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Déjà Vu All Over Again

By Eddie Martin, IBOP President & Executive Director

“It’s déjà vu all over again,” is a quote attributed to Hall of Fame baseball player, Yogi Berra. Supposedly, he gave the world this saying after repeatedly witnessing his Yankee teammates Roger Maris and Mickey Mantle hit back-to-back home runs during the early 60’s. In many ways, this saying is appropriate for the Indiana Inspector General’s (IG) recommendation to lower the horsemen’s allocation from slots in Indiana to pre-slot machine levels to what the old river boat admission’s tax created for the industry. Haven’t we seen and heard all this before?

To be more specific, in the IG’s September 2, 2011 report, which was a part of this agency’s 16-month investigation of the Indiana Horse Racing Commission (IHRC), the following statement was made:

“Assuming that a continued subsidy to the horse racing community is deemed proper by the Indiana Legislature, we respectfully recommend that the Legislature consider evaluating the amount of the subsidy and consider a monetary cap at pre-Racino figures.”

Please note: The IG’s report was dated September 2, 2011 and not released publicly until November 10, 2011. We wonder where the report was between September and November.

If this particular recommendation actually became law, the horse racing allocation from slots would be capped in the \$26 to \$27 million range versus the expected \$56 million in fiscal year 2012. Does the IG’s recommendation sound familiar? It should as we’ve been down this road before. During the 2011 Indiana Legislative Session, on February 19th, Indiana Representative Dennis Espich (R-Uniondale), the Chairman of The House Ways and Means Committee, amended the Governor’s budget bill (HB 1001) to cap the horse racing allocation from slots, shared by the three racing breeds, at \$27 million dollars.

As we know, the Governor’s budget bill in the 2011 legislative session did not have widespread support and basically went nowhere. Senator Luke Kenley (R-Noblesville),

the Senate Appropriations Committee Chairman, took control of the budget process. As a supporter of the horse racing industry, Senator Kenley was able to put together a budget that kept all but \$3 million of the horse racing allocation from slots intact.

Senator Kenley also played a role in suggesting that certain aspects of the Indiana Horse Racing Commission (IHRC) be investigated. In April 2010, he suggested that an investigation of the “persistent rumors of illegal activity” was necessary. So, how did this seemingly “off-the-wall” recommendation to cap the slot allocation to horse racing fall within the scope of an investigation of the IHRC? We are actually wondering if this particular recommendation was even within the statutory scope of the Inspector General’s Office as authorized by Indiana law. On the IG’s website, under the heading labeled Investigative Hotline, you can read the following;

“We only have jurisdiction to investigate criminal, ethics, and efficiency violations in the Executive Branch of Indiana Government and its administrative agencies.”

The IG’s office is actually part of the executive branch of Indiana’s government, which is headed by the Governor and also includes the Indiana Horse Racing Commission. The IG is appointed by and reports to the Governor. According to IC 4-2-7-2(b), “The inspector general is responsible for addressing fraud, waste, abuse, and wrongdoing

in agencies” which seems to echo what we found on their website. The term “agencies” is also defined by Indiana law as elements of the executive branch of government and specifically excludes the judicial and legislative branches.

With this type of statutory mandate, does the recommendation to cap the horsemen’s allocation from slots fall under “fraud, waste, abuse and wrongdoing” within the executive branch of government? The only connection that the slot legislation has with the executive branch is that Governor Daniels signed the bill to make it law in 2007. Do you think perhaps there is some politics in play with this recommendation? Did the IG just parrot the language used with the Governor’s budget bill earlier this year? In our view, assuming so is quite logical and quite probable. Especially, when you consider the language used in the IG’s report.

We find the IG’s use of the phrase, “deemed proper by the Indiana Legislature” quite curious when describing the cap recommendation. The same can be said for the IG citing a 2006 report by the Indiana Office of Management and Budget, another executive branch agency, in which the following was stated, “It is unclear if these subsidies are intended to exist in perpetuity, or if the horse racing industry is expected to become self-sufficient sometime in the future. Equally unclear is the economic return on the taxpayer dollars spent on these subsidies.”

