

GUILTY PLEASURES 10 THINGS TO KNOW



# Hold Your Horses

Champing at the bit to buy a thoroughbred racehorse? Billy Koch and Gary Fenton, co-owners of Little Red Feather Racing, offer their expert advice on purchasing a four-legged investment.



Singletary, ridden by jockey David Flores, wins the 2004 Breeders' Cup Mile at Lone Star Park. Above: Billy Koch.

## 1. USE FUN MONEY

Horse racing is the sport of kings, but if you want to hang around the stars, you need to bring your wallet. However, keep in mind that this is a luxury purchase—invest only as much as you know you can lose.

## 2. FAMILIARIZE YOURSELF

When buying into a sports franchise, a prospective owner needs to know something about the game. Research all aspects, from morning workouts to afternoon races. Get to know other owners, trainers, jockeys, and track management. They're usually more than willing to help a newcomer.

## 3. HAVE A PLAN

Decide what your stable will look like. Are you out to win the Kentucky Derby or to buy well-bred fillies for their residual bloodstock

value? Do you want to run your horses at the small track in your hometown, or compete against the world's elite? Are you patient enough to purchase yearlings that won't run for a year, or do you want ready-to-race horses? When you have these answers, you'll have the basis for your business plan.

## 4. FIND A TRUSTED ADVISOR

Most successful stables have a racing manager. This person can be a bloodstock agent (someone who buys horses for a living) or a dedicated racing manager. It's important to interview more than one and to ask for references. Hire the same type of person you'd want in your own business.

## 5. HIRE A TRAINER

Don't be fooled by fancy stats. The best trainer for you may not be the world's leading name. Ask yourself

if you want to be a small fish in a big pond or vice versa. Trainers have varying personalities; find one that suits yours and your plan.

## 6. TREAT IT LIKE A BUSINESS

In most cases you'll be having so much fun you'll forget that this is an investment with potentially life-changing monetary rewards, but don't check your business sense at the door. Bring it with you and use it—even when you don't want to. If you budget for five horses but don't listen to your biz smarts, you might find it very hard to turn down a sixth—especially if you convince yourself you could be missing out on the next Derby winner.

## 7. DECREASE YOUR RISK

Success comes in numbers. Track insiders will tell you it's better to own 10 horses with a partner than five on your own. Also, being in the winner's circle by yourself is lonely—part of the fun is sharing the excitement. Buy a horse with partners; bring friends to the races. This is a social sport.

## 8. PUT IT IN WRITING

Handshake deals are common, but horses are fragile animals whose value changes from race to race. Bloodstock agents charge varying fees and have numerous relationships—and often one with the seller.

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Make sure your bloodstock agent signs an agreement spelling out all fees up front and stating he's not taking a commission from the seller without your knowledge.

## 9. LISTEN TO YOUR ADVISORS

You hired them. You pay them. Now let them do their job. Your trainer is with your horse every single morning and knows its abilities better than anyone. Yes, you get to make the final call, but the quickest way to a losing season is coaching from the owners' box.

## 10. HAVE FUN

Owning a thoroughbred racehorse should be one of the most exciting and rewarding experiences of your life. Enjoy the ride! [G]