

NY THOROUGHBRED BREEDING AND DEVELOPMENT FUND 2019 PERFORMANCE MEASURES REPORT

NAME OF PUBLIC AUTHORITY

New York Thoroughbred Breeding and Development Fund Corporation

PUBLIC AUTHORITY’S MISSION STATEMENT

To promote by monetary incentives the responsible breeding of quality Thoroughbred racehorses in keeping with the founding legislation to preserve New York’s irreplaceable farmland.

PERFORMANCE GOALS

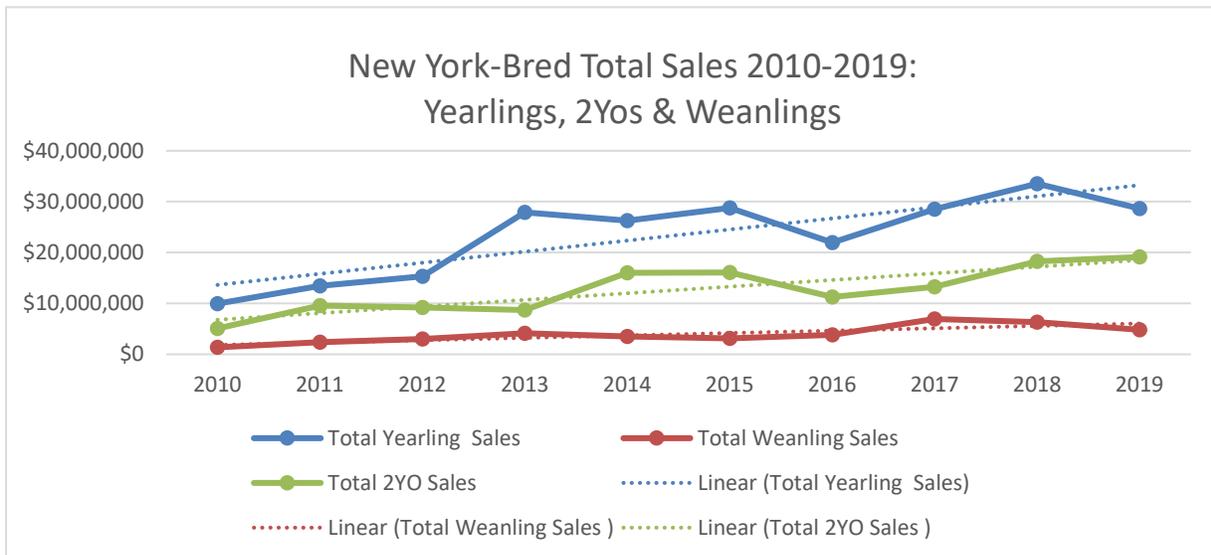
1. Promotion of Responsible Breeding

Increase the number and quality of foals

2019 Action: The 2019 New York foal crop fell marginally, by 25 foals, from the 2018 total. But while the 1,606 foals born in the state in 2019 represent a 1.5% decline from the figure for 2018, the number remains 31% higher than the pre-VLT low reported in 2011 (1,225 foals).

Promote NY-breds at auction to confirm they are gaining in public acceptance as quality Thoroughbreds.

2019 Action: The graph below shows that NY-breds are experiencing success at auction.



Ensure that the Registry Compliance Team visits all NYS Thoroughbred breeding farms to collect data pertinent to our state-bred registry.

2019 Action: The inspectors visited all of the state's farms at least once during the year.

- Farms with at least 15 mares were visited twice, at a minimum, due to their size and/or frequent mare arrivals and departures.

Promote the responsible breeding of Thoroughbreds.

2019 Action: Field inspectors found one farm where horses appeared to be in a neglected condition. Several NY facilities approved by the Thoroughbred Aftercare Alliance took in horses within days of the report and the local sheriff's department paid frequent visits as hay and feed were brought in and dozens of horses were rehomed. Akindale Thoroughbred Rescue, The Thoroughbred Retirement Foundation and ReRun provided valuable help for these deserving horses.

The Fund sponsored educational forums open to the public on topics such as:

- The latest research on grading equine respiratory systems
- How 40 years of Zweig Fund research has impacted equine and human research advances

Demonstrate the Fund's support for ex-Thoroughbred racehorses.

2019 Action: The Fund made promotional spends with multiple aftercare organizations.

Based on the understanding that many potential horse racing fans perceive that Thoroughbreds are not valued once their track careers are behind them, and that such a perception is an impediment to ownership, breeding and fan-base growth, the Fund made promotional spends with multiple aftercare organizations.