While we object to any use of the term “subsidy” (See Below) attached to the horsemen’s allocation, what is forgotten is that the funding to horse racing from alternative gaming was not a path to becoming “self-sufficient.” The original revenues to horse racing from the river boat admissions tax pre-2008 was to offset the lost revenues the industry would suffer with expanded gaming from the establishment of river boats! We’ve not forgotten that, but some may need a reminder. To use the IG’s language, the Indiana Legislature deemed the slot allocation to horse racing “proper” in 2007, 2008, 2009, 2010, and again in 2011 which was during the course of the IG’s 16 month investigation of the Indiana Horse Racing Commission!

As we commented in IBOP’s first newsletter in early November, 2010, (please call for a copy if you need one) attempts to reduce the slot allocation to horse racing was not a matter if, attempts to reduce the allocation was a

matter of when. Would you know, less than one week later, Indiana’s IG makes a recommendation to reduce the allocation by over 50%!

Doing Your Part to Protect the Economic Environment

With the breeding season coming quickly, many of us will become very busy. The 2012 Indiana Legislative Session is a “short session” beginning on January 4, 2012, and ending by March 15, 2012. Short sessions were designed to provide action on critical or emergency issues between the state’s biennial (two-year) budget sessions. At this point,

there is no telling how the IG’s recommendation will be used. So, while the 2012 session will be short, it may not short on an issue that may be important to you.

How can you help? As an owner, breeder, stallion owner, trainer, or just a fan of Indiana horse racing, we encourage you to write a personal letter or send a personal email to your Indiana State Representative, your State Senator, and Governor Daniels. Sure, it will take some time to do this, but don’t count on the “other guy” to follow through with writing. Any “grass roots” contacts are huge to legislators, especially from their own constituents.

Your letter might be that 5th letter and that’s the one that puts this issue in perspective for your Representative or for your Senator.

Our political leaders need to be educated regarding the horse racing industry and you may very well be their best educator.

While the IG made a recommendation to cap the slot allocation to horse racing, there was no discussion of the industry’s economic impact to the state. Here are a few ideas and points to use to educate your legislators:

- Purdue Calumet’s “Economic Impact of the Indiana Horse Racing and Breeding Industry” completed on October 25, 2010, indicated that the horse racing industry provide in excess of \$1 billion in economic activity to the State of Indiana. This economic impact study was post-slot legislation using 2009 results. The study included everything connected with horse racing and breeding including feed distributors, veterinarians, blacksmiths, new truck and trailer sales, barns, fencing, etc. In just two full years, the

*I don't make
jokes. I just
watch the
government
and report
the facts.*
— Will Rogers

horse racing and breeding industry provided Indiana an industry worth a billion dollars a year of economic activity. What could we do for the state if they would leave our deal alone?

- Purdue Calumet's economic impact study also cited an American Horse Council study on Indiana's horse racing industry which was done pre-slots in 2005. This study indicated just a \$294 million economic impact to the State. The key point here is that the passage of the slot legislation is what pushed the higher economic benefit higher.
- The horse racing industry is actually NOT being subsidized by state tax dollars. The addition of slot machines at the race tracks are an additional revenue source and profit center generated by those facilities. It's no different from any other business that adds an additional products or services to generate more income and more profit (and more taxes) while striving to become more financially viable.
- The slot allocation to horse racing is an economic incentive program not a subsidy. With a subsidy, you get something just for participating which has never been the case in horse racing and breeding and never will be. With an economic incentive program, you invest money in an industry and spend money in an industry with no guarantees of any return. You accept the risk of loss and compete for any gains. With a subsidy, there is no risk of loss.
- With the passage of the slot legislation, the State made a deal with the two races tracks and the horsemen's groups for certain revenues to be allocated to horse racing activities. That arrangement IS working well for the State. If the State of Indiana agreed to provide Honda, Toyota or Subaru millions in tax breaks to come to Indiana to build a new plant, then took them away, we'd be reading about that on the front page of every newspaper in the State.
- Jobs, Jobs, Jobs! The Purdue Calumet economic impact study claims that Indiana's horse racing and breeding industry is responsible for direct and related employment of over 9800 people in the State of Indiana! If you have people on your payroll, describe how many you employ and how much you spent on your employees. Would there ever be a consideration of reducing the slot allocation to horse racing if all 9800 worked at the same location? The horse racing and breeding industry should not be penalized because those 9800 are spread throughout the State.
- You can also make any communication personal by including how much money you spend each year as a participant in the Indiana horse racing industry. Include how much of that investment was in horses, stud fees, boarding, vets, farm improvements and state taxes. You can

