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January 4, 2010

## **AN OPEN LETTER TO THE HORSE RACING INDUSTRY**

### **FROM CHAIR ROD SEILING**

Late in the day on December 31, 2009, the Ontario Racing Commission (ORC) was informed that, due to the inability of the horsepeople and racetrack management at both Hiawatha Horse Park and Sudbury Downs to agree to a new contract, all simulcasting operations would be shut down effective January 1, 2010.

Therefore, under the Commission's mandate to act in the public interest, I have asked ORC Executive Director John Blakney to work with the parties of the respective disputes to immediately find a way to reopen the markets so that horse racing's customers can continue to watch and wager, and the industry can continue to earn revenues that flow back to the entire horse racing industry.

I am dismayed and disappointed that the respective parties are so short sighted that they opted to penalize the most important component of their joint business, the customer. Why not find a mutually acceptable means to keep the customer served? For example, simulcasting could easily be allowed to continue with the funds earned put in trust until a mutually acceptable contract was negotiated that would address the splits.

Are racing's customers in such great supply that it can afford the luxury of turning off the signal? Today, customers have many options on where to spend their "disposable" dollars. They don't need horse racing, horse racing needs them!

What message is the industry sending to government, a government that continues to support horse racing like no other government in North America? Lest there be any doubt to that statement, one only has to read the recent announcement by Minister Duncan providing new lifeblood for Fort Erie Racetrack and in the process, reinforcing its commitment to the slots at racetrack initiative.

The Commission does not become involved in commercial disputes unless the health and welfare of the horse is at risk, the safety of participants is at risk, or to act in the public interest. Recent decisions involving Sudbury Downs, Rideau Carlton Raceway and WEG/OHHA provide proof and need not be repeated.

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Whether the parties realize it or not, horse racing is in a crisis as it relates to the public betting on its races. It is not my opinion, but that of many knowledgeable observers and participants in the industry who have communicated that message time and again to us at the Commission.

Horse racing cannot be allowed to become a total ward of the state. It must keep what customers it has and identify new ways and means to build that base. In short, horse racing has to have an entertainment value component. Allowing the old ways of shutting out the customer – a process that helped bring on the current crisis – is not in the cards. I would expect that all the parties will want to do the right thing.

Horsepeople and racetracks are partners; it is time for them to start acting as such. I am confident that with a renewed outlook, a new beginning can bring new results.

A handwritten signature in cursive script that reads "Rod Seiling". The signature is written in black ink and is positioned above the typed name and title.

Rod Seiling  
Chair  
Ontario Racing Commission