We promoted events and facilities in NYS that have been approved by the TAA/Thoroughbred Aftercare Alliance: ACTT Naturally/Longshadow Charitable Foundation, Akindale Thoroughbred Rescue, Equine Advocates, Finger Lakes Thoroughbred Adoption Program, Lucky Orphans Sanctuary, Old Friends at Cabin Creek, ReRun Thoroughbred Adoption, New Vocations Racehorse Adoption/North Country Horses and the Thoroughbred Retirement Foundation.

The Fund posts success stories weekly concerning off-track Thoroughbreds (OTTBs), and uses the Fund website (NYBreds.com) to communicate the importance of finding second careers for them. The website also hosts free web ads for the nationally acclaimed Finger Lakes Thoroughbred Adoption Program and Old Friends at Cabin Creek.

Provide monetary incentives to promote responsible breeding.

2019 Action: The Fund paid its award earners just over \$15 million in breeder, owner and stallion owner awards in 2019. This total is virtually unchanged from the 2018 figure.

The Fund supplied \$1,789,669 in purse enrichment to NYRA and Finger Lakes Gaming and Racetrack in 2019.

Continuing an agreement that the Fund entered into in 2018 with NYRA to increase the purses offered for the New York Stallion Stakes Series, the Fund provided an additional \$200,000 in purse enrichment in 2019 to assist in supporting the program.

Promote the preservation of farmland.

2019 Action: The Fund supported tours of Thoroughbred farms arranged by both Cornell Cooperative Extension and the National Museum of Racing and Hall of Fame, designed to increase public awareness of the importance of farms to the community and to encourage people to bond with Thoroughbreds. Additionally, the Fund supports the American Farmland Trust by distributing their brochures at interested farms. The pamphlets provide information on topics such as selling development rights in order to preserve farmland.

Ensure that all prospective NY-bred horses satisfy all requirements for registration, as well as applicable equine-health-related statutory or regulatory requirements.

2019 Action: Oversight by the Executive Director and Registrar of the registry process ensured that these requirements were satisfied for all horses included in the Fund's registry.

Improve the registration process.

2019 Action: We continue to make enhancements to our registration system and website to improve our ability to provide status updates on pending registrations. The "Check Registration Status" page on the Fund's website has been modified to include pending applications in order to provide users with timely information regarding the remaining requirements to complete registration of their New York-bred. A new "Auction Hips and Registration Statuses" page was added to the website to enable users to determine the statuses of horses in sales, with a link to the "Check Registration Status" page for further details on the remaining requirements for any unregistered horse. In addition, as applications are approved, emails are now automatically generated to inform the client of that fact.

2. EQUINE RESEARCH

Provide 2% of revenue to the Zweig Fund at Cornell University.

The Fund is required by statute to contribute 2% of its annual revenue to the Harry M. Zweig Memorial Fund for Equine Research.

2019 Action: The amount contributed to the Zweig Fund for 2019 is approximately \$388,400.

3. EQUINE EDUCATION

Support programs that teach youth about Thoroughbred racehorses and educate them about the respectful treatment of Thoroughbreds and other breeds.

2019 Action: The Fund in 2019 provided six (6) \$3,000 scholarships to college students enrolled in equine studies courses and aiming for careers in the Thoroughbred industry within New York State.

4. COMMUNICATION WITH STAKEHOLDERS

Keep stakeholders informed of industry trends, potential changes in purse enrichment, the awards program, and the accomplishments of NY-breds.

2019 Action: The Executive Director regularly sent e-mail blasts, posted messages on the Fund's website and included messages with regular award-check mailings, and took advantage of opportunities to communicate with stakeholders via e-mail and telephone, as well as during personal meetings at equine events, racetracks and open-house events at farms. The Executive Director also regularly posts to the NYBREDS Facebook page to extend the Fund's reach beyond our immediate stakeholders.

5. PROMOTION OF QUALITY THOROUGHBRED RACEHORSES

- Awards Program: Distribute performance-based awards to Thoroughbred breeders, stallion owners, and racehorse owners.
- With assistance from the Jockey Club, maintain the Fund's award system to ensure the accuracy and integrity of award calculations.
- Use advertising and articles to enhance demand for NY-bred racehorses by highlighting their on-track performance and the increased profit potential that comes with owning and racing NY-breds, and by informing those in the horse industry about the solid sales performance of NY-breds at auction.

6. EFFICIENT ADMINISTRATION OF THE FUND

- Efficiently and effectively administer the Fund within statutory cost ceilings.
- Streamline operations consistent with an adequate system of internal controls through periodic review and revision of processes and staffing.

- Ensure compliance with all regulatory filing and reporting requirements of NYS control agencies.

2019 Action: In 2019, the Fund was within the 5% ceiling set for administrative spending and the 6% ceiling on promotional spending.

As the Fund staff became more familiar with the many improvements to its software system, they learned to leverage the system to provide improved access to information on mares, foals, farms and awards.