even compare your expenditures both before and after the slot bill passed in 2007. If you're like most, your investments have gone up because of the greater economic opportunity. Should the slot allocation be are cut drastically, explain how your investments in Indiana will change.

- While horse racing is a part of Indiana's gaming industry, we are actually more of an agriculturally based business. Include comments regarding the agriculture side of your involvement in the industry. How much business do you do with farmers growing feed, hay, and straw, etc.? If you board outside mares at your farm, talk about what you will lose if those mares are sold or move to be boarded at a farm in another state.

The slot legislation and the current allocation to horse racing has provided those participating in Indiana's horse racing and breeding industry with a great opportunity. The economic activity created by that opportunity is measurable and very defensible. Those participating in Indiana's programs have stepped up and delivered. This is the message that is going to have to be communicated to our legislators each year. We need to continually provide education to our legislators, many of which don't have a great understanding of the industry.

While we are not exactly sure at this writing as to how the IG's recommendation will surface in this legislative session, we are confident that it will. Everyone has to do their part by writing letters and sending emails right away. Just a few minutes of your time, and maybe a couple of stamps, is the cost. This seems like pretty small expense to assist with the future of horse racing and breeding in Indiana.

Your letters don't have to be fancy, but they do need to be readable. If you need help putting the words down on paper, call us and we can help you. If you have a computer, you can easily look up via <http://district.iga.in.gov/DistrictLookup/> your State Senator or State Representative's contact information. If you are residing out-of-state, but have invested in Indiana's horse racing industry, send your letters and emails directly to the Governor Daniels.

Unfortunately, this 'déjà vu all over again' feeling appears like it's going to be an annual event. ■

Eddie Martin is a past Indiana Horse Racing Commission member, a past chairman Thoroughbred Development advisory committee, past chairman/co-founder Indiana Horse Racing and Breeding Coalition, past President and co-founder of ITOBA, past 1st V.P. Florida Thoroughbred Breeders and Owners Association. He is also a multiple time member of the Jockey Club's yearly Top 250 breeders in North America based upon money earned.

Indiana Inspector General's Report (Part 1)

By Jim Hartman, IBOP Vice-President

The summary for the Inspector General's (IG) report on the Indiana Horse Racing Commission (HRC) reads as follows:

“A review of the Indiana Horse Racing Commission reveals no criminal or code of ethics violations, but results in multiple findings and recommendations”

The full version of the IG's report is available at <http://www.in.gov/ig/2668.htm>.

While the most publicized recommendation from the report, even by the HRC's own press release, was a recommendation to the legislature to cap the slot allocation to horse racing at pre-slot levels, the IG is also recommending some very serious reforms as to how the HRC operates. (Please read “Déjà Vu All Over Again” in this newsletter for our review of the IG's recommendation regarding the slot allocation.) Much of the IG's report and recommendations center on the HRC's adjudication process, which the IG defines as “the process of the HRC issuing and processing complaints against those in the horse racing community, such as rule violations resulting in monetary fines, suspensions or other disciplinary actions.” In our view, the IG is pointing out the lack of the HRC's using a proper adjudication process.

To put this in perspective, the HRC's administrative rules for their adjudication process are found in the Indiana Administrative Code under, “Due Process and Disciplinary Action.” As you read this article, or the IG's full report, keep in mind that the HRC created all the administrative rules regarding the current system of due process. Indiana law provides certain authorizations to create administrative rules, and then an agency creates the actual rules. By

definition, due process is about respecting all the legal rights that are owed to an individual.

