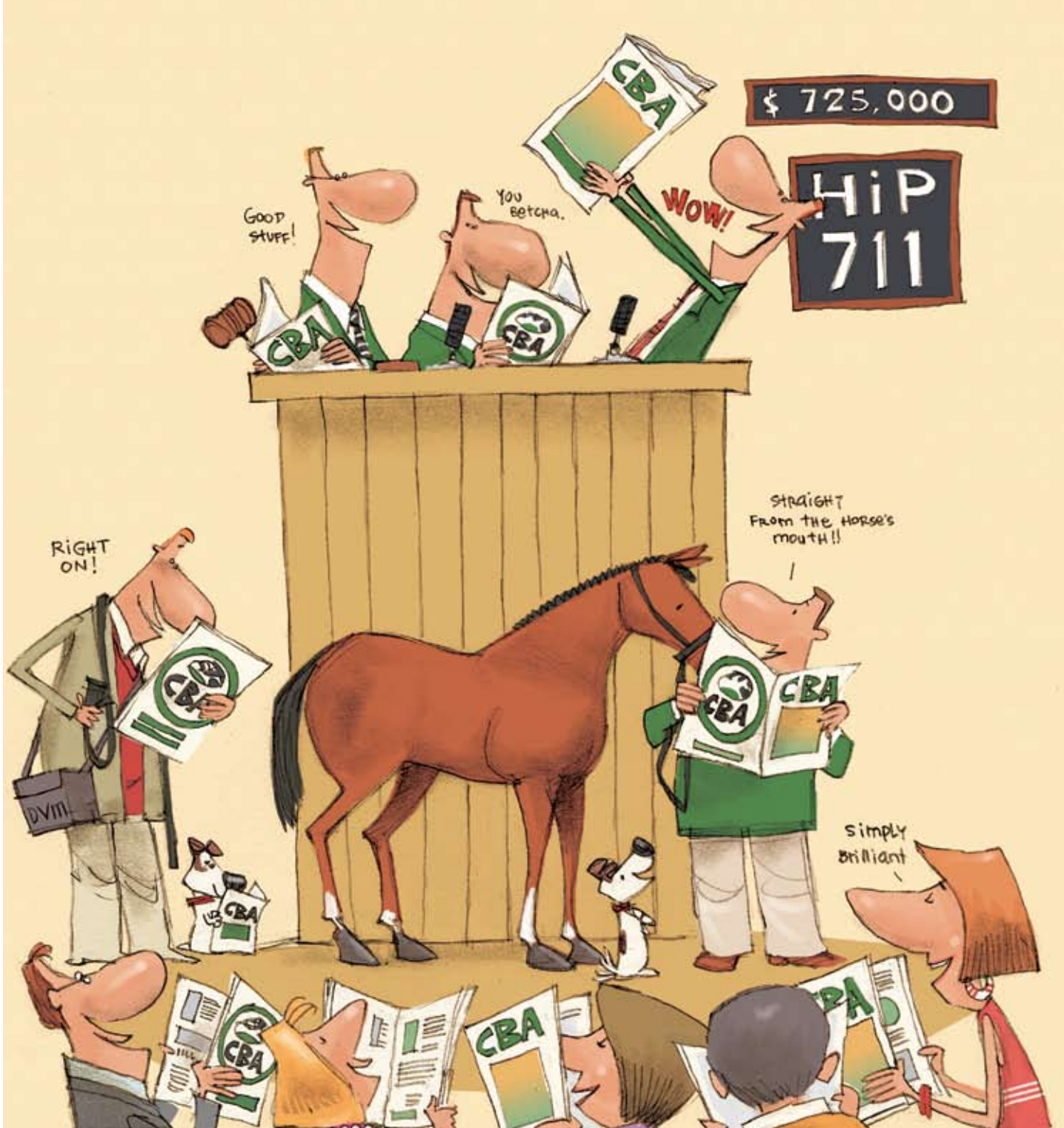


BUYING SALES YEARLINGS

PLAIN AND SIMPLE



INSIDE: AN EXPOSÉ OF SALES MYTHS • Q&A WITH EXPERIENCED TRAINERS

TABLE OF CONTENTS

➤ Dear Reader	3	➤ Myth #1: The Perfect Yearling	18
➤ Setting Yourself Up For Success	4	➤ Myth #2: May Foals	20
➤ Start With A Sound Business Plan	6	➤ Myth #3: Foals Out Of Older Mares.	24
➤ Buyer Responsibilities	8	➤ Myth #4: Throats	26
➤ Using Advisors Effectively.	10	➤ Myth #5: OCDs	28
➤ Developing Your Vet-Client Relationship	12	➤ Myth #6: Later Session Yearlings	30
➤ Selecting A Vet That's Right For You	14	➤ Q & A With Experienced Trainers	32
➤ Approaching The Sales Scene	16	➤ An Illustrated Guide To Conformation	37

Cartoon illustrations by **Chris Ware** • Design and layout by **Rusty Manseau**

©Copyright 2007 Consignors and Commercial Breeders Association. All rights reserved.



The CBA is a trade organization for breeders and sales consignors of Thoroughbred race horses. Nearly 200 members account for over 75% of the annual auction revenue in North America.

CBA MISSION STATEMENT

The CBA works democratically on behalf of every consignor and commercial breeder, large and small, to provide representation and a constructive, unified voice related to sales issues, policies, and procedures. The Association's initiatives are designed to encourage a fair and expanding marketplace for all who breed, buy, or sell Thoroughbreds.

CBA CODE OF CONDUCT

Members of the Consignors and Commercial Breeders Association (CBA) agree to uphold the following professional standards and Code of Conduct:

A CBA MEMBER WILL:

- Strive at all times to serve the best interests of his or her client.
- Conduct business with honesty, integrity, and fairness toward clients, other CBA members, and the buying public.
- Answer truthfully and avoid intentionally misleading statements when responding to inquiries from prospective buyers.
- Refuse to pay or accept commissions that are not disclosed to the member's principal and refuse to participate in any undisclosed dual agency or other fraud.
- Comply with all applicable sales company rules of sale and with all applicable state and federal laws.



DEAR READER,

Whether you are new to yearling buying or a veteran, this booklet is intended to help you find your way to success.

If you are new to the game, you are on the threshold of a fascinating and sometimes magical journey. It is hard for those who have been around awhile to explain the enduring passion that horse people have for a life filled with horses and horse business. It clearly has much to do with the beauty and magnetism of the horses themselves. But the lasting appeal goes even deeper, to a personal level, as the horse business provides a stimulating arena for enriching or living a life. In short, although the horse business is about horses, it is also about each individual's hopes and dreams, struggles and failures, and the great joy and redemption that comes with occasional triumphs of the highest intensity. Few human endeavors can transport a soul from the bottom of the deepest valley to the top of the highest peak, sometimes in a single day.

The trick is to plan for success carefully and intelligently enough that you can enjoy the moment, survive the peaks and valleys, and still stick around for the long ride. Staying in place over time is key, because no matter how any single year plays out, the industry's kaleidoscope turns on January 1st and a whole new vista of opportunity emerges, allowing everyone still standing to pursue their goals and dreams once again.

To help yearling buyers plan effectively and succeed, and in the interest of helping to provide a satisfying experience and marketplace for all sales participants, the following facts and points of view are presented for your review. Reader comments are always welcome at www.consignorsandbreeders.com.

► ***The trick is to plan for success carefully and intelligently enough that you can enjoy the moment, survive the peaks and valleys, and still stick around for the long ride.***

.....



SETTING YOURSELF UP FOR SUCCESS

The cornerstone of long-term success rests on realizing that the horse business is also a people business. Treating others the way you would want to be treated yourself builds trust and lasting relationships that will help you achieve long-term goals. No one can make it on his or her own, and achieving consistent results over many years requires a lot of help from your friends. It is also important to remember that, given enough time, what goes around usually comes around.

Beyond that, only six things really matter: (1) luck; (2) knowing what you're doing; (3) hiring trustworthy advisors who have a track record of

success in the industry; (4) having enough money to execute your plan for success; (5) maintaining discipline and perseverance; and (6) more luck.

Whether you are experienced with Thoroughbreds and racing or brand new to the game, nothing can compete with luck. Good or bad luck trumps everything. Obviously, luck plays more of a role in some situations than it does in others, but luck figures heavily into every horse venture. As luck heightens the speculative nature of horse ownership, it also fuels our hopes and dreams and keeps things exciting and unpredictable. Someone can have huge success with the first horse they ever buy, and other buyers can go through many horses before finding the winner's circle. Bad luck can even bring a whole segment of the industry to its knees, as in the case of Mare Reproductive Loss Syndrome in 2001, which caused the loss of nearly 30% of Kentucky's foal crop. But good luck can cause all of the planets to line up when you go to re-sell your pin-hooked yearling as a two-year-old, or when you watch a hole suddenly open up for your surging three year old colt on the first Saturday in May.

