

## **TJC ROUNDTABLE SPEECH**

AUGUST 14, 2022

### **INTRO**

In January of this year, after I had accepted the job to be HISA's CEO, but before I officially started, I began reading the trades religiously. And during that time there were two letters to the editor published in The Paulick Report that captured my attention. The first was "Why I am leaving the sport I loved for 50 years" and the second, published two days later was "Why I choose racing over the Sports I loved for 50 years".

I printed both articles and placed them on my desk as a daily reminder of HISA's enormous responsibility to the horseracing industry – and the enormous opportunity it presents for the sport and all those who love it. As I read those articles, I wanted to make sure HISA did everything in its power to lure back the participants and fans we've lost and grow the enthusiasm of those new to the sport.

And beside them – to put the exclamation mark on how important and personal the success of HISA was to me -- a photo of my paternal

grandfather – an avid horseman – sitting on his horse. My grandfather emigrated to Canada from Romania at the turn of the century and although he had few resources, he spent every extra penny he had on his horses. I was 5 years-old when he had a heart attack and died – but the consolation for the family was he suffered the heart attack while breaking a new horse, doing what he loved. So many of us have precious memories of our grandparents and parents – around horses and horseracing – it was not lost on me that HISA had a part to play in ensuring those memories would also exist for our children and grandchildren.

So I accepted the job as HISA CEO because I saw a once-in-a lifetime opportunity to successfully lead horseracing through a much-needed period of positive reform. I had done the same for the International Equestrian Federation with 133 different countries so I figured how hard could 30 or so states be? Turns out the answer was – pretty hard.

The reason I was convinced HISA could succeed in its mission was:

- As someone who has spent her entire career working in sports regulation, it made zero sense to me that a national sport like

horseracing would have so many different sets of rules, especially since horses move from state to state to run.

- The 9 member HISA Board, led by Charlie Scheeler, was passionate about HISA's mission and so genuinely and sincerely committed to making decisions that were best for horseracing.
- And there were the seminal industry organizations, like the Jockey Club, The Breeders Cup, and the NTRA who had led the initiative to get the Bill passed through tireless effort and were willing to do whatever it took to be successful.
- And finally I assumed that America's horseracing industry would want to be competitive in the international arena and attract top trainers that would be confident coming over to race because of our safety and integrity policies.

And six months into the job, even after taking more than a few punches, I'm more convinced than ever that all those principles are true and that the vast amount of racing participants support our mission and what we are trying to achieve. And by supporting our mission I don't mean agree with every rule or policy we put out there-- as we are currently and will always continually

evaluate our rules and policies – but I mean accept that HISA is the way forward for horseracing.

We all know that Horseracing is a sport steeped in tradition, and that tradition is a fundamental component of its magic. Saratoga Racecourse opened in 1863 and in a couple of weeks the 153<sup>rd</sup> running of the Travers Stakes will take place. But some of those traditions have come under increasing threat in recent years and I don't think any observer in or outside of the sport can credibly argue reform isn't needed. To quote Jockey Club Vice-Chairman Bill Lear from his Congressional Testimony "We are facing an existential threat. If our response to that threat is business as usual, we are going to lose."

One existential threat is the assaults on the integrity of the sport. No one has fought this more ferociously than the Jockey Club, whose tenacious efforts led to the discovery and prosecution of those bad actors within our sport who were illegally doping horses. These prosecutions sent a powerful message. When we take over the anti-doping space in January, our job will be to build on these huge successes and create a sustainable and effective deterrent to cheating across the country.

To protect the Sport of Kings, to grow and expand the business of racing and to ensure the tradition continues for the next generation, we must rebuild trust in this industry. To quote Somerset Maugham, “Tradition is a guide and not a jailer.” We need to safeguard horseracing’s tradition, but new need to evolve. It is no longer good enough to say “we need to keep doing things this way, because this is how we’ve always done it.”

The reforms we are implementing—the work that all of us are engaged in—are a necessary part of the sport’s evolution. Policy makers, and more important the public, demand it of us.

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So what would it mean, to successfully lead horseracing through reform?

Our efforts will be guided by three principles:

- 1) **Collaboration** with experts from the industry in developing and then evaluating the rules that govern Racetrack Safety and Anti-Doping and Medication Control. Our sport is unique, and we have and will approach the development and evaluation of the rules with a sense of humility and appreciation for the wealth of experience and expertise that resides among industry members. Specifically, we will soon be

creating several advisory groups, including a horseman's group, to enhance engagement with stakeholders to ensure we are delivering the best programs for the industry.

2) **Transparency**, both as a fundamental building block of the reforms and how we need to operate as an organization. As we transition to a new permanent website, we will be hosting considerably more content around Committee work, budgets, staff responsibilities and contact information, organizational charts, as well as HISA's strategic goals and objectives.

3) **Accountability**. Accountability for those who violate the rules, threaten the health and safety of our athletes and undermine the integrity of the sport. We, at HISA, are also accountable to you. We will continue to listen to any and all concerns and adapt as appropriate.

4) **Unity**. We will work tirelessly to unify this industry. I know it will be hard, but we will not give up on unity. The horseracing industry is

one family made up of many different branches. And if we can come together around just a few common goals, we can flourish together.

HISA is not perfect, and as you know it is still a work in progress, but I'm incredibly proud of the work done by our small team under the very tight time frame set by Congress in the legislation. Under the direction of our Board, chaired by Charlie Sheeler, and led by working committees of experts from within and outside of the industry, we've made real progress. I want to especially acknowledge Dr Susan Stover, Chair of the Racetrack Safety Committee, who has spent countless hours with her Committee on developing and then implementing the Racetrack Safety Rules, and Adolpho Birch who has brilliantly led the ADMC Committee through a methodical and comprehensive rulemaking process to create HISA's anti-doping and medication control program.