The reforms being recommended by the IG, in many ways, mirror exactly what IBOP outlined in our inaugural newsletter in November, 2011. (“The Time For IBOP Is Now’ is a must read!) As IBOP was critical of the administrative due process system the HRC has created for itself, so is the Indiana Inspector General. The IG's report, which was made public just days after IBOP's first newsletter, validates portions of our entire mission.

We also find that what the IG doesn't directly say is far more interesting than what, at times, is actually said in the report. To fully understand the IG's recommendations, you may have to read between some lines. Here's an example: The IG is quick to point out that the HRC needs to have the ability “to immediately suspend jockeys, drivers and trainers who commit serious violations.” Yet, on the idea of monetary fines, the IG references IC 35-50-1-1, which is a portion of Indiana's criminal law procedures regarding the authority to sentence someone. IC 35-50-1-1 actually reads, “The court shall fix the penalty of and sentence a person convicted of an offense.” The key word is ‘convicted’ as in the concept of being innocent until proven guilty through

an appropriate system of due process. In our view, any system of due process that leads to penalties of any kind should never include the use hearsay and unsworn testimony. Yet, portions of the HRC's system of due process can and does use hearsay and unsworn testimony to penalize licensees and in some administrative rules non-licensees.

When commenting on the HRC's procedures, the IG stated, "Our investigation, however, revealed that this current system provides many challenges which may, in fact, be detrimental to the horse racing community as the adjudication is currently being applied by the HRC." The phrases "detrimental to the horse racing community" and "currently being applied" should be self-explanatory in suggesting rather strongly that the HRC; 1) change their system of due process, and 2) apply that system in a more honorable way.

In our November introductory article, we pointed out how the deck is stacked against horsemen especially with the legal costs necessary to defend themselves within the HRC's system of due process. The IG agrees by saying, "With revenues in the horse racing process being substantial, we respectfully submit these adjudication costs should be incurred by the HRC, and that the current promulgation requiring these fees could be considered by some (and as alleged to the OIG by several complainants) as discouraging aggrieved members of the horse racing community from adjudicating before the HRC (sic) Commission, especially when these fees include the salary of the complainant's judge." The IG's report also recommends the elimination of "the advance \$500 fee" just to take your case in front of the commission. Yes, a fee just to be able to defend your position.

Other IG Recommendations to the HRC

🔗 "We also recommend the HRC staff compile and regularly update a log of all complaints and their dispositions, and that this information be regularly shared with the HRC Commission."

This recommendation, which is directed at the HRC's staff, raises a number of questions regarding their handling of complaints. First, where do complaints go in the first place? Second, why would the HRC staff keep THE COMMISSION in the dark regarding any complaints? Next month, the IBOP newsletter will share examples of how the IHRC staff "handles" complaints made by horsemen.

🔗 "We recommend the HRC evaluate and consider employing, similar to the Indiana Gaming Commission, the Indiana Lottery Commission, and most state agencies, in-

ternal general counsels, and to reserve the hiring of private counsel for areas of specialty. In addition to monetary savings, internal general counsels provide the benefit of full-time employees more familiar with the many aspects of Executive Branch government."

The HRC has, and has had for years, a contract with the Indianapolis law firm, Bingham McHale. The contract, which expires on June 30, 2012, calls for a partner at Bingham McHale, Robin Babbitt, to charge \$250 per hour not to exceed \$300,000. This contract is the equivalent of a highly paid, part-time employee. At \$300,000 and \$250 per hour, this contract is equal to a part-time employee who works 24 hours per week over 50 weeks a year. The IG is statutorily charged with pointing out waste in the executive branch of state government, but is there more to this?

What we find very interesting is the IG's use of "more familiar with the many aspects of Executive Branch government." We're confused as to what this could possibly mean. We can only speculate based upon an email exchange with the IG's office. According to an attorney at the IG's office, and we quote, "The only ethics rule that a contractor must abide by is 42 IAC 1-5-2 which is the donor restrictions rule." This is an administrative rule created by the Inspector General's office that prohibits a contractor from providing gifts, entertainment, etc. to the people within the agency with whom they have a contract.

