

BEFORE THE  
TEXAS RACING COMMISSION  
AUSTIN, TEXAS

COMMITTEE ON GREYHOUND RACE DATES MEETING

JULY 27, 2010

BE IT REMEMBERED that the above entitled matter came on for hearing on the 27th day of July, 2010, beginning at 12:10 P.M. at Gulf Greyhound Park, 1000 FM 2004, La Marque, Galveston County, Texas, and the following proceedings were reported by SHERRI SANTMAN FISHER, Certified Shorthand Reporter for the State of Texas.

1 MR. SAMMY JACKSON: We'll call the  
2 meeting to order. Commissioner Hicks, if you --

3 COMMISSIONER HICKS: We want to thank  
4 everyone that's here today. It's a small group, but I  
5 think that we've got some very serious things to look  
6 at. And the greyhound group has always been so good  
7 about coming together. And these race dates are for  
8 2010 and 2011 -- well, 2011 and 2012, I guess it is,  
9 isn't it?

10 MR. SAMMY JACKSON: Correct.

11 COMMISSIONER HICKS: So we want to hear  
12 from you and we want an open discussion if we need it.  
13 But I think Sally is doing the live racing, so if you'd  
14 like to tell us what you think about the dates and --

15 MS. BRIGGS: All right. We actually  
16 met -- our managers met and talked about our calendar  
17 last week and we are planning on running the same  
18 schedule we have now, the six performances.

19 COMMISSIONER HICKS: Is that right?

20 MS. BRIGGS: Yes. So as long as we have  
21 the greyhounds, and it looks like we will, then we're  
22 planning on running that schedule next year.

23 COMMISSIONER HICKS: I think that's very  
24 commendable.

25 MS. BRIGGS: Thank you.

1                   COMMISSIONER HICKS: I realize the  
2 business climate because I look at the figures and I  
3 know what it's costing you. And for you to be willing  
4 to do that in your management --

5                   MS. BRIGGS: It's not good.

6                   COMMISSIONER HICKS: -- is outstanding.

7                   MS. BRIGGS: We're trying to manage it  
8 where it will be the least cost-effective for us. So  
9 that's what we're planning on doing for Gulf Greyhound  
10 Park.

11                  MR. SAMMY JACKSON: How about Gulf Coast  
12 Racing?

13                  MR. LAMB: What are we doing for Gulf  
14 Coast Racing?

15                  COMMISSIONER HICKS: Sally?

16                  MS. BRIGGS: As you know, we have five  
17 performances on the books for next year; and Eric and I  
18 had met with Greg and talked to Greg LaMantia about it;  
19 and we would like to run their five races here in 2011,  
20 you know, until we see what's going to happen. So  
21 we're hoping that we can get that approved, that week  
22 of August the twenty -- I believe it's the 23rd through  
23 the 27th. We have five performances approved and we  
24 would like to run those here.

25                  MR. SAMMY JACKSON: How about Valley?

1                   MR. DAVID JACKSON: We, too, have five  
2 performances scheduled for July. We're looking at  
3 those dates to see if they'll make sense. We're in  
4 constant discussions with the TGA and trying to figure  
5 out where they are. And we put them on the calendar  
6 because we're willing to run them. And if the TGA and  
7 the industry comes to us and says, "We need you to run  
8 these dates," and we think it makes the most sense,  
9 we're prepared to do that. We haven't looked much  
10 beyond that at this point in time.

11                   MR. SAMMY JACKSON: Ms. Whiteley, would  
12 you all like to comment on the race dates for 2011, the  
13 first eight months of 2012?

14                   MS. WHITELEY: First, we really do  
15 appreciate Gulf Greyhound Park running live. We  
16 realize the financial strain that it is to have live  
17 racing and we do appreciate all the opportunities that  
18 you give us. That's a big deal.

19                   As far as Gulf Coast Racing, we also  
20 recognize, when that track was purchased, what sad  
21 shape that it was in. And from our perspective, we're  
22 not -- not only the facility, which I can vouch for  
23 because I have been there during a rainstorm when  
24 they've put out trash cans to get the leaks. And I  
25 know that there has been a lot of money put into the

1 facility.

2 But just from our perspective, as far as  
3 the racetrack surface, it would have to be completely  
4 redone and I would guess four to five hundred thousand  
5 dollars put into that --

6 MR. LIBERATORE: Probably more.

7 MS. WHITELEY: -- to run.

8 MS. BRIGGS: We've estimated -- including  
9 equipment and everything, we estimated about 800,000,  
10 eight to nine hundred thousand.