For yearling buyers, the ever-present and powerful role of luck is a constant companion. This is not a bad thing for inexperienced buyers, because it levels the playing field and allows everyone to play the game. Sometimes, "beginner's luck" can be very powerful.

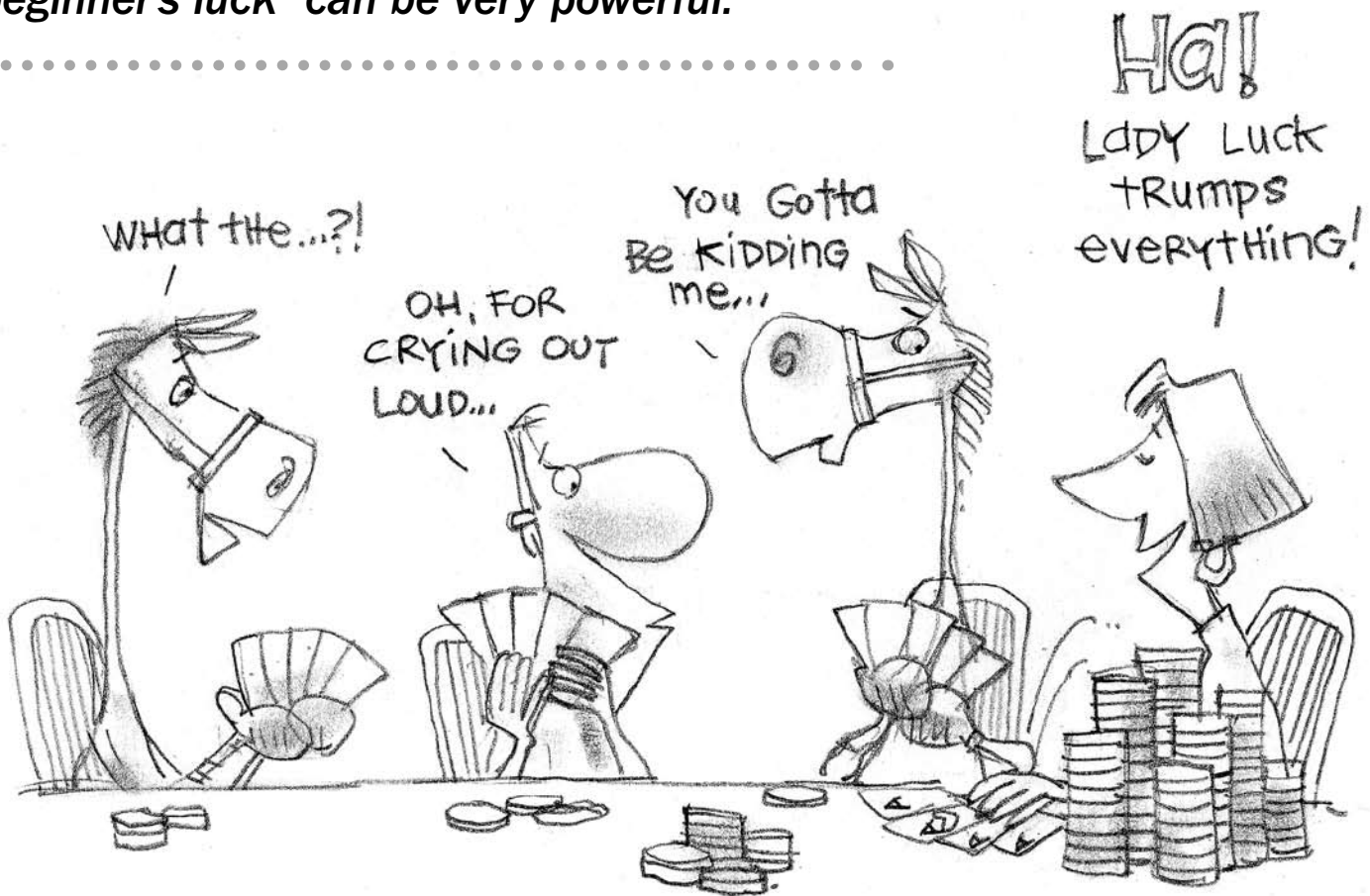
But even if luck accounts for as much as seventy or eighty percent of what happens, luck is not the only thing at work in the yearling marketplace. What you do with the other twenty or thirty percent can make all the difference, and has a lot to do with setting yourself up for success. The ability to spot a well-balanced athlete, along with acquiring important experience by following the sales horses you evaluate through their racing

► *Treating others the way you would want to be treated yourself builds trust and lasting relationships that will help you achieve long-term goals.*



For yearling buyers, the ever-present and powerful role of luck is a constant companion. This is not a bad thing for inexperienced buyers, because it levels the playing field and allows everyone to play the game. Sometimes, “beginner’s luck” can be very powerful.

.....



careers, will help you make the most of that part of the puzzle which you can control.

In addition, many “myths” in the form of unsubstantiated opinions, ingrained misconceptions, and other falsehoods, float around the sales scene and create inefficiencies in the marketplace. These inefficiencies or distortions of reality, in turn, provide opportunity for

individualists who look to facts and data. If you can resist following the crowd, you can gain an edge by seeking accurate information and having the confidence to think outside the box. At the end of the day, you empower yourself if you possess the ability to assess the athlete in front of you, apart from fantasy or fashion.

Thus, the good news in the midst

of this risky enterprise is that by digging below the surface to focus on facts, instead of myth or traditional hearsay, you can find quality horses, obtain good value, and set yourself up for success. As in any business, knowledge is power. If you separate fact from false or unsubstantiated beliefs, you can position yourself so that good luck can run over you.

START WITH A SOUND BUSINESS PLAN

► ***Plan thoughtfully and specifically so that you can still succeed with less than average luck, and can prosper if good fortune embraces you beyond expectation.***

.....

Don't count on good luck to stay in business. Instead, plan thoughtfully and specifically so that you can still succeed with less than average luck, and can prosper if good fortune embraces you beyond expectation. As in any business, start with a sound business plan.

Creating a smart business plan for buying yearlings, especially as an end-user, involves a projection of at least five years. At least two or three years are required to establish and grow the basic operation, and another three or more may be required to produce meaningful results. If you are buying yearling fillies to race with the intention of building a broodmare band, you may be wise to create a seven to ten year plan, as it typically takes longer and more expense to get established in a four step (buying-racing-breeding, and then selling or racing) scenario.

As in establishing any business, the single most important pre-requisite for success is making sure that you are sufficiently capitalized relative to your objectives, and are not risking money that you cannot afford to lose. Construct conservative cash flow charts that include all keep and interest charges, and be sure to have sufficient

capital for the first four or five years while you wait for returns. Unless you are sufficiently wealthy, be prudent when borrowing or avoid leveraging altogether, building instead on cash reserves as your operation goes forward. As the Thoroughbred Owners Handbook, published and available from TOBA, points out: "Horse ownership is a gamble [and you must determine]

how much you are prepared to gamble for the thrill of owning your own sports franchise."

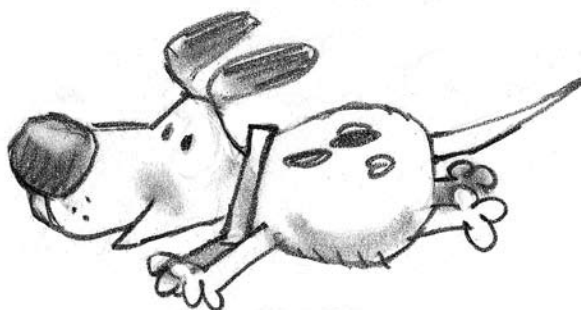
In this high-risk enterprise, possessing enough restraint to stay within your means defines the difference between gambling and investing.

Once you have developed your systematic business plan, stick to it. Of course, you need to evaluate it each year and fine-tune certain features

as you go along. But develop the discipline to maintain a steady course long enough for the program to mature and produce a cash flow. Whenever you tweak your program, be sure that your revised short-term objectives clearly fit your long-term plan.