Is the IG's attorney saying that a full-time employee is bound by a greater ethical mandate versus that of a contractor? We're not exactly sure. Section 9B of the HRC's contract with Bingham McHale indicates that they "shall abide by all ethical requirements that apply to person who have a business relationship with the state" and then specifically cites IC 4-2-6, Ethics and Conflicts of Interest and IC 4-2-7, The Inspector General, plus Executive Order 04-08. When questioned about what appears to be a contractual obligation to follow these aspects of Indiana law, the response was simply that this section was a "boilerplate provision that the State includes in all contracts." We will defer to the IG's attorney on this one.

You can see the HRC's contract with Bingham McHale at the following web address:

<https://financial.gmis.in.gov/IDOContracts/public/56409-000.pdf>

What the IG's report doesn't mention is that another partner at Bingham McHale is the brother of Sarah McNaught, the Chairman of the Indiana Horse Racing Commission. In reviewing the Bingham McHale website, Mrs. McNaught's father appears to be a founder of the firm. We're presum-

ing that this connection is not lost on the IG.

<http://www.binghamchale.com/professionals/index.asp?id=bwelch>

<http://www.binghamchale.com/professionals/index.asp?id=wwelch>

Recommendations to the HRC or the Indiana Legislature

☛ “We recommend the HRC in its statutory discretion (or the Indiana General Assembly through legislation) eliminate the initial and duplicative Disciplinary Hearing procedure. Instead, HRC complaints should be directly adjudicated before the HRC Commission. Alternatively, if the duplicative Disciplinary Hearing procedure is retained, several procedural safeguards should be instituted to improve its fairness in both appearance and substance.”

All agencies have a certain element of “statutory discretion” in creating administrative rules for their agency, the HRC included. This recommendation is a strong statement by the IG. First, by having this recommendation be directed to both the HRC and to the Indiana legislature, the IG is basically saying, ‘someone needs to make a change.’ Second, why else would the IG use the phrase “to improve its fairness in both appearance and substance?” The IG is essentially saying to the HRC, you built a system of due process that looks unfair (appearance) and is unfair (substance). Effectively, the HRC is being called out for their failure in their statutory responsibility. The fact that the HRC created these rules is a clear indictment as to what they believe to be ‘fair.’ In other words, the HRC has had its chance. Given this, the Indiana General Assembly should take action.

Recommendations to the Indiana Legislature

☛ “We respectfully recommend to the Indiana Legislature that the selection and reporting of the HRC Executive Director be similar to that at the Indiana Gaming Commission and Indiana Lottery Commission.”

Under IC 4-31-3-10, the HRC has the authority to hire an Executive Director and an Assistant Executive Director. Both serve “at the pleasure of the commission” which means only the commission can remove them. The IG is saying that they be held accountable by an elected official, in this case the Governor, rather than an appointed board. With the legislative session just getting underway, we should soon see how our elected representatives react to this recommendation. If you have a strong feeling one way or another, make sure you contact your State Senator and State Representative.

Will the HRC Reform Itself?

That’s an interesting question. The HRC press release, which was issued less than an hour after the IG’s report went public, focused on the HRC being exonerated for no violations of criminal code or ethics violations. (We can only assume that the HRC, and the IG, are referring to what was reported by WISH TV in Indianapolis in late May and early June of 2010 of “race fixing,” “ghost ownership of horses by commission officials,” and “improper wagering by commission officials” primarily in harness racing. By the way, the IG is recommending the HRC add restrictions to their employees’ ability to wager too.) So, we are not sure the messages in the IG’s report got through. We will soon see if the HRC is reading between the lines of the report. You be the judge based upon the HRC’s initial press release which can be found at the following address:

http://www.in.gov/hrc/files/IHRC_Exonerated_11_10_2011.pdf

This full page release only addressed the IG’s indictment of the HRC’s system of due process, and the other recommendations, by saying, “The report contains a number of suggestions, primarily in the area of the agency’s adjudication process. These suggestions will be considered by the Commission over the next several months.” Is it possible that the HRC will act to reform their system of due process? As each commission meeting goes by that possibility will be less likely. Should the HRC not take these recommendations seriously, the Indiana legislature will surely get involved.