11 MS. WHITELEY: Yeah. It's significant.  
12 It has to be totally redone. Totally.

13 MS. BRIGGS: And that includes redoing  
14 the kennel buildings and everything.

15 COMMISSIONER HICKS: Were the kennel  
16 buildings redone or were they just kind of --

17 MS. BRIGGS: Some of them were painted,  
18 but that's it. There's no air conditioning units in  
19 any of them. Or maybe two of them, I think, have air  
20 conditioning units. That's about it.

21 MR. JAMES: They were -- I'm sorry. They  
22 were -- I represented Corpus at that time.

23 COMMISSIONER HICKS: Right.

24 MR. JAMES: I understood they were in the  
25 process of doing all these upgrades, but obviously I

1 was misinformed.

2 MS. BRIGGS: And they did do some  
3 things. They painted and they replaced some doors and  
4 some things like that, but there was just --

5 MR. JAMES: But the air conditioning,  
6 they thought -- I thought that they were supposed to be  
7 doing it, but --

8 MR. LIBERATORE: They still don't have  
9 all the crates there in the kennels? Are all the  
10 crates still in there?

11 MR. LAMB: They're still there.

12 MS. BRIGGS: And they had made some  
13 repairs to a lot of the crates in some of the  
14 buildings.

15 MS. WHITELEY: So we're looking at the  
16 investment of \$800,000 for a five-day meet. And this  
17 applies to Valley as well. What we're looking at from  
18 our perspective is the inventory of greyhounds. When  
19 we entered into our original strategy last year -- and  
20 it was a very painful discussion and it was a very  
21 painful decision for us because we do like live  
22 racing.

23 But the reason that we -- the reason that  
24 the TGA was supporting this was that we felt that there  
25 was a need to stabilize the breeding in Texas because

1 we were losing about 20 percent of the Texas -- of the  
2 puppies every year, breedings, and we had to try to at  
3 least stop it. And it did that, I'm very pleased to  
4 say, is that our breeding stabilized, in fact,  
5 increased slightly, because people knew that there was  
6 a major track in Texas that was paying enough money in  
7 purses to make it a financially feasible operation to  
8 keep breeding greyhounds in Texas. And that, combined  
9 with our Texas-bred money, has stabilized our  
10 breeding.

11 So as painful as that decision was, it  
12 did achieve what our objective was, which was to  
13 stabilize the breeding industry in Texas. So I'm very  
14 pleased about that.

15 But when we're looking at supplying 500  
16 greyhounds for a five-day meet, roughly 96 -- you know,  
17 and 12 races a day, it's not that we have 500  
18 greyhounds sitting out on a farm somewhere. Those 500  
19 have to come from another track. And since it is in  
20 Texas, most likely it's coming from Gulf.

21 So in order to run five days in the  
22 future, we'd have to be looking at basically shutting  
23 you down for five days. And I don't know how we're  
24 going to work that out.

25 So what I would like to do in the interim

1 is, since you've already applied -- since you've  
2 already been granted your 2011 dates, let's just kind  
3 of see how things work out with our inventory. That's  
4 a year away, so maybe something can get worked out.  
5 But I wouldn't anticipate that anybody could add a  
6 whole lot more dates than that at the time being.

7 COMMISSIONER HICKS: Would the track  
8 surface be -- in the Valley, I mean, could the animals  
9 run on it safely? Because it hasn't been used in --

10 MS. WHITELEY: Now, Valley, from what I  
11 understand -- and Dave can address this better than I  
12 can. But from what I understand, they have not let it  
13 go like Corpus has, or Corpus did. That was before you  
14 all were involved.

15 MS. BRIGGS: Right.

16 MS. WHITELEY: So it would not require, I  
17 don't think, the extent of the repairs; but certainly  
18 it would still need some upgrades and some surface  
19 work.

20 MR. DAVID JACKSON: Yes, it will require  
21 surface work. We sealed the track at the end of the  
22 last meet and we've been very careful to have people go  
23 around and pull the sand and stuff off the rails and  
24 recover as much as they can. In order to get that  
25 track operational, we'd have to resurface it and grind

1 it all up and redo it.

