250 each year after. *Call to ask about our other rates.

___ VISA ___ MasterCard ___ AmEx

Account Number: _____ Exp. Date: _____ Signature: _____

Contributions or gifts to TOBA are not tax deductible as charitable contributions. However, they may be tax deductible as ordinary and necessary business expenses. \$250 annual dues includes The Blood-Horse magazine.

Return to: TOBA, P.O. Box 910668, Lexington, KY 40591-0668
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