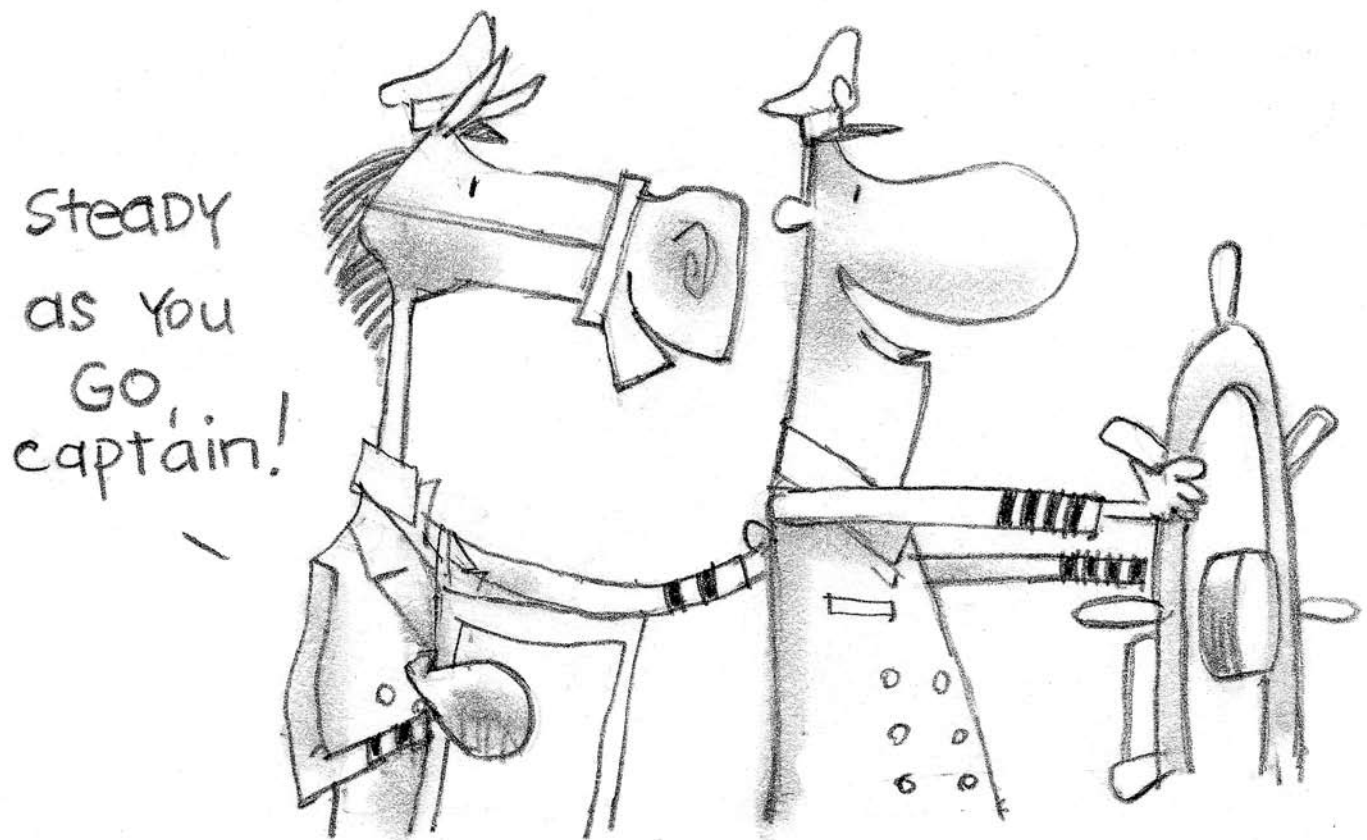
Finally, don't rely only on yourself. Put the very best people in place at all levels who are experienced, competent, sensible, reliable, and honest.

The single most important pre-requisite for success is making sure that you are sufficiently capitalized relative to your objectives, and are not risking money that you cannot afford to lose.



Develop the discipline to maintain a steady course long enough for the program to mature and produce a cash flow. Whenever you tweak your program, be sure that your revised short-term objectives clearly fit your long-term plan.

.....



BUYER RESPONSIBILITIES

► *In addition to interviewing prospective agents and checking their documented history of selecting successful racehorses, it would be wise to acquaint yourself with the work of the Sales Integrity Task Force.*

.....

As indicated above, as a buyer, you have a responsibility to yourself to approach the horse business as you would any other business. As part of creating a sound business plan, you are responsible for selecting your advisors, including bloodstock agents and veterinarians. Just as in hiring key employees for any other business, you should check out any candidate's references and track record, and personally interview prospective advisors to make sure that they are a fit for your specific program. Taking care to assemble a team of competent and trustworthy professionals is not only good business, it increases your probability of success and minimizes any problems that might arise after the fall of the hammer.

Should you need help in identifying candidates or assessing a candidate's credentials, you may contact the major sales companies, Keeneland and Fasig-Tipton, as well as the Thoroughbred Owners and Breeders Association (TOBA). They are there to serve you.

- www.keeneland.com
- www.fasigtipton.com
- www.toba.org

If you will not be evaluating the sales yearlings and bidding and signing tickets yourself, you will need to obtain the services of an agent. In addition to interviewing prospective agents and checking their documented history of selecting successful racehorses, it would be wise to acquaint yourself with the

work of the Sales Integrity Task Force, under the aegis of TOBA (www.toba.org and www.salesintegrity.org).

While on the sales grounds and prior to bidding and purchase, you also have the responsibility to ask questions of consignors about issues that are important to you, and to



conduct your due diligence as if you were buying any expensive product or small company. If you encounter situations that puzzle you, feel free to speak to Keeneland and Fasig-Tipton representatives.

Sellers, in turn, have the ethical and legal

obligation to answer any questions that you ask, factually and honestly. As you can see from the CBA Code of Ethics on the inside cover of this booklet, all CBA members have taken a pledge to disclose pertinent facts when asked and to avoid misrepresentations.

Buyers have the responsibility to inform themselves and ask questions of consignors about any issues that are important to them. Sellers have the ethical and legal obligation to answer factually and honestly.

.....



USING ADVISORS EFFECTIVELY

Your investment results will be affected by the quality of the advisors you select and by how effectively you explain your program to them.

Clear and specific communication is essential between you and your team members. Every professional you employ (whether they are a trainer, conformation or pedigree expert, veterinarian, agent, or accountant) needs to understand the details of your goals and

objectives, so that they can be in sync with what you are trying to accomplish with your business plan.

Much time and ground work goes into sorting out yearlings at the sales. Properly done, inspecting and evaluating sales horses is a lot of work and your agents deserve to be paid accordingly. When employing agents or assistants, therefore, it is a good idea to keep everyone happy and minimize later misunderstandings by clarifying the terms of employment and remuneration, up front and in writing. If a commission is to be paid on purchases, the agent or advisor's percentage should be specified in advance. If the agreement involves a day rate or a combination of day rate and commission, all details should be specified. Similarly, if you intend to retain an advisor on an annual basis, those terms of employment should also be stipulated in a written contract. Furthermore, it is prudent and appropriate to ask your agent, assistant, advisor, or vet to disclose their full or partial ownership interest in any sales horses and to sign a dual agency agreement, such as the one available from the Sales Integrity Task Force (www.salesintegrity.com).

Having a close working relationship with your sales veterinarian is especially important. The vet that you select to review your yearling selections could become an especially valuable member of your team. He or she could also sink your ship and cause you to unnecessarily miss out on good horses, especially if they don't know your priorities and your tolerance for risk related to veterinary sales issues.

HIP no.
2715!



The vet that you select to review your yearling selections could become an especially valuable member of your team. He or she could also sink your ship and cause you to unnecessarily miss out on good horses.

.....

Your investment results will be affected by how effectively you communicate with your advisors.

.....

The quality of communication with your vet is especially important during sales sessions. A sales vet's work can become very hectic during certain sessions, as he or she may have to handle numerous requests for x-ray reviews or scoping in a short period of time. Therefore, double check to make sure you are communicating the correct hip number, and place your requests as far in advance of the horse selling as possible, to minimize inadvertent errors or hasty judgments that can result from hurried attempts to read film and fulfill orders.



DEVELOPING YOUR VET/CLIENT RELATIONSHIP

As your sales vet will likely become a key member of your team, it is up to you to define his or her role and to develop a close working relationship. Establishing regular communication with your vet, and actively inquiring about specific issues, will increase your level of information and understanding, and will help you to interpret veterinary findings in relation to the yearlings you have selected for purchase.

Your vet also has a responsibility in this regard. Clear and useful communication is a two-way street, and any professional veterinarian should be promoting an open dialogue that will help you to use his or her findings or opinion most productively for your specific purposes. As Jeff Berk, VMD, stated in *Vet Work Plain and Simple: Scoping*, “You, as the client, may be predisposed to think that any irregularity is a ‘problem’ and may therefore be inclined to walk away from that horse and find one without a ‘problem.’ Therefore, veterinarians, as professional advisers, need to find ways to communicate clearly and effectively with clients in order to indicate how a clinical finding ranks within the normal spectrum, so that buyers do not unnecessarily miss out on purchasing a good horse that they like in every other way.”

To some buyers, the jargon and technical language used by veterinarians sounds like a foreign language, and a lot can get lost in translation. Therefore, instead of walking around with a blurred or foggy understanding about a potential sales purchase, you may want to choose a vet who is willing to take the time to explain a finding in ordinary language.

The bottom line, however, is that as a buyer you have a responsibility to yourself to be an informed consumer, so that you do not give veterinarians decision-making power that belongs with you.