2 But it's -- we did not -- we  
3 intentionally didn't let it go completely, knowing that  
4 we would have to look at investing in getting it back  
5 up to speed. So it's certainly in better shape than  
6 what I believe Corpus is in right now.

7 COMMISSIONER HICKS: What would it cost  
8 to bring it back up to date?

9 MR. DAVID JACKSON: Our best estimate is  
10 somewhere between 30, 40 thousand dollars to resurface  
11 it. We have the equipment. Between Valley and Sam  
12 Houston, we have the equipment.

13 COMMISSIONER HICKS: So it would be  
14 minimal.

15 MR. DAVID JACKSON: It would be pretty  
16 minimal.

17 COMMISSIONER HICKS: Compared to Corpus.

18 MR. DAVID JACKSON: Certainly.

19 MR. LIBERATORE: I think the problem will  
20 be getting the dogs and getting the kennels to go there  
21 for five days to run. Even to ask the kennels that run  
22 here to go there, I think that would be a burden on  
23 them.

24 COMMISSIONER HICKS: To transport the  
25 dogs?

1                   MR. LIBERATORE: Yeah, back and forth,  
2                   and depending upon --

3                   MS. WHITELEY: Equipment.

4                   MR. LIBERATORE: -- the time of the  
5                   year. And, you know, you can say that the surface is  
6                   okay, and it probably will be; but, you know, you're  
7                   going to take the dogs from here, you know, cold, and  
8                   you're going to take them down there to run. I mean,  
9                   you know, they're just going to put them into races.  
10                  You're not going to have an opportunity to school them  
11                  or anything to run a five-day meet. It's a lot to ask  
12                  of a dog. It's a lot to ask. You know, I don't know  
13                  what else.

14                  MS. WHITELEY: But on the other hand,  
15                  neither -- you know, neither do we have the greyhounds  
16                  to -- for a full-time meet either. So, you know, we're  
17                  kind of stuck.

18                  COMMISSIONER HICKS: That's true.

19                  MR. LIBERATORE: We're between a rock and  
20                  a hard place.

21                  MS. WHITELEY: Yeah, we really are kind  
22                  of stuck on that because if Valley were to say, "Gee,  
23                  we're going to open -- you know, we're going to open  
24                  up," we wouldn't have the dogs. I mean, it's -- for  
25                  example, I know Sally is trying to add those four races

1 and right now has had difficulty with your active list  
2 to even add four races, much less five performances.

3 MS. BRIGGS: Ron, what did you tell me?  
4 After last Thursday, after you drew, Saturday, we had  
5 five races left in the box?

6 MR. GODFROY: We had one additional race  
7 in the box.

8 MS. BRIGGS: So if we were running those  
9 four races and something happened, you know, we would  
10 still --

11 MS. WHITELEY: The whole -- it's just  
12 that we are just so different than the horse business  
13 because we don't haul our horses around, so that for  
14 any dogs that are going to be going to Corpus or Valley  
15 have to be coming from another track. It's not that  
16 they're just sitting on somebody's farm. So the  
17 displacement problem is what we have.

18 But on the other hand, like I said, I'm  
19 very pleased that it did achieve what we had wanted it  
20 to achieve, which was the stability in our breeding  
21 program, so that in the event that things turned around  
22 in the next two years, we still have people in business  
23 now, whereas we were worried that we would have people  
24 totally out. So that has been a real success, I  
25 think.

1                   MR. SAMMY JACKSON: As a follow-up to  
2 your achieving the business plan success of your  
3 strategy, did it achieve the point value that you had  
4 hoped for?

5                   MS. WHITELEY: It didn't achieve quite  
6 what we had hoped for. It would have, had pari-mutuel  
7 handle stayed level with 2009; but pari-mutuel handle  
8 is down about 20 percent, as I remember, last I looked  
9 at it; and that has been reflected in that. So the  
10 number is accurate, had 2009 stayed steady; but overall  
11 handle went down.

12                  MR. SAMMY JACKSON: And what is the point  
13 value now?

14                  MS. BRIGGS: Ron?

15                  MR. GODFROY: It's approximately anywhere  
16 from 70 to 80 dollars a point.

17                  MS. BRIGGS: I believe it was 74 this  
18 past week.

19                  MR. LIBERATORE: The week before that, it  
20 was 83, you know.

21                  MS. WHITELEY: And it depends on the  
22 number of points. I think you had 854, I think it was,  
23 last week, whereas other weeks you maybe have 820 and  
24 sometimes more. So that reflects the opportunities.  
25 But what it is, though, is stabilized. And that's

1 important to us because the kennels can count on so  
2 much purse money every week.