Over the next several months, IBOP will be following what the HRC does and/or does not do. Next month, we will share what the Indiana State Board of Accounts (SBOA) had to say about the HRC’s handling of purse money and other funds which was also a part of the IG’s report. Stay tuned, this could get very interesting. ■

Jim Hartman is a past board member and Treasurer of the Indiana Thoroughbred Owners and Breeders Association as well as a past member of the Indiana Thoroughbred Development Advisory Committee.

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SPANISH STEPS

First Season 2005

Dark Bay or Brown, 2001, 16.3 hands

Dosage Profile: (17-18-11-0-6); DI: 3.52; CD: 0.77

Spanish Steps's Race Record

Unraced

Sire Line

SPANISH STEPS is by **UNBRIDLED**, 8 wins, 2 to 4, 24 starts, \$4,489,475. Chp. 3yo. **1st** Kentucky Derby-G1, Breeders' Cup Classic-G1, Florida Derby-G1, What a Pleasure S.-L, Deputy Minister H.-L, etc. **UNBRIDLED** is the sire of 10 crops, 566 foals, 49 stakes winners, SI: 3.72, ComSI: 2.81.

For statistics on active sons of Unbridled at stud, please refer to the Active Sons Index.

Spanish Steps's Crop Analysis

By Foal Crop

(Through November 6, 2011)

Year	Named Foals	Runners	2YO		Stakes wns	Earnings
			Runners	Winners		
2006	58	45 (78%)	29 (50%)	7 (0)	0 (0%)	\$1,516,691
2007	41	34 (83%)	20 (49%)	6 (2)	3 (7%)	\$1,282,701
2008	43	31 (72%)	10 (23%)	2 (0)	1 (2%)	\$410,810
2009	37	10 (27%)	4 (11%)	4 (1)	1 (3%)	\$172,860
Totals	179	120	63	19 (3)	5 (3%)	\$3,383,062

avg/starter \$28,192, SI: 1.01, colts 1.18, fillies 0.85; ComSI: 1.25.

Progeny Surface Statistics

	Avg. earnings/start	# SWs (GSWs)
Dirt	\$2,556	4(1)
Turf	\$3,845	1(1)
Synthetic	\$3,868	0(0)

Spanish Steps's Leading Runners

LITTLE MIKE (07 g., dam by Wavering Monarch). 7 wins, \$365,970. (3, 8fT, Rag# 5½). **1st** Canadian Turf S.-G3, Appleton S.-G3, Ft. Lauderdale S.-G3, 2nd Monarch's Maze S.

LYDIA'S LAST STEP (07 g., L'Enjoleur). 7 wins, \$232,441. (3, 8f, Rag# 6). **1st** Governor's Cup S., Premiere S., **2nd** Riley Allison Futurity-L, etc.

EL SURI (07 c., Summer Squall). 13 wins, \$152,788. **1st** Clasico Jose Coll Vidal (PR-G1), **2nd** Clasico Dia de los Padres (PR), etc.

CONWAY TWO STEP (09 f., Glitterman). 2 wins, \$94,260. (2, 4.5f, Rag# 18¼). **1st** Brave Raj S.

SPANISH RIDGE (08 g., Lost Code). 8 wins, \$92,273. **1st** Clasico Dia de los Padres (PR), **2nd** Copa 4 de Julio (PR).

Capricho Espanol (07 c., Deposit Ticket). **3rd** Clasico Santorin (Per-G3). **4X4** Mr. Prospector.

Spanish Ice (06 f., Sovereign Dancer). 4 wins, \$133,920. (2, 7f, Rag# 9½). **2nd** California Breeders' Champion S.-LR, etc.