Our core HISA team is small but growing with our new CFO Jim Gates, Director of Racetrack Safety Ann McGovern, General Counsel John Roach and Director of State Racing Commission Relations Marc Guilfoil. These folks are exceptionally dedicated to HISA's goal and to the industry – and

they know racing. We will continue to add experienced people from both inside and outside the industry who can help achieve our mission.

We are now six weeks into the implementation of the Racetrack Safety rules:

To date we have:

- Registered 34,000 horses and 28,000 people.
- 90% of horses, jockeys and trainers competing are registered, 95% if you exclude Louisiana where the vast majority of our unregistered population races.
- Reached voluntary agreements to implement HISA rules with 17 state racing commissions out of a total of 21 that HISA governs.
- Held more than 100 zooms, town halls, and information sessions with stakeholder groups.
- Facilitated concussion testing for jockeys at 10 different racetracks prior to July 1.

- Held multiple national stewards calls to harmonize rule implementation.
- Begun to enforce new uniform rules governing use of the riding crop, riding crop specifications, horseshoe specifications and more.
- And we have voided 36 out of the 1748 horses claimed since HISA's inception.

We have also made significant progress on the Anti-Doping and Medication Control Program. In recent weeks we have:

- Developed and refined – with input from hundreds of racing stakeholders - a comprehensive set of ADMC rules. These rules will be submitted to the FTC this coming week for implementation in January 2023.
- Appointed an incredibly well-respected ADMC Enforcement Agency, Drug Free Sport International, which created the Horseracing Integrity and Welfare Unit (HIWU) to be a comprehensive, uniform anti-doping agency. We just finished a two-day offsite dedicated to the program's buildout and we have some of the most experienced anti-doping experts in the world working on this program.

- We are collecting an unprecedented amount of data on equine treatments, injury and safety that we will mine and share back to stakeholders to continue to drive ongoing progress.

Together, I strongly believe these programs will save horses' lives and rebuild trust that racing is clean, humane and fair.

Unfortunately, we have also spent an enormous amount of time and industry resources defending HISA against lawsuits. Significantly, not a single challenge to HISA's constitutionality has been successful. But we have spent approximately 1.8m dollars towards HISA's legal defense. As you all know, HISA is industry funded. So these lawsuits are **ultimately** being paid for by the industry. And ironically in part by the entities suing us. This is a travesty as these are industry dollars that could be spent on positive reforms to make racing safer. It is deeply disappointing because there is so much we could achieve as an industry through unity, which is one of the core guiding principles I identified earlier.

**So what can you expect next from HISA?**

We will continue to refine the Racetrack Safety rules -- rulemaking is an iterative process and future rules packages will fill in gaps, clarify ambiguities and reflect new information affecting safety. As you may know, we recently evolved new shoeing rules after constructive engagement with a number of racing participants. That is just one example of the collaborative dialogue we want to and will have around these rules.

A primary focus for this Fall will be on the Anti-Doping and Medication Control Program. Soon we will be announcing additional leadership within HIWU, including highly-qualified and well-known individuals from within racing and broader anti-doping efforts. We are building a seasoned, world class team that will implement the first national anti-doping program in horseracing with uniform testing and sanctions. They will be tough, but they will be fair and in time horsemen will be able to compete with the comfort of knowing they will not be beaten by someone who is cheating.

And there will be transformational opportunities in the future to leverage the data we are collecting to do things like –

- Marrying racetrack surface information with injury and treatment data
  - we have only been collecting records for 6 weeks and we already

have tremendous amounts of veterinary data where I can see an exciting future working with our stakeholders to deliver useful findings to the industry.

- Marrying anti-doping investigations and intelligence – HIWU will have a robust intelligence capability that will be deployed nationally and used to direct its in and out of competition testing programs -- to be sure that we are guaranteeing clean and fair competition within and amongst states.
- HISA is also hiring a national medical director to support the racetracks with uniform health and safety protocols and safeguards for jockeys, to make sure they receive the treatment and care they deserve. This national medical director will work with local representatives to deploy the concussion protocol and make sure that when jockeys have head injuries, the concussion history is shared with the hospital and any caregivers to optimize the jockey's treatment.

Finally, as we work to build greater trust in the industry, I am committed to continuing to build trust with you. We will continue our open and collaborative dialogues with everyone in the industry who comes to us in

good faith. And we are developing additional policies to ensure greater transparency in our decision making and in the application of the new rules.

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HISA is now the law of the land. There is no longer any disputing that fact.

The task in front of us now is to work together to make HISA, and the sport, the best it can be.

We have one industry, and one chance.

Let's have vigorous debates about what the rules should be. But let's never forget the REAL adversaries are the bad actors who tarnish our sport, anyone who is cavalier about horse welfare, and those who want to shut down horseracing for good.

And if you look at some of the recent objective metrics available to us –

- The new records for yearling sales here in Saratoga
- Increased wagering and handle at Del Mar and Saratoga

What these statistics tell us is that the public has hope and faith in our industry. When you buy a yearling, you are essentially buying into a dream for the future. And anyone who suggests that HISA is “killing” the sport need only be pointed to these and other objective indices. There are many reasons to believe in the future of horseracing, and HISA is certainly one of those key reasons.

I had faith in the potential of this industry to grow and flourish. When I took this job, and every interaction I’ve had since has only made me more confident that a strong future for this sport is within our grasp.

It’s been only six weeks since we launched HISA. If this effort to enhance the safety and integrity of racing fails, we all fail, and if it succeeds, we all succeed. It’s that simple. And I’m putting MY money on HISA. Whether or not you think the odds are in our favor, this horse is coming in, and the payout will be tremendous. For all of us.