3 Now, it's going to get affected again in  
4 October when Valley's escrow runs out because that's  
5 running about \$4300 a week that will dry up. And so  
6 we're -- you know, we're going to be faced with how can  
7 we increase handle, how can we pick up that extra \$4300  
8 a week, which is, you know, three or four dollars a  
9 point.

10 MS. BRIGGS: It sure is.

11 MR. SAMMY JACKSON: What will be the  
12 impact of Manor Downs' closure?

13 MS. WHITELEY: Minimal. They contribute  
14 very little towards the TGA cross-species. Minimal.  
15 Although, interestingly enough, maybe this -- and this  
16 is just my own conjecture on this, is -- on the  
17 location, is that Manor was the only place between San  
18 Antonio and Dallas that you can wager on a dog race or  
19 a horse race or anything. So, you know, we have this  
20 huge void now.

21 MR. LIBERATORE: Fredericksburg.

22 MS. BRIGGS: The Race Barn.

23 MS. WHITELEY: But this is, you know,  
24 something that you've addressed it in your strategic  
25 plan because I think more people will be going towards

1 the Internet now since Manor is not there.

2 MS. BRIGGS: We're putting an ad in the  
3 Austin paper for the Race Barn, so hopefully we can get  
4 some of those Manor patrons to come over there to bet.  
5 We should have an ad sometime in the next couple of  
6 weeks in the Austin paper and it will also have the  
7 list of the Gillespie live dates.

8 MS. WHITELEY: So Manor will be minimal  
9 to us short term; but long term it leaves a big hole,  
10 you know, for people to wager on greyhound races.

11 MR. SAMMY JACKSON: How about 2012? Have  
12 any of the racetracks -- anything for 2012?

13 MS. BRIGGS: Gulf has not. Neither one  
14 of us have.

15 MR. SAMMY JACKSON: Valley?

16 MR. DAVID JACKSON: Not yet. We haven't  
17 looked that far ahead.

18 MR. SAMMY JACKSON: Okay. Well, we had  
19 some handouts at the back table for you all. One of  
20 them is an excerpt from the strategic plan the agency  
21 filed. And I brought copies for everyone today. And I  
22 noticed some people have already read it and they liked  
23 what was written. I appreciate the feedback.

24 There is an area within this that talks  
25 about regional competition and transition, and it noted

1 what was achieved here with the greyhound industry last  
2 year with the transition and as to why. There was an  
3 actual excerpt that I took from some write-up that  
4 Diane had provided to us as that -- the TGA's position,  
5 that although they favored year-round racing, they  
6 realize, to achieve a certain level, things had to  
7 change. So that's actually in here. And I appreciated  
8 Diane. I had talked to her about it before I did it.

9           There's also a great deal of write-up in  
10 here about ADW and the impact it's having on us in this  
11 state. And I appreciate being able to talk to  
12 specifically David Jackson, who I know -- Sam Houston  
13 Race Park and Valley were doing a write-up, it just so  
14 happens, at the same time I was, so I was able to pick  
15 his brain and make sure that how I was approaching this  
16 was a good approach. I think my numbers are  
17 conservative, which we like to be that way when we go  
18 talk to the Legislature.

19           But I've talked to both Diane as the TGA  
20 rep and I know some of the -- the horsemen's  
21 organization representative, is that this document is  
22 provided to the Governor's office as well as the  
23 Legislative Budget Board, so it's a State public record  
24 document that we can all work from as a starting point  
25 to discuss this. I'm sure it will also be used for the

1 sunset review that's coming up and we'll be starting  
2 that process hopefully soon. So that's one document we  
3 provided today.

4 The other is kind of a summary of dates  
5 that have been granted for 2010 and 2011 just so  
6 everybody has that. And it was altered for the cut in  
7 the dates at Gulf when we dropped off those Tuesdays.

8 That's all that we have as handouts. If  
9 anybody would like to ask me questions about that after  
10 the meeting, I'd be more than happy to do so.

11 The only thing I would ask, if we can  
12 possibly get into the record, would be, Sally, can you  
13 give us a little update on what we might hear at the  
14 Commission meeting on the abbreviated performances?