For example, Barry Berkelhammer, buyer of recent Grade 1 winners, Ashado, Octave, and Purge, and many other top horses, makes special effort to be knowledgeable about

veterinary issues and to establish clear communication with his sales veterinarian. According to Berkelhammer, “We tell our vet that we want him to help us find opportunities, not eliminate them. He understands that the ‘clinically’ perfect radiographs and textbook perfect scopes rarely translate into Grade 1 success. He reports his findings and we make our bidding decisions based on how well we like the whole package, including pedigree, conformation, and vet reports.”

As a buyer, increasing your own knowledge about veterinary findings and interpretation is also important because, when sales vets are asked to make predictive interpretations, they are mostly making guesses based on inference or remembered anecdotes related to their sometimes vast and sometimes scanty experience in their own practice.

We tell our vet that we want him to help us find opportunities, not eliminate them. He understands that the ‘clinically’ perfect radiographs and textbook perfect scopes rarely translate into Grade 1 success. He reports his findings and we make our bidding decisions based on how well we like the whole package, including pedigree, conformation, and vet reports.

— Barry Berkelhammer



Like every other horseman, however, they do not possess a crystal ball.

This guessing is communicated to clients in the form of probability statements about whether or not an irregularity may interfere with racing success or cause a significant problem sometime down the road. To this point, however, the veterinary community has conducted very little systematic research to provide a database of support for the probability statements that are expressed on the sales grounds. (Research correlating yearling endoscopic evaluation with racing

performance is a notable exception. See references to the work of Scott Pierce, DVM, Katie Garrett, DVM, and Rolf Embertson, DVM, later in this booklet, p. 26).

Developing a firmer base for opinion would require sales vets to start recording their findings and ratings for each yearling, and following each one through its racing career. Until that comes to pass, you may be wise as a buyer to use your vet-client relationship to increase your own understanding of veterinary issues, thereby empowering yourself to participate more knowledgeably in the world of educated guesses.

You may be wise as a buyer to use your vet-client relationship to increase your own understanding of veterinary issues, thereby empowering yourself to participate more knowledgeably in the world of educated guesses.

.....



SELECTING A VET THAT'S RIGHT FOR YOU

Many highly qualified and experienced veterinarians are available to provide service at auction sales. The task for you, as a buyer, is to find one that is a good fit for your particular program, your level of experience and involvement, and your personality.

Because your sales vet may play a key role in helping you decide which horses you will bid on and how much to bid, taking the time to interview several prospective vets, while explaining the details of your program, would be time well spent. A few interview questions that might be informative and useful in your selection of a vet are as follows:

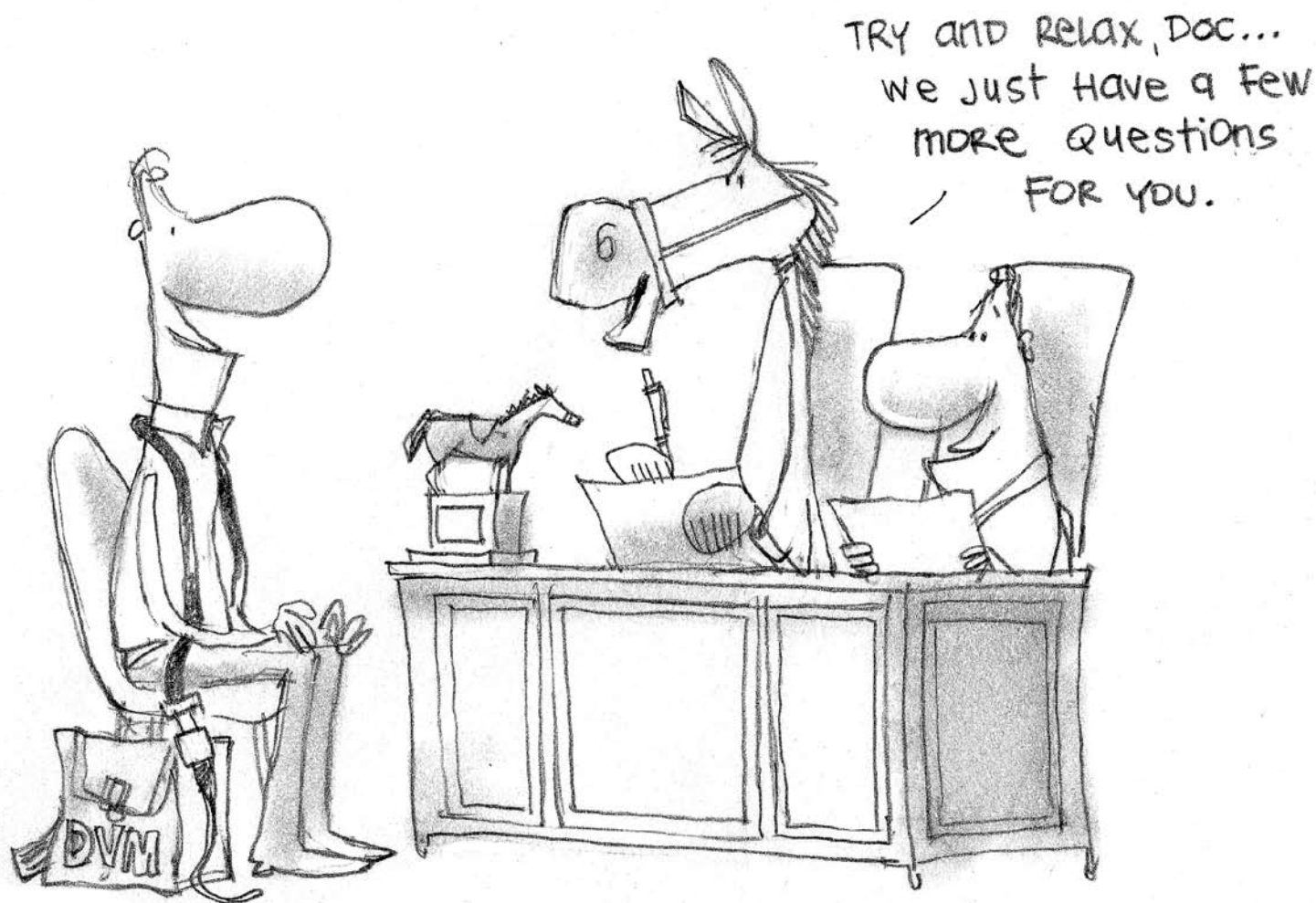
- In which areas of veterinary medicine do you have the most experience (racetrack, reproduction, sales, surgery, radiology, or research)?
- How many years have you been active doing sales evaluations at the sales?
- What proportion of your clients are focused on very early racing with an emphasis on re-sale, and what proportion are more oriented towards two-turn horses that may race later in their two-year-old year, or as three-year-olds?
- How much experience do you have at the other end, (meaning at the racetrack), managing training issues and seeing what actually makes a difference in a horse's soundness and performance?
- Do you have a grading system for your analysis of scopes and radiographs? If so, for my reference throughout the sale, will you be giving me a copy explaining the grades, and indicating what each rating means for the yearlings' later racing careers?
- In relation to the grading system that you use, do you "pass" or "fail" horses, or do you provide detailed analysis with potential risk commentary?
- At the sales last year, how many yearlings did you "vet" for prospective purchase? How many did you find acceptable? How many did you "turn down"?
- What percentage of the sales work (scoping, reading and evaluating x-rays, etc.) is performed by you, and how much by assistants or interns?

- What are your fees for each service that you provide?
- Are you available for post-purchase sales work such as oiling and preparation for shipping, or for representation in any dispute?
- Do you have an ownership interest in any sales horses at sales where you work? If so, do you disclose that ownership to buyers and sellers, and how do you handle the problem of evaluating other people's horses when you have horses in the sale yourself?
- As in other medical fields, will you at some point be giving me a written report on all of the yearlings that I am paying you to review, detailing your findings and reasons for your opinions?

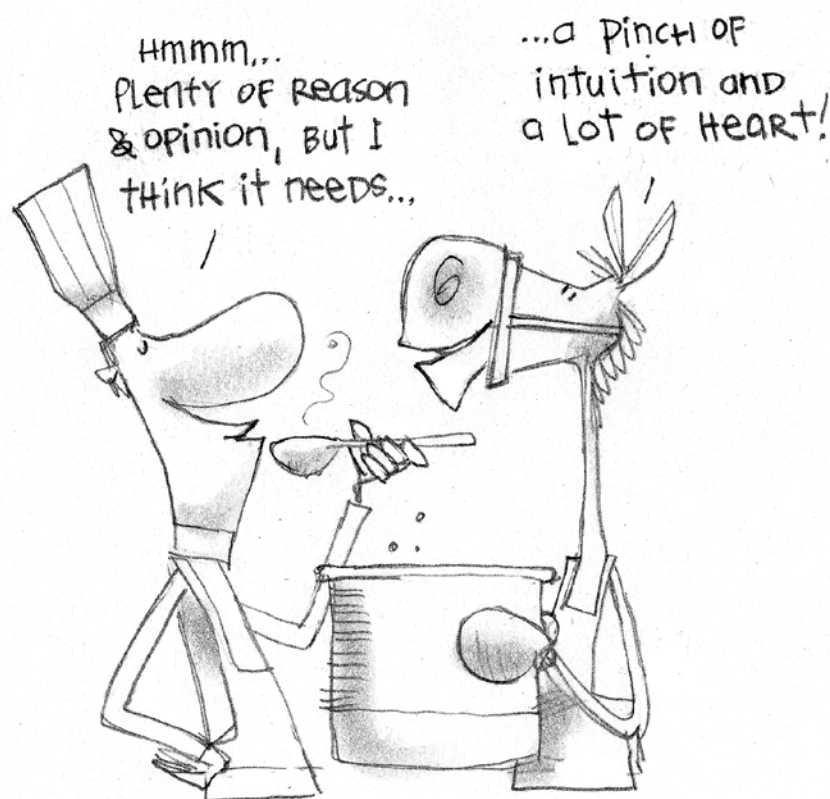


Because your sales vet may play a key role in helping you decide which horses you will bid on and how much to bid, taking the time to interview several prospective vets, while explaining the details of your program, would be time well spent.