Gato Paso (06 g., Darn That Alarm). 11 wins, \$105,339. (4, 8fT, Rag# 8½). **3rd** Clasico Dia de los Padres (PR).

The Flying Whizzer (08 g., Forest Wildcat). 1 win, \$56,972. (3, 9fT, Rag# 10¾). **2nd** Continental Mile S.-L, Chenery S.

Escalon (06 c., Belong to Me). 1 win, \$54,700. (3, 6.5fT, Rag# 10). **3rd** California Cup Juvenile S.-LR.

Also: **Cheeks Malone** (c., Abstract). 2 wins, \$43,711; **Raise the Bridle** (g., Gulch). Placed, \$26,265;

Unbridled 87 566 fls, 49 SWs SI 3.72 DI=1.70	Fappiano 77 10 wins, \$370,213, SW 410 fls, 48 SWs SI 4.79 DI=4.78	Mr. Prospector 70 1178 fls, 181 SWs SI 5.08 DI=3.95	Raise a Native 61	Native Dancer 50 Raise You 46
	Gana Facil 81 6 wins, \$85,100 7 fls, 2 SWs DI=0.50	Killaloe 70 10 fls, 5 SWs DI=4.14	Dr. Fager 64	Rough'n Tumble 48 Aspidistra 54 Correlation 51 Cequillo 56
Caro (Ire) 67 6 wins, \$17,959 Champion 599 fls, 78 SWs SI 3.70 DI=1.26		*Le Fabuleux 61 446 fls, 41 SWs SI 2.21 DI=0.11	=Wild Risk (Fr) 40	=Rialto (Fr) 23 =Wild Violet (Fr) 35
	Trolley Song 83 12 fls, 1 SW DI=3.00	Charedi 76 11 fls, 2 SWs DI=2.38	In Reality 64	=Verso II (Fr) 40 La Rochelle 45
Lucky Spell 71 12 wins, \$253,655, SW 14 fls, 3 SWs DI=5.40		=Fortino II (Fr) 59 318 fls, 24 SWs SI 1.34 DI=3.71	=Grey Sovereign (GB) 48	Intentionally 56 My Dear Girl 57 Buckpasser 63 Aspidistra 54
	Lucky Mel 54 356 fls, 24 SWs SI 1.78 DI=5.59	=Chambord (GB) 55 17 fls, 1 SW DI=0.23	=Ranavalo III (Fr) 54	*Nasrullah 40 =Kong (GB) 33 Relic 45 =Navarra (Ity) 48
Incantation 65 14 fls, 2 SWs DI=1.07		Lucky Mel 54 356 fls, 24 SWs SI 1.78 DI=5.59	=Chamosaire (GB) 42	=Precipitation (GB) 33 =Snowberry (GB) 37 =Solario (GB) 22 =Lady of the Snows (GB) 28
			=Life Hill (GB) 40	*Heliopolis 36 Miss Dolphin 34
			*Royal Mink 48	*Royal Charger 42 *Madeh 41
			Prince Blessed 57	*Princequillo 40 Dog Bessed 41
			Magic Spell 54	*Flushing II 39 Subterranean 47

Spanish Moment (f., Timeless Moment). Placed, \$330; Rock 'n' Roll Gal (f., Seattle Slew). 5 wins, \$130,330; Spanish Ambassador (f., Crown Ambassador). 5 wins, \$96,489; Forever My Love (f., Cahill Road). 4 wins, \$90,680; Spanish Wedding (f., Summer Squall). 4 wins, \$86,314; Le Bonne Vie (g., Mt. Livermore). 3 wins, \$80,487; Spanish Salsa (f., Halo's Image). 7 wins, \$76,542; Hannah's Princess (f., Woodman). 3 wins, \$71,443; The Spanish Life (g., Deposit Ticket). 4 wins, \$71,148; Plea (f., Red Ransom). 2 wins, \$63,200; Satisfied Mind (f., Meadowlake). 5 wins, \$61,780; Closing Steps (f., Relaunch). 4 wins, \$60,600; Onestepogo (c., Lost Code). 4 wins, \$59,183; Spanish Comedy (f., Tabasco Cat). 2 wins, \$58,122; Steps Silver Halo (g., Halo). 4 wins, \$57,675; Spanish Fortune (g., Gold Legend). 2 wins, \$57,503; Senor Fandango (g., Peaks and Valleys). 4 wins, \$52,969; Jacksonville (g., Devil's Bag). 6 wins, \$50,908; Stepin Honor (c., Honor Grades). 2 wins, \$45,982; Spanish Country (g., Local Talent). 2 wins, \$45,140; New York Bobby (g., Fire Dancer). 3 wins, \$44,521; Storm Magic (f., Storm Creek). 2 wins, \$38,083; Spanish Crystal (f., Storm Creek). 2 wins, \$37,270; Ill Conceived (c., Sir Cat). 1 win, \$35,220; Classy Senorita (f., Mane Minister). 1 win, \$31,240; etc.

