

1           JOE GORAJEC: The cancellation of races at  
2           Indiana Downs, Commissioners were apprised of these  
3           happenings while they were happening, receiving the  
4           directive and then the second directive, and now  
5           the final report after Lea and I took a day at  
6           Indiana Downs to talk to a lot of folks with regard  
7           to the condition of the racing surface. I won't go  
8           through and belabor the issue or the report, but I  
9           do want to turn to the findings and the  
10          recommendations. And, of course, to the extent  
11          there is any questions by the Commissioners, I  
12          would be glad to address them.

13          CHAIRMAN MCNAUGHT: You are on page four of  
14          the final report?

15          JOE GORAJEC: Page four of the final report.  
16          After we talked to all the people we talked to, and  
17          as you know by the report, we talked to really  
18          every stakeholder group that had a stake in the  
19          track surface. We talked to the Thoroughbred  
20          horsemen. We talked to Quarter Horse horsemen. We  
21          talked to the Thoroughbred jockeys. We talked to  
22          the Quarter Horse jockeys. We sat down with the  
23          track superintendent. We sat down with Jon  
24          Schuster. We even had a call to a practicing  
25          veterinarian to get his guidance.

1           And it was clear after speaking with everyone  
2           that there wasn't one person that we spoke to that  
3           claimed the track to be dangerous. And even the  
4           HBPA leadership admitted to us that they did not  
5           believe the track was dangerous. So the issue on  
6           whether the track surface was dangerous or not is  
7           undisputed.

8           With regard to the recommendations, it was  
9           interesting to get this petition because we haven't  
10          received a petition quite like it before. And it  
11          was interesting to get it and then determine what  
12          to do with it and how to address this issue because  
13          after almost 20 years of racing, we haven't lived  
14          through this. So there are three issues that I'm  
15          bringing up to the Commission that they can either  
16          discuss and decide now or decide to address at a  
17          future meeting.

18          The first one we found is that there should be  
19          a clear line of decision making when we get  
20          information that leads us to believe that there is  
21          an emergency situation and that significant action,  
22          including the closure of or the cancellation of  
23          racing, needs to take place. I don't think that  
24          clear line of decision-making authority exists. I  
25          think that's something that the Commission, working

1 with legal counsel, should address.

2 The second recommendation is something that  
3 was really unanimous amongst the stakeholders is  
4 that there is simply not good communication at the  
5 track between the stakeholders and the track  
6 superintendent. That was very clear throughout all  
7 our discussions. That's something that has to  
8 change.

9 Now, there is a vehicle in place with regard  
10 to the contract between the HBPA and Indiana Downs  
11 with regard to horsemen committee meetings. Quite  
12 frankly, that would have been a good forum to  
13 address this issue and it wasn't. But beyond the  
14 HBPA, there are other stakeholders all of which  
15 need a direct line and continual communication with  
16 the track superintendent. Those were the ones I  
17 named earlier; Quarter Horse horsemen, jockeys.  
18 They all should be getting input and receiving  
19 input from the track superintendent.

20 The third recommendation, when we approached  
21 this issue, we approached the issue from the  
22 standpoint of not making our own independent  
23 determination whether the track surface was  
24 dangerous or whether it was safe. We didn't go out  
25 there, walk the surface. That's, quite frankly,

1 not our job. That's well beyond our expertise.

2 But the question arose should we have someone  
3 handy that has an expertise. So that's another  
4 thing that I would recommend to the Commission that  
5 they consider as far as bringing someone on board  
6 so we could refer to some independent expert on the  
7 actual safety issues of the track when need be.

8 CHAIRMAN MCNAUGHT: Thank you. Questions or  
9 comments, Steve or Jim?

10 COMMISSIONER SCHAEFER: The question I have is  
11 is there a set of standards for a track? I mean,  
12 is it very subjective as far as field and hardness  
13 of the track or softness?

14 JOE GORAJEC: It's very subjective. There  
15 are...there has been a lot of research being done  
16 on track surfaces over the last 20 years. And  
17 there are experts, who in their opinion can  
18 determine what a track should be ideally like and  
19 what the parameters should be. Having said that,  
20 there is not a -- one of the things about a track  
21 surface is even though the Thoroughbred people that  
22 we spoke with all said the track was hard, every  
23 one of them without exception. Almost all the  
24 Quarter Horse folks said the track is in the best  
25 shape it's been. That's not surprising.

1           There's kind of a joke on the back side. If  
2           you want five different opinions of the racing  
3           surface, just ask five different horsemen. There  
4           is not one ideal, but there are individuals with  
5           the expertise that can probably assist the track  
6           man in putting together a program to make sure that  
7           the track is as safe as it can be.

8           COMMISSIONER LAUCK: Joe, when you say to  
9           bring a member on board, do you mean like a staff  
10          member or someone that can be under contract?

11          JOE GORAJEC: No, probably have a consulting  
12          contract with someone. And, hopefully, it's a  
13          consulting contract that we really wouldn't need to  
14          utilize, but someone on call so if we had an issue,  
15          there is someone independent with the expertise  
16          that they can share with us so we can make  
17          determinations. We approached this by looking at  
18          the document and determining whether, based on our  
19          interviews whether the individuals who drafted the  
20          document were comfortable that the words that they  
21          used "dangerous" and "unsafe" were true. And it  
22          turned out that they weren't.