.....



APPROACHING THE SALES SCENE



***This adventure is not a science.
Human reason alone is not adequate
for the task. A mixture of reason
and art is required, with a large dose
of instinct or intuition thrown in.***

Once you have your business plan, your money, and your team in place, the fun begins.

So does the work.

Most seasoned veterans feel a surge of excitement when they learn that “the catalogs are out!” Each book shuffles a fresh deck, and deals a new grab bag of optimism and opportunity.

Just like when the hawkers at a race track entrance hold up the day’s program and shout out, “I got all the winners right here!” so, too, are most of the sport’s future stars embedded between the covers of the auction catalogs. The trick, of course, is sorting them out so that you can land on the most promising prospects.

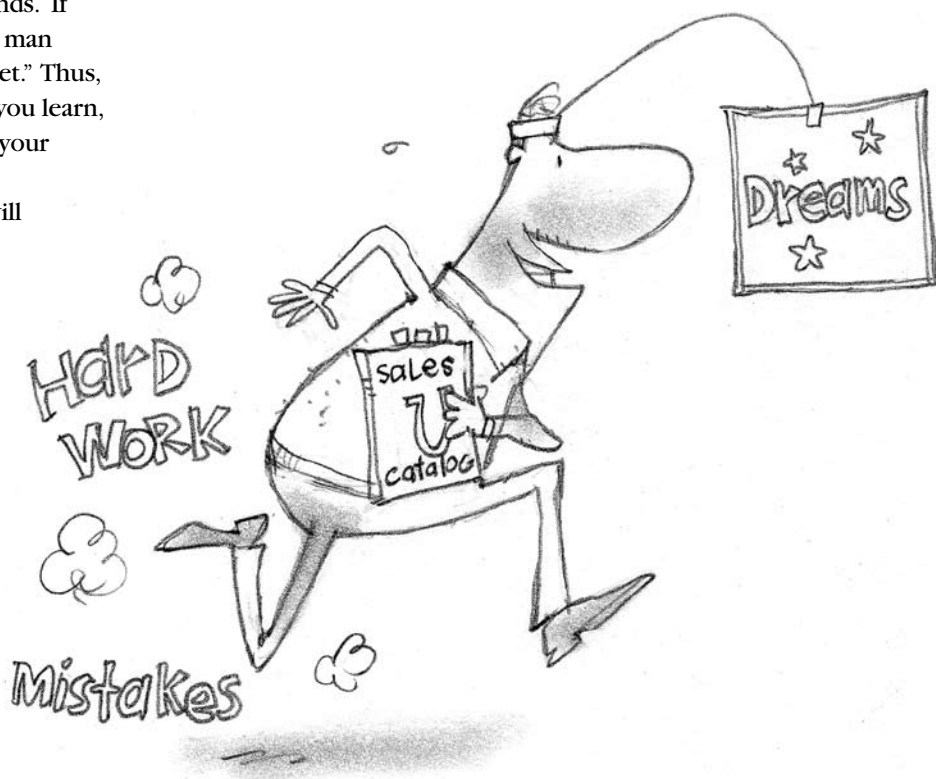
This adventure in speculation is not a science. Human reason alone is not adequate for the task. Instead, a mixture of reason and art is required, with a large dose of instinct or intuition thrown in.

In the face of uncertainty, the role of intuition gains value because it is often what cannot be seen that makes the ultimate difference. Call it a competitive nature, call it heart, call it class; it is what is on the inside of a horse that separates many of the good ones from their peers. No formula or vet report will help you here. Clues to a horse’s competitive nature depend on what you can glean from pedigree (the family’s historical racing performance), and the expression, presence, and demeanor of the young horse standing in front of you. Some horsemen seem to infer the inside of a horse better than others, but no one knows anything for sure until the starting gate first opens and they look each other in the eye.

Despite the mysteries and perplexities of the sales scene, some professionals with special expertise manage a better strike rate than their competition, year after year. This consistent success is not magic. Although some horsemen

may be born with superior horse related instincts, most have developed their ability to recognize an equine athlete through observation and experience over many years. Any participant, therefore, can improve their knowledge and ability to spot potential stars if they ask questions, observe closely, pay attention to detail, and are willing to work hard physically and mentally on the auction grounds. If you want consistent success, keep at it. As a man once said, "The harder I work, the luckier I get." Thus, by constantly observing and applying what you learn, you can help "make" your luck and increase your probability of success.

As you become better established, you will see that success builds on success. This is because success leads to increased self-confidence and greater comfort in going against the crowd. Seeing the horse in front of you for its true potential, for the athlete that it really is (or is not), depends on your ability to focus on facts rather than smoke and mirrors. As the sales scene is largely a business of perception, fueled by hype and marketing, you need to confidently trust your judgment enough that you can silence the voice inside you urging you to conform to the ever-present promotional talk surrounding every horse sale. At the end of the day, personal success comes from working hard to empower yourself enough to make your own mistakes, to learn from them, and to persevere in pursuit of your own dreams. (And, it is a truism that if you don't work hard enough to fulfill your own dreams, you will likely be working to fulfill the dreams of someone else).



Personal success comes from working hard to empower yourself enough to make your own mistakes, to learn from them, and to persevere in pursuit of your own dreams.

.....

Call it a competitive nature, call it heart, call it class; it is what is on the inside of a horse that separates many of the good ones from their peers.

Furthermore, as you work to sort out the yearlings, your chance of purchasing quality racehorses will be greatly increased if you identify and understand the many false beliefs that are perpetuated at the sales each year by people who are poorly informed or otherwise misguided. The following section, therefore, provides a review of some of the most prevalent misperceptions or myths that float around the sales scene year after year.

.....

MYTH: THE “PERFECT” YEARLING IS THE BEST YEARLING.

FACT: PERFECT CONFORMATION DOES NOT MAKE A RACEHORSE.

If the yearling in front of you has flawless conformation, a wonderful family, and the “look of eagles,” try to buy it (if you have enough money). But keep in mind that most graded stakes performers have conformational flaws and come in all shapes and sizes.

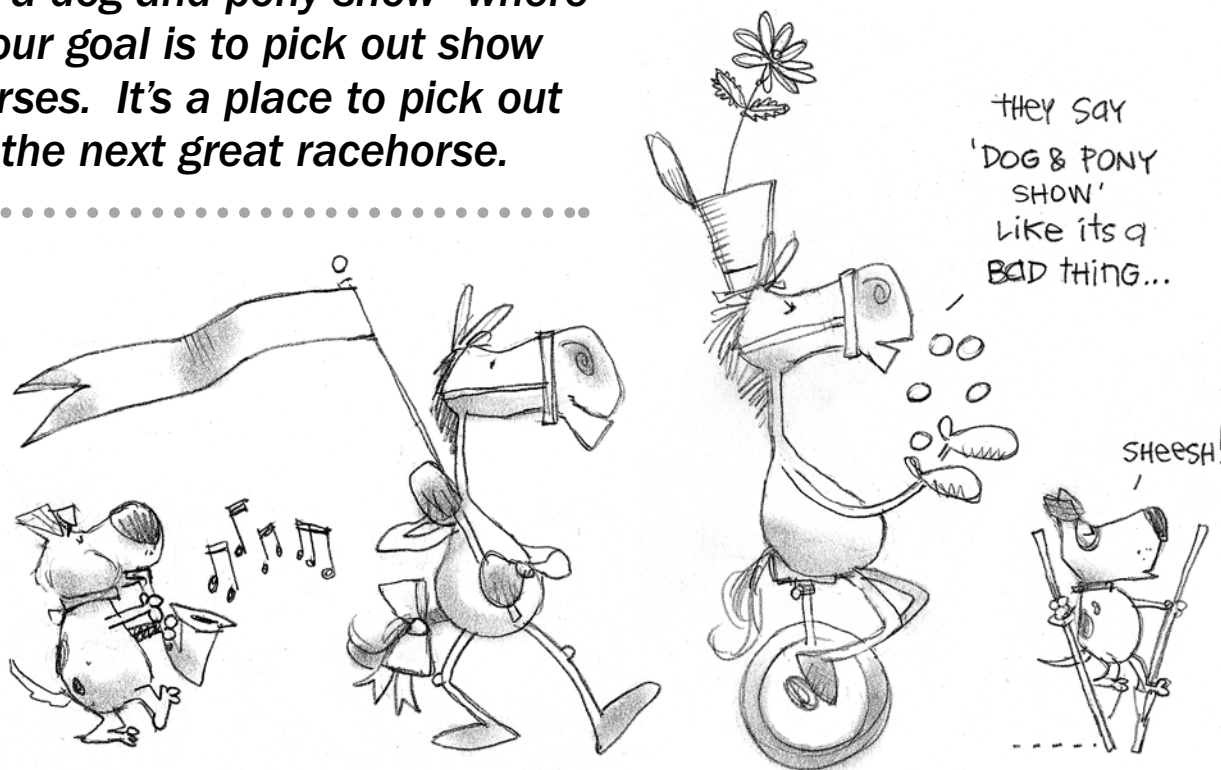
Visit any saddling enclosure before a graded stakes race that has a full field, and notice the runners who are offset at the knee, or who toe out or toe in, or have longish pasterns, or a rather straight hind leg. Then look over several groups of Maiden claimers and check out