In 2011: Spanish Steps has sired 71 starters, 32 winners, 4 SWs, with total earnings of \$1,191,511, including LITTLE MIKE [G3], LYDIA'S LAST STEP, CONWAY TWO STEP, SPANISH RIDGE, El Suri, Gato Paso.

Sales Analysis Last Three Years

	Colts # sold—Avg	Fillies # sold—Avg	Total # sold—Avg
Wnigs Yrags	22 — \$6,154	3 — \$1,600	25 — \$5,608
Twoyo	14 — \$32,892	6 — \$8,416	20 — \$25,550

Female Family

TROLLEY SONG, by Caro (Ire). Winner at 4, \$25,914 in France and North America. Dam of 12 foals, 9 to race, 4 winners, including—

UNBRIDLED'S SONG (c. by Unbridled). 5 wins, \$1,311,800, Breeders' Cup Juvenile-G1, Florida Derby-G1, Wood Memorial S.-G2, etc. Sire. Bells Are Ringing (f. by Sadler's Wells). Winner at 2 in Ireland. Dam of 3 winners, including—

ABBY ROAD (Ire) (f. by Danehill). 2 wins at 2, \$40,821 in England, St. Hugh's S.

=Ormelie (Ire) (g. by Jade Hunter). 3 wins at 3 and 4, \$85,198 in England and France. Asian Meteor (f. by Unbridled). Dam of =**Le Sucre (Jpn)** (f. by Sakura Bakushin O, 3 wins at 2 and 4, \$616,415 in Japan).

LUCKY SPELL, by Lucky Mel. 12 wins, 2 to 5, \$253,655, Las Palmas H.-G3, Princess S.-G3, Las Flores H., etc. Dam of 8 winners, including—

MERLINS CHARM (f. by Bold Bidder). 2 wins, \$61,370 in England, Jersey S.-G3, etc. Producer. Grandam of **LADY MAIL (Ire)** (f. by =Pursuit of Love [GB], 5 wins, \$73,191 in England and North America, Sun City H.; producer).

GOLDSPELL (f. by Caro [Ire]). 5 wins at 3 and 5, \$186,010, Torrey Pines S.-LR, etc. Dam of—

BASHFUL CHARMER (f. by Capote). 2 wins, \$57,225, Palatine Breeders' Cup S. Dam of **SATURDAY'S CHILD** (f. by Storm Cat, 2 wins at 2, \$34,920, Hildene S.; producer), etc.

ELEGIAC (c. by Nepal). 6 wins, 3 to 7, \$34,075, Ruidoso Thoroughbred Derby.

Active Sires From This Female Family

1st dam — **Unbridled's Song**: 12 crops, 92 SWs, 165 SHs.

2nd dam — Drewman: 5 crops, 3 SWs, 12 SHs; Lucky Pulpit: 2 crops, 1 SW, 4 SHs.

For current information, visit www.thoroughbredtimes.com

2012 Fee: \$3,000

Live Foal,

Stands and Nurses;

Considerations

Owned by:

Samuel & Will Martin G.S.T.

Lake Shore Farms, Inc.

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Nominated to:

Indiana Sired Program