

# NY THOROUGHBRED BREEDING AND DEVELOPMENT FUND 2020 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*

2020 Action: The 2020 foal crop of 1,549 was down slightly from 2019 but remains roughly 30% higher than the decade's low mark of 1,225 foals in 2011.

In an attempt to increase the size of future foal crops the Fund Board made changes to breed-back rules in 2020. Readers can find details at:

<https://www.nybreeds.com/rules/resident-non-resident-mares/>.

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

2020 Action: Auction revenue from NY-bred weanlings, yearlings and two-year-olds have more than doubled over the past decade, from \$16.4 million in 2010 to nearly \$34 million in 2020. Such auction results demonstrate why Fasig-Tipton President and Chief Executive Officer Boyd Browning proclaimed "The New York-bred racing and breeding program continues to be the best in the United States." NY-bred Tiz the Law underscored the point by winning three Grade I races including the Belmont and Travers.

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

2020 Action: Although the pandemic kept field inspectors off the road for several months they were still able to visit all 266 farms at least once during the year.

*Promote the responsible breeding of Thoroughbreds.*

2020 Action: Field inspectors look at horses and facilities during their inspection visits and did not report any horses or facilities to be in poor circumstances

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

2020 Action: The Fund made promotional spends with multiple aftercare organizations although the spends were significantly smaller than in previous year due to the effects of the pandemic on fund revenues.

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, 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 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.*

2020 Action: The Fund paid its award earners almost \$9 million in breeder, owner and stallion owner awards in 2020. This total is 43 percent less than 2019 as a result of the COVID-19 pandemic and a 40 percent decrease in the Fund's 2020 revenues.

The Fund supplied \$1,062,109 in purse enrichment to NYRA and Finger Lakes Gaming and Racetrack in 2020.

*Promote the preservation of farmland.*

2020 Action: 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. Due to COVID-19 restrictions the Fund was unable to support events such as farm tours and Thoroughbred adoptions days.

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

2020 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.*

2020 Action: We continued to make enhancements to our registration system and website in order to improve our ability to provide status updates on pending registrations. The most recent improvement was providing the capability for clients to re-create the signature sheet as necessary. Registrations cannot be approved until clients supply formal signatures attesting to the location of foaling.

## 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.

2020 Action: The amount contributed to the Zweig Fund for 2020 is \$234,030.

## 3. Communication with Stakeholders

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

2020 Action: While in person meetings could not take place from March through the end of the year, communication pathways established in previous years were maintained: emails blasts, Executive Director messages to shareholders included with award checks, relevant stories posted on the Fund website [www.NYBREDS.com](http://www.NYBREDS.com) and shared in Facebook posts and on Twitter.

## 4. 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.

#### 5. 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.

2020 Action: In 2020, the Fund's revenues sustained a 40 percent decrease in revenues due to the COVID-19 pandemic. This event was unexpected and although quick action was taken to revise the 2020 budget and reduce spending, the Fund was unable to remain within the statutory caps for administrative and promotional spending set by the State. The Fund's outside auditors recommend that if a similar situation arises in the future that the Board consider asking the Attorney General for guidance.