how many of them have good conformation. You will see that perfect conformation does not make a racehorse.

Instead of searching for “the perfect yearling,” look for the well balanced athlete. After all, the Thoroughbred sales ring is not “a dog and pony show” where your goal is to pick out show horses. It’s a place to pick out the next great racehorse, or at least to find a runner who can win many times for you. If you want to have your best chance for success, avoid being picky picky picky, and see how a horse handles any minor faults it may have. If you take detailed notes about every little conformational

The Thoroughbred sales ring is not “a dog and pony show” where your goal is to pick out show horses. It’s a place to pick out the next great racehorse.

.....



► It is easy to find what you don't like about a horse...I go the other way and start with what I like about a horse...Good horses usually overcome their faults, and even bad management, if they have talent, determination, class, and desire.

— Mike Ryan



► Yearlings with less than perfect legs or throats are generally just as successful as those without flaws, if they have balance, athleticism, sufficient pedigree, and a competitive nature.

feature that a yearling possesses, make sure that you step back and appreciate the horse's presence, balance, and how it moves. Don't lose sight of the forest when you look at every little tree.

In a recent *Blood-Horse* feature (July 7, 3680-3681), Bill Graves, Director of Yearling Sales for Fasig-Tipton stated, "If you do this for a living, you are programmed to look for balance... I've seen good horses that have long pasterns. I've seen good horses that are over at the knee. I've seen horses that were offset in front, and I've seen a lot of them. I would much prefer to have a balanced horse. If I had to choose between an absolutely correct-legged horse or one with balance, I would certainly take the one that wasn't correct but had balance, because he's designed to run."

Plain and simple, most yearlings have some kind of sales issue. Because yearlings are young and developing, however, many of their issues can be addressed and managed successfully, either through normal maturation, through veterinary intervention, or through plain old good horsemanship by a competent trainer.

As bloodstock agent John Moynihan recently expressed in a *Thoroughbred Times* interview (July 14, 2007, pp. 30-31), "Some of the best Grade 1 winners I've ever bought had vet issues. [For example, with regard to current star and Preakness winner, Curlin], "He had issues when sold as a yearling, but... we knew about his issues. They said he had a pretty nasty OCD in a front ankle, and they took it out. He had something else, too, and whatever it was it still looked blemished at the time. Ken McPeck took the chance, and his clients were rewarded.

I'd rather buy a Ferrari and deal with a bald tire issue than start with a Chevrolet Chevette and pray to God it can run fast. Most racehorses have issues, and most great racehorses overcome issues."

Experienced and savvy horsemen know that being too strict on conformation and vet reports often leads to missing out on very good and successful racehorses. Mike Ryan, one of the most successful yearling buyers in the history of auction sales believes that, "Runners come in all shapes, makes, and sizes. Because of that, you have to be flexible. We all have our own opinions about our likes and preferences in an effort to get the one that catches our eye. But conformation is only part of it. Equally important is movement or athleticism, demeanor, and attitude. The horse can be structurally or conformationally correct, but if he doesn't have the mind, class, and character, he will not have the courage, desire, and determination to win."

Ryan also believes that, "Buyers are way too critical. It's not a beauty contest where we should be looking for the perfect specimen. It is easy to find what you don't like about a horse and strike him off the list. I go the other way and start with what I like about a horse. Then I look at whatever faults are there and ask myself, 'Does he look like a runner?' 'Does he have the demeanor of a good horse?' Good horses usually overcome their faults, and even bad management, if they have talent, determination, class, and desire."

The simple fact is that yearlings with less than perfect legs or throats are generally just as successful as those without flaws, if they have balance, athleticism, sufficient pedigree, and a competitive nature.

MYTH: MAY FOALS ARE LESS SUCCESSFUL THAN EARLIER FOALS.

FACT: MAY FOALS RACE AS WELL OR BETTER THAN EARLIER FOALS.

► *How quickly young horses mature and develop, and the success they achieve, depends much more on body type, genetic predisposition, and talent than on what month and day they are born.*

.....

It is foolish to discount or dismiss May foals simply because they are May foals. A few days or even weeks makes little difference in a horse's development. Some people will even argue that later foals born in the Spring actually have an advantage, because they are born according to a horse's natural and innate reproductive predispositions, and are born during more favorable environmental conditions.

How quickly young horses mature and develop, and the success they achieve, depends much more on genetic factors, body type, and talent than on what month and day they are born. Wide ranging individual differences exist across all foals, no matter when they are born. Some May foals, for example, are precocious, and are able to advance rapidly and perform earlier than some January foals. Some are even forward enough to zip along at early two-year-old sales. Others, like some foals born in *any* month, may not be mature enough to race effectively until the middle of their three year old year, or later. It is not possible to generalize about May foals, any more than it is possible to generalize about foals born during other months.

Every year, May foals achieve stardom and, sometimes, even greatness. Think of *Northern Dancer* who was born on May 27th. For a more recent example, think of the precocious *Meadow Star*, born on May 19th. An undefeated Champion at two, Meadow Star won her juvenile debut at Belmont Park on June 13th and proceeded to win six stakes as a two-year-old. Her perfect season included four Grade 1 stakes, finishing with a powerful win in the Breeders Cup over Lite Light and future champions Dance Smartly, Flawlessly, and Wilderness Song.

A few of the May foals who have recently won graded stakes are: Afleet Alex, Arravale, Azeri, Birdstone, Bob and John, Borrego, Brass Hat, Cacique, Consolidator, Discreet Cat, Dominican, Dubai Escapade, Flower Alley, Hard Spun, Kitten's Joy, Lemons Forever, Magnificence, Mineshaft, My Typhoon, Point Ashley, Pool Land, Round Pond, Scat Daddy, Sugar Shake, Strong Contender, Suave, Toccet, and Vacare, etc.

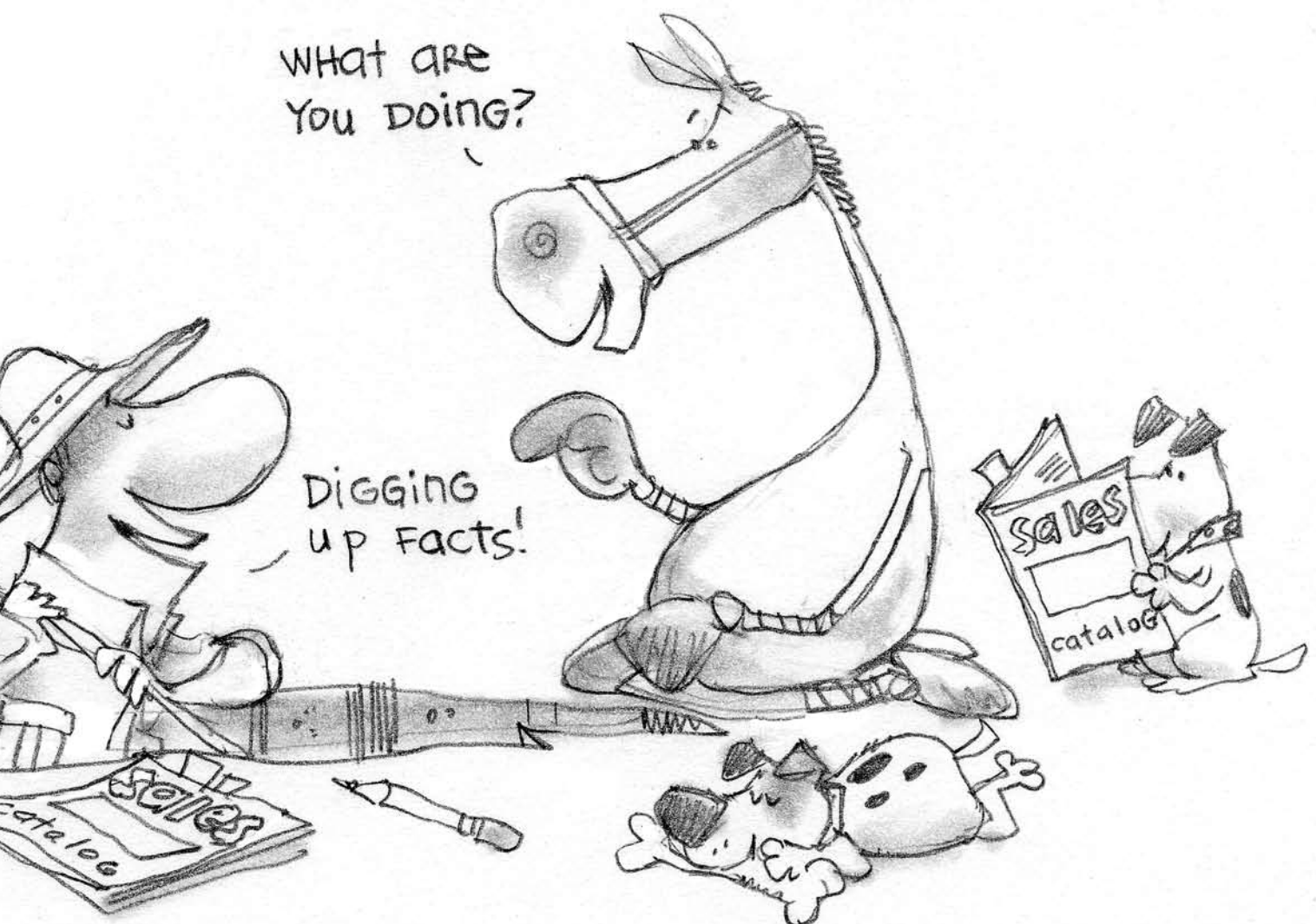
Plain and simple, when a horse happens to be born has very little to do with later racing performance. As a group, May foals race as

Story continues on page 22



Your chance of purchasing successful race horses will be greatly increased if you understand that many false beliefs are perpetuated at the sales each year by people who are poorly informed.

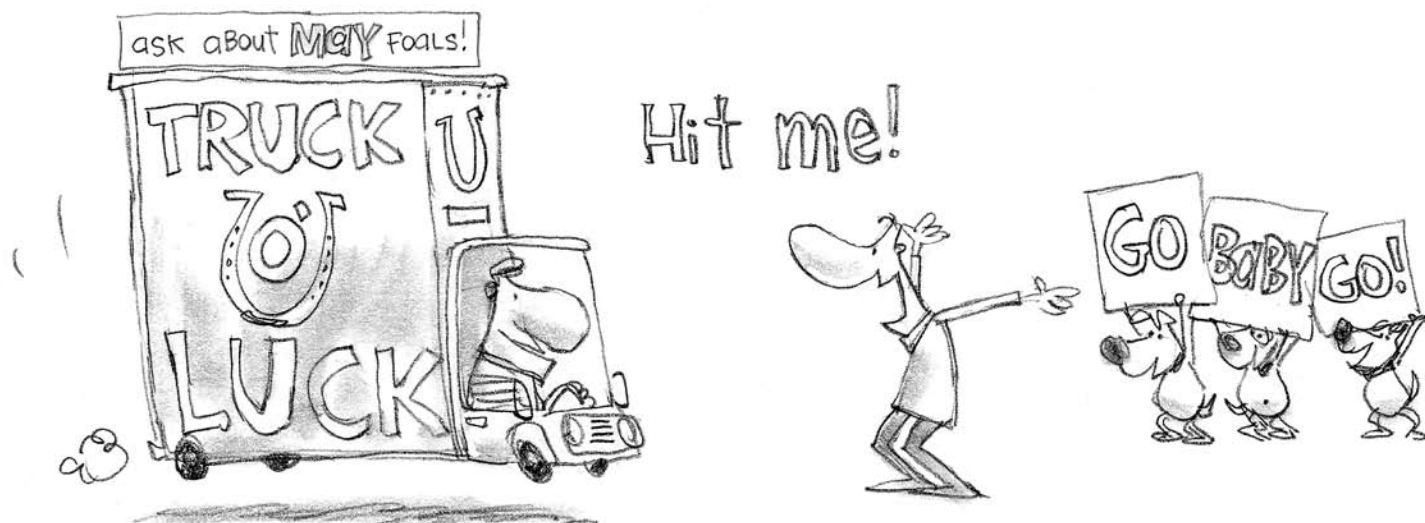
.....



MYTHS: MAY FOALS

*As in any business, knowledge is power.
If you separate fact from false or
unsubstantiated beliefs, you can position
yourself so that good luck can run over you.*

.....



well or better than foals born in other months.

Furthermore, recent research, conducted by Mina Davies-Morel of the University of Wales and presented at the British Society for Animal Science, showed no significant correlation between birth date and Timeform rating for two year old colts as a group, for two year old fillies as a group, and for all three year olds as a group. The study also found no significant correlation between birth dates and Racing Post Ratings for Royal Ascot two-year-old runners and Grade 1 three year olds.

More extensive research on racing in the United States, conducted by Huntington Equine of Lexington, Kentucky, confirmed that foals born in May win graded stakes as frequently as earlier foals. A little more than 13% of the Kentucky foal crop was born in May in 2000 and 2001, when many of the study horses were foaled. To be comparable to foals born in other months, therefore, the group of May foals would be expected to win approximately 13% of the stakes races.

The Huntington study analyzed every graded stakes race in the United States from 2002 through mid-June of 2007 and discovered that May foals won 285 (or 12.3%) of all graded stakes, including 13.3% of the Grade 1 stakes. May foals also accounted for 12.2% of all graded stakes for two-year-olds.

In certain categories, May foals actually outperform foals born in every other month. With regard to signature events,

May foals have won nine Breeders' Cup Mile races, a stunning 28%. Equally amazing, May foals won five of the last nine Breeders' Cup Distaffs (or 55%). The five recent Distaff Champions are Round Pond (May 21), Pleasant Home (May 5), Azeri (May 6), Spain (May 12), and Escena (May 5).

Furthermore proving that they can be precocious and effective as two-year-olds, May foals also won 10% of the Breeders' Cup juvenile races.

In addition to those already mentioned, the stellar list of Breeders' Cup Champions born in May also includes Cozzene, Dancing Spree, Is It True, Inside Information, Lure, Prized, Royal Heroine, Sacahuista, War Chant, and Wild Again, etc. Altogether, May foals have won 25 Breeders' Cup Championships.

Perhaps most remarkably, in addition to winning their fair share in the Derby and Preakness, May foals won an incredible 40% of the last 15 runnings of the Belmont Stakes. Affleet Alex (May 9), Birdstone (May 16), Lemon Drop Kid (May 26), Victory Gallop (May 30), Touch Gold (May 26), and Thunder Gulch (May 23) all rewarded their owners with a Classic victory, an 18 inch Tiffany-made silver bowl, and a lot of zeros in stallion value.

The message: Across the board, May foals deliver graded stakes wins in line with their numbers.

The moral: Assess the individual. If you like the yearling in front of you, don't be put off by a later foaling date.

RECENT GRADE 1 RACES WON BY MAY FOALS:

(AGE OF FOAL IN PARENTHESES)

Acorn
Alabama
Apple Blossom (3)
Ballerina
Belmont (6)
Blue Grass
Breeders' Cup:
Juvenile Fillies
Distaff (5)
Mile (3)
Breeders' Futurity
Champagne (3)
Cigar Mile
CCA Oaks
Darley Test
Del Mar Debutante
Del Mar Oaks
Diana
Donn H.
Eddie Read (2)
Florida Derby
Flower Bowl
F. Kilroe Mile
F. De Francis Dash
Go For Wand
Gulfstream Park BC

Hollywood Futurity
Hollywood Starlet
Hopeful
Jockey Club Gold Cup (2)
J. Hirsch Turf Classic
John Mabee H.
Kentucky Oaks
Man o' War
Manhattan
Milady BC (2)
Mother Goose
Ogden Phipps H.
Pacific Classic
Pimlico Special
Preakness
Princess Rooney
Prioress (2)
Queen Elizabeth II
Ruffian
Santa Margarita
Santa Maria
Secretariat
Shoemaker BC Mile (2)
Spinster
Suburban
Travers (2)
Vanity (3)
Whitney
Wood
Woodford Reserve
Woodward
Yellow Ribbon

► **May foals have won a stunning nine Breeders' Cup Mile races. Equally amazing, May foals won five of the last nine Breeders' Cup Distaffs. Most incredibly, May foals have won six of the last fifteen Belmonts.**

DUDE... I'm telling you
MAY FOALS OWN the
BREEDERS cup mile!