23          CHAIRMAN MCNAUGHT: Anything else? Any other  
24          questions? Jon, do you have anything to add?

25          JON SCHUSTER: Jon Schuster with Indiana

1 Downs. Not substantially. You know, we understand  
2 why the Commission took the action they did based  
3 on what they received. We understand their  
4 findings and are already working on communication  
5 issues. I don't think that there would be any harm  
6 in the Commission having somebody on hand to offer  
7 an opinion. There are already seven or 800  
8 opinions that we deal with on a regular basis; 801  
9 would not be an issue for us.

10 The one thing that I would say about track  
11 issues and track safety, all three breeds are very,  
12 very different in what they look for. The drivers  
13 and jockeys are very different. We had nights  
14 earlier this year where the jockeys felt it was  
15 unsafe. The horsemen thought it was fine, as did  
16 we. That's just the nature of our business.

17 It has been a rather tumultuous ten years.  
18 There have been an awful lot of things which I  
19 guess I will address totally unfounded, totally  
20 untrue, written in a lot of press by people that  
21 don't even understand the issue at all. They don't  
22 even know what they're talking about have been  
23 quoted in newspapers and industry trades. It's too  
24 bad for the Indiana industry; to the point I think  
25 it's almost their entire point to drag down the

1 Indiana industry. I will just say that.

2 Does that change the fact? No, it doesn't  
3 change the fact that we're doing the best we can.  
4 We believe our track is safe. We believe it always  
5 has been safe, with exceptions of various days.  
6 We've cancelled races ourselves knowing we couldn't  
7 get it in the proper shape. That happens all over  
8 the country at various times.

9 It's unfortunate that we have to deal with  
10 that. It's unfortunate that the Commission had to  
11 deal with that yet again. I will say it's my guess  
12 it's not the last time you'll hear about it. I  
13 just think that's the culture. We will do the best  
14 we can, as we have.

15 I will just close by saying the safety record  
16 based on Jockey Club's statistics and so forth over  
17 the last four years has been very good or right at  
18 the industry norm. In one year we were, I can't  
19 remember what Dan Fick told us, we were 200 and  
20 some percent better than the industry norm. We are  
21 currently having the safest year we've ever had.  
22 It's well below the industry norm, far below,  
23 almost mind boggling how safe it's been thus far.  
24 We still have a few days yet so I don't want to  
25 jinx it.

1           We will take the Commission's findings to  
2 heart and participate in helping in any way we can.

3           CHAIRMAN MCNAUGHT: Thank you, Jon.  
4 Questions? Steve?

5           COMMISSIONER SCHAEFER: No.

6           JOE GORAJEC: I would just like to make one  
7 more point on safety. We have rules in both the  
8 flat and the Standardbred rule book about the  
9 participants, the jockeys and drivers canceling  
10 races. We have always told them. I have told  
11 them, my stewards and judges have told them. When  
12 Lea and I met with them to do this investigation,  
13 we told them again is that if they believe that the  
14 track is unsafe, do not ride. They can cancel at  
15 any time. They can refuse to ride any horse at any  
16 time.

17           They can take a horse, mount it in the  
18 paddock, go to the starting gate and decide that  
19 that horse is a horse that they don't want to ride.  
20 And if the vet finds something wrong with the  
21 horse, the horse is scratched. If the vet doesn't  
22 find anything wrong with the horse, the horse is  
23 brought back to the saddling paddock, and the horse  
24 is remounted and brought to the gate.

25           My point is the Commission doesn't need to



1       involve itself in safety issues or whether the  
2       track is safe because the participants decide that  
3       on an ongoing basis on a day-by-day basis. We told  
4       the jockeys and the drivers that they never have  
5       had in the past and they never will have in the  
6       future any repercussions from the Commission if  
7       they choose not to participate. We don't want them  
8       to participate if they think the track surface is  
9       not safe.

10           COMMISSIONER SCHAEFER: Before I make a motion  
11       to accept this report, I would just kind of like to  
12       second a little bit what you just said, Joe, and  
13       commend you and Sarah and the staff for taking the  
14       action you did. It sure is a lot better to be  
15       sitting here thinking about a few dollars that were  
16       lost on a race night. It's a much better scenario  
17       than if something serious had happened, and we lost  
18       a horse or, heaven forbid, we lost a jockey, then  
19       this meeting becomes a lot more serious. I know it  
20       came up very quick and you had to act very quick.  
21       You erred on the side of safety, and I appreciate  
22       that.

23           With that said, I would like to make a motion  
24       to the Commission having reviewed all the  
25       information relevant to the HBPA petition affirms

1 and supports the resulting directives which were  
2 issued on June 14th and June 15th by Executive  
3 Director Gorajec after conferring with Chairperson  
4 Sarah McNaught. We, furthermore, adopt the final  
5 report submitted to us by Commission staff.

6 COMMISSIONER LAUCK: Second.

7 CHAIRMAN MCNAUGHT: All those in favor,  
8 signify by saying "aye".

9 THE COMMISSION: "Aye".

10 CHAIRMAN MCNAUGHT: Opposed, same sign.

11 (No response.)

12 CHAIRMAN MCNAUGHT: Passes unanimously. Thank  
13 you.

14 JOE GORAJEC: Madam Chairman, it is my  
15 understanding that the Commission would like myself  
16 and my staff to move forward and to work on  
17 executing these recommendations.

18 CHAIRMAN MCNAUGHT: Yes, and one and three  
19 definitely and then in conjunction with Indiana  
20 Downs on number two.

21 Number two on the agenda is presentation by  
22 Mr. Gorajec about the New York Times series on  
23 horse racing.

24 JOE GORAJEC: Madam Chairman, Commissioners,  
25 this is a very unique and difficult time for the