

OPEN LETTER TO TGA AND NGA MEMBERS

From Diane Whiteley

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July 29, 2009

In 2008, the Texas Racing Commission opened the application period for greyhound race dates for 2009-2010. At that time, Gulf Greyhound Park submitted and was granted a 6 performance weekly schedule for 2009, but didn't ask for any dates in 2010. Valley Race Park submitted and was granted race dates for 2009, but didn't ask for any dates in 2010. Corpus Christi's dates were tabled by the Commission since a sale was pending.

At the February 25, 2009 Commission meeting, Corpus was granted 43 live race dates in 2010, beginning July 2 through August 31, 2010. The Texas Greyhound Association was already on public record that it didn't think that Corpus would be able to get the required number of greyhounds (estimated 460 active, 10 kennels, half of kennels owned 100% by a Texas resident under the law), but it would not oppose the dates granted. The TGA had tried, unsuccessfully, for Corpus and Valley to run a circuit to keep at least 10 kennels in business year-round. It was very much aware that it would be impossible to gather up 460 active greyhounds and 10 kennels to run 43 performances in the middle of the summer, when the meet did not tie into any other meet in the country. The TGA has been and continues to be consistently supportive of a workable circuit between Corpus and Valley.

In 2009, the Texas Racing Commission opened the application period for Gulf and Valley for 2010 and 2011, and Corpus for 2011. I spoke with the management at Valley Race Park, Gulf Greyhound Park and Gulf Coast Racing (Corpus Christi) regarding their dates submissions. Legislation for VLT's had failed during the legislative session that was just ending and the TGA wanted to know the tracks' future plans. In a separate bill, the Sunset Commission had recommended to the legislature that the Texas Racing Commission be granted clear authority to revoke an inactive track's license. This legislation, opposed by the horse and greyhound tracks, did not pass either.

Gulf Greyhound Park was hit hard by Hurricane Ike in September, 2008, had closed off its top floor and had not yet completed its discussions with its insurance carrier. A couple of kennels that had taken bookings earlier in the year in anticipation of passing VLT's were in danger of leaving, further reducing Gulf's active list which was barely enough to fill its races.

Gulf Coast Racing (Corpus) was encountering unforeseen delays on its facility, pushing back its 2009 simulcast schedule.

I had been told in the Fall of 2008, by the former General Manager at Valley, that its Board had been against opening the Valley meet for 2008-2009 and unless legislation passed it would most likely not open in November, 2009.

Before the deadline for submission of the dates, Harlyn Goebel, the TGA President, and I met with three members of the Racing Commission staff, including its attorney, to get a legal opinion on the Texas Racing Act and its requirements for both live racing and simulcast. Under the Texas Racing Act, a greyhound track may simulcast only if it has been granted live race dates and has an agreement with the Texas Greyhound Association on its purses. In the event that a track has been granted live racing dates and then cancels them, the purse money reverts to the TGA to distribute to another track.

Valley could therefore continue to simulcast the rest of the year without running live since it already had been granted 2009 race dates. Valley is accumulating purse money from its simulcast, as well as the TGA allocating it a portion of the "cross-species" purse money weekly.

Corpus was to begin simulcasting in June, 2009, and could continue all of 2010 without running live, by cancelling the races it had already been granted in 2010. In the meantime, it would also accumulate purse money in an escrow account.

The TGA knew all three tracks had lost a great deal of money and were making decisions based on their respective financial positions.

This was the situation when the TGA held a Board meeting on June 3, 2009, advertised on its website and attended by only a handful of TGA members:

- Two Texas tracks were simulcasting without running live: Gulf Coast (Corpus) and Valley.
- Valley had not submitted any dates for 2010 and was in danger of closing.
- Gulf Coast (Corpus) would be simulcasting the remainder of 2009, accumulating purse money for its 43 day meet in summer of 2010, and it would most likely not be able to run its live meet for lack of greyhounds.
- Gulf Greyhound Park was losing kennels and running dangerously low on active greyhounds, putting it in jeopardy of cancelling some of its live race performances, even further reducing purses for its 14 kennels (at that time).

The Board felt it could either let greyhound racing in Texas die a slow death, or stop the bleeding and regroup, to keep all three tracks alive to fight again for legislation in 2011. It was clear to the Board that two of the Texas tracks would not run live in 2010 and one track, Gulf Greyhound, was in jeopardy for lack of kennels and greyhounds.

The Board was searching for options to keep racing alive in Texas and keep and attract kennels to run at Gulf and not lose the purse money being accumulated at Valley and Gulf Coast (Corpus). The solution was to allow Valley and Gulf Coast (Corpus) minimal days so they would at least stay open for simulcasting. Their accumulated purse money could then go to Gulf Greyhound, increasing point values by \$25-30 a point, making Gulf Greyhound attractive to book and keep kennels, as well as keep Texas breeders active.

Harlyn Goebel and Diane Whiteley of the TGA met with the kennels at Gulf Greyhound and gave them this same information. We asked which kennels would be willing to send greyhounds to run a 2 day meet at Gulf Coast (Corpus) and Valley. It would mean increasing the weekly purses at Gulf \$25-30 point. Three kennels were not willing and they certainly don't have to participate. We discussed sending a track crew into both tracks to make sure the track surfaces were safe, and helping to arrange transportation of the greyhounds for the couple days.

The purse values at Gulf Greyhound have been averaging \$55-60 point, and this has not been high enough to keep kennels in business, much less get new kennels. By increasing the points to \$80-90 point, the Board felt that Gulf could compete with the top non-casino tracks and keep Texas racing alive. This point value would also encourage Texas members to breed greyhounds, which has dropped almost 50% since 2004.

To do nothing could mean the end of live racing at all three tracks. If there are kennels willing to run for 42 performances in 2010 at Gulf Coast (Corpus) please let the TGA know. It will need 5 Texas-owned kennels and 5 non-Texas kennels each supplying 40 active greyhounds and we will get your names to the track so it can send you a contract.

If there are 5 Texas-owned kennels with 40 active greyhounds each willing to run Valley's meet from the end of November through the first part of April, please contact Valley so it can send you a contract. If these same kennels are willing to run for \$50 point year-round, please let Gulf Greyhound know as it needs kennels right now. Since the June 3 TGA meeting, Gulf has lost 3 kennels.

The TGA Board is aware of the precedent that this could create for other states, but other states don't have our laws and rules. A much more dangerous precedent has already been set in Oregon, Colorado and Kansas to shut down racing entirely. At least we have the opportunity of keeping them open and contributing to purses.

The TGA does not know how the Commissioners will decide on this proposal. There is a Working Group meeting set up for Thursday, July 30 at 1:30 at the Texas Racing Commission office in Austin for further discussion, and the postings from GlobalGreyhounds will be provided.

The Commission meeting will be held in Austin on August 18 and the agenda and meeting information will be posted on the Texas Racing Commission website. The TGA urges anyone with something to say on public record to attend and write or call the Commission, the TGA, your TGA District Representative or any of the three racetracks.

If someone has a better idea, the TGA has been and continues to be willing to hear it and have it discussed. Two of the TGA members have kennels at Gulf: John Liberatore and Harlyn Goebel. Two of the other Board members, Marty Tanner and Charlie Pevehouse, did have a kennel at Gulf, but no longer have one. The other five raise or board greyhounds. All of their contact information, term of service and the TGA By-Laws were sent to each TGA member in April, after the elections. Your District Representative contact information is also available on the Texas Greyhound Association website.