WOW!

Yeah!
But not like
they own the
Belmont!

MYTH: FOALS OUT OF OLDER MARES HAVE REDUCED POTENTIAL.

FACT: OLDER MARES OFTEN PRODUCE HIGH QUALITY RACE HORSES.

► **Savvy horsemen know that a well made, athletic looking yearling out of an older mare has the same chance of success as one out of a younger mare. Foals out of older mares are often discounted for no good reason. If you close yourself off to yearlings out of older mares, you limit your opportunity for success.**

.....

It is true that younger mares produce more stakes winners than older mares. But this is because of two reasons:

(1) Young mares, at the start of their careers, have more opportunity (meaning that as a group they are typically bred to higher priced stallions, whereas older mares are generally bred “down” to lesser stallions); and (2) young mares, as a group, have fewer “missing years,” and therefore produce more foals. Thus, because they are bred to better stallions and have more foals, young mares also produce more runners, winners, and stakes horses.

Yet, if an older mare is healthy, physically and reproductively, she is just as likely to produce a hardy and vigorous foal as a younger mare. Take Secretariat for example. Somethingroyal produced Secretariat when she was 18, and even produced her last stakes winner when she was 24.

Somethingroyal and Secretariat are not unique (except in their greatness). Many top stars are produced by older mares every year. For example, fifteen Breeders’ Cup Champions are out of older mares: Alphabet Soup (dam was 19), Artie Schiller (18), Capote (20), Caressing (18), Go For Wand (22), Great Communicator (16), Miss Alleged (17),

two-time champion Ouija Board (19), Proud Truth (19), Royal Academy (18), Silverbulletday (19), Timber Country (16), and Wild Again (22).

Recent Grade 1 winner Imperial Gesture (24) won the Beldame Stakes and Gazelle Handicap, and Grade 1 winner Roses In May (23) won the Whitney Handicap and Kentucky Cup Classic. The Tin Man (17) won multiple G1 races, including the Shoemaker Breeders’ Cup Mile, the Clement Hirsch Turf Championship, and the Arlington Million. Hystericalady (17) won the G1 Humana Distaff, and the list of recent graded stakes winners goes on and on.

If an older mare is “over the hill,” the resulting foal will reflect her diminished capability, and you will be able to evaluate her offspring accordingly. But if the yearling in front of you looks

the part, it should not be discounted or avoided simply because it is out of an older mare.

Savvy horsemen know that a well made, athletic looking yearling out of an older mare has the same chance of success as one out of a younger mare. Foals out of older mares are often discounted for no good reason. If you close yourself off to yearlings out of older mares, you limit your opportunity for success.

If an older mare is “over the hill,” the resulting foal will reflect her diminished capability, and you will be able to evaluate her offspring accordingly. But if the yearling in front of you looks the part, it should not be discounted or avoided simply because it is out of an older mare.

If an older mare is healthy, physically and reproductively, she is just as likely to produce a hardy and vigorous foal as a younger mare.

RECENT GRADED STAKES WON BY OFFSPRING OF OLDER MARES:

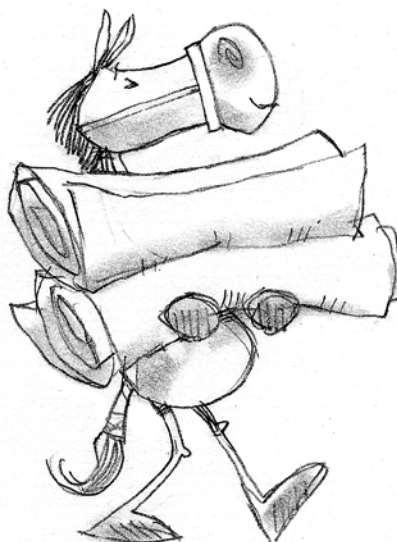
(AGE OF MARE IN PARENTHESES)

Acorn Stakes (16)
 American Derby (17)
 American Handicap (17)
 American Invitational (17) American Turf Stakes (17)
 Aristides Breeders Cup (21)
 Arlington Million (17)
 Ashland Stakes (16)
 Barabara Fritchie H. (18)
 Bay Meadows Breeders Cup (19)
 Beldame Stakes (24)
 Belmont Breeders Cup (16)
 Bernard Baruch H. (18)
 Bourbonette Breeders Cup (21)
 Breeders Cup Distaff (17)
 Breeders Cup Filly and Mare Turf (19, 19)
 Breeders Cup Mile (18)
 Clement Hirsch Turf Championship (17, 18)
 Commonwealth Breeders Cup (17)
 Cornhusker Breeders Cup (23)
 Count Fleet Sprint H. (22)
 Darley Alcibiades (18, 19)
 Davona Dale Stakes (19)
 Del Mar Debutante (17)
 Del Mar Handicap (18)
 Essex H. (20)
 Fantasy Stakes (20)
 First Lady H. (17)
 Fort Marcy H. (22)
 Gazelle H. (24)
 Genuine Risk H. (18)
 Gulfstream Park Breeders Cup (17)
 Gulfstream Park H. (17)
 Hawthorne Derby (17, 20)

Hollywood Breeders Cup (17)
 Hollywood Prevue Stakes (20)
 Hollywood Turf Express H. (21)
 Honeymoon Breeders Cup (20)
 Humana Distaff (17)
 Jamaica H. (18, 20)
 Jerome H. (16)
 Kentucky Cup Classic (23)
 Kentucky Cup Juvenile (17)
 Kentucky Cup Sprint (19)
 Kentucky Jockey Club (17)
 Louisiana Derby (18)
 Maker's Mark Mile (18)
 Mervyn LeRoy H. (19)
 Morvich H. (21)
 Mother Goose (16)
 Mr. Prospector H. (21)
 New Orleans H. (20)
 Ohio Derby (20)
 Orchid H. (19)
 Pennsylvania Derby (17)
 Phoenix Breeders Cup (21)
 Poker H. (19)
 Potrero Grande Breeders Cup (20)
 Princess Rooney H. (19)
 Razorback H. (17)
 Robert Carey Memorial H. (17, 20)
 Ruffian H. (16)
 San Fernando Breeders Cup (18)
 Santa Catalina (18)
 Santa Maria H. (17)
 Secretariat Stakes (17)
 Sheepshead Bay H. (19)
 Strub Stakes (20)
 Swaps Breeders Cup (20)
 Tampa Bay Derby (17)
 TaylorMade Matchmaker (16, 20)
 Top Flight (16)
 True North H. (22)
 Vagrancy H. (18)
 Whitney H. (23)

What's that
 she's carrying?

Those are lists
 of graded stakes
 won by offspring
 of older
 mares!



MYTH: LESS THAN PERFECT THROATS
COMPROMISE PERFORMANCE.

FACT: 90% OF YEARLINGS' THROATS
ARE SUITABLE FOR RACING.

► Sales yearlings may “scope” differently at different times of day because of variations in veterinary skill, the type of restraint used or the handler’s competency, or the horse’s levels of stress, fatigue, or excitability at that moment.

.....

A racehorse, just like a human athlete, needs sufficient oxygen to race to their full potential. Therefore, having a yearling’s airway examined by an experienced veterinarian is a good idea, especially if you are considering a sizeable investment. Keep in mind, however, that recent research shows that only about 10% of yearlings have diminished racing performance because of throat irregularities.

Veterinarians perform a procedure known as “scoping” to examine a horse’s upper respiratory tract, paying special attention to the shape and function of the arytenoid cartilage that opens and closes the airway, the epiglottis, and the soft palate. The procedure itself is relatively simple and is performed by inserting a viewing tube through a horse’s nostril. The accurate



interpretation of findings, however, is not so simple, as most horses have some degree of irregularity in form and function that usually is of no consequence. Furthermore, accurate assessment is further complicated because an airway's function at time of scoping can be affected by situational circumstances. Sales yearlings may "scope" differently at different times of day because of variations in veterinary skill, the type of restraint used or the handler's competency, or the horse's levels of stress, fatigue, or excitability at that moment. Thus, if you really like a horse in every other way, make sure that you use an experienced vet that is also up to date with current research.

Because yearlings, as a group, have less than perfect airways and present a wide range of normal variation in throat shape, size, and function, the veterinarian you employ needs to be experienced in evaluating throat function as it relates to actual racing performance. In particular, your veterinarian should also have an up-to-date understanding of several recent research studies which demonstrate that various asymmetries or asynchronous functions are merely minor variations within a normal range, and do not affect later racing success.

Most recently, Scott Pierce, DVM, Katie Garrett, DVM, and Rolf Embertson, DVM, (of Rood and Riddle in Lexington), performed an extensive study of 2954 sales yearlings and followed them through their racing careers. These researchers found no difference in racing performance between yearlings whose arytenoid grades were I and IIA