15 MS. BRIGGS: We are planning on asking to  
16 be approved for them; and depending on what we have  
17 this week after Ron draws all the races in and we kind  
18 of do an estimate of how many greyhounds we're going to  
19 have left, we are going to look at a date possibly  
20 toward the end of August or the first of September when  
21 we hope that a couple of the kennels that we have been  
22 talking to about their active lists will have their  
23 list up and we will be able to add those --

24 MS. WHITELEY: That's good news.

25 MS. BRIGGS: -- for the rest of the

1 year.

2 MR. SAMMY JACKSON: Thank you.

3 MS. BRIGGS: One of the kennels that I  
4 had talked about at the last meeting, they do have  
5 their active list up, Turner, where it needs to be.  
6 The other one's active list is very low, but I think --  
7 aren't they bringing some dogs in, Ron?

8 MR. GODFROY: Sambade?

9 MS. BRIGGS: Yeah.

10 MR. GODFROY: I believe so.

11 MS. BRIGGS: So we're kind of waiting to  
12 see where that goes. Both kennels have been put on  
13 probation; so they're both diligently, I think, working  
14 on trying to work on their list. So we're going to try  
15 to run those four races hopefully starting sometime the  
16 end of August or the first of September if we have the  
17 greyhounds to do it.

18 MR. SAMMY JACKSON: Excellent. I  
19 appreciate you being patient with us and asking the  
20 Commission to table the agenda item in July to be moved  
21 forward to this upcoming meeting.

22 With that, is there anything else you all  
23 would like to discuss today on the upcoming race  
24 dates?

25 MS. WHITELEY: I think it's going to be

1 more critical over the next two years as our whole  
2 industry contracts. I've been told that Wheeling, West  
3 Virginia, which is the leading greyhound track in the  
4 country, has cut some races. And so, you know, that's  
5 indicative of national breedings. So for Texas to  
6 stabilize is really quite an achievement since the top  
7 track, you know, is cutting races, and yet it looks  
8 like we may be able to add four races. Certainly not  
9 four performances, but four races. And that's more  
10 opportunities for us.

11 So, you know, I think that Texas is doing  
12 a lot of the necessary things to keep the industry in  
13 place for hopefully some legislative help.

14 MR. SAMMY JACKSON: Thank you.

15 MS. WHITELEY: I'm kind of proud of us, I  
16 guess.

17 MR. SAMMY JACKSON: You should be.

18 With that, I think we've wrapped up the  
19 discussion on race dates. Commissioner Hicks, would  
20 you have anything you'd like to say in closing?

21 COMMISSIONER HICKS: No. I appreciate  
22 everybody being here. I know it's a rainy day. And I  
23 really appreciate what Gulf has done and the  
24 representation of the other two tracks being here. And  
25 just to keep the same race dates, I think, for 2011 is

1       impressive.  And hopefully, if something happens in  
2       2011, well, everybody will be in a much better  
3       position.  I see the figures that come to me every  
4       month and I see what the decline is and it's horrible.  
5       And I'm amazed that you can stay in business.  Being a  
6       businesswoman, I tip my hat to you.

7                   MS. BRIGGS:  These two guys back here  
8       have really been a big -- played a big part --

9                   COMMISSIONER HICKS:  I'm impressed.

10                  MS. BRIGGS:  -- in cutting and cutting  
11       and keeping open and being able to do what we're  
12       doing.

13                  COMMISSIONER HICKS:  But thank you all  
14       for being here.  I appreciate it.

15                  MS. BRIGGS:  Sure.

16                  MR. SAMMY JACKSON:  With that, we'll  
17       close the meeting.

18                  (Proceedings concluded at 12:31 p.m.)

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1 STATE OF TEXAS )

2 COUNTY OF TRAVIS )

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4 I, SHERRI SANTMAN FISHER, a Certified Shorthand  
5 Reporter in and for the State of Texas, do hereby  
6 certify that the above-captioned matter came on for  
7 hearing before the TEXAS RACING COMMISSION as  
8 hereinbefore set out.

9 I FURTHER CERTIFY that the proceedings of said  
10 hearing were reported by me, accurately reduced to  
11 typewriting under my supervision and control and, after  
12 being so reduced, were filed with the TEXAS RACING  
13 COMMISSION.

14 GIVEN UNDER MY OFFICIAL HAND OF OFFICE at Austin,  
15 Texas, this 4th day of August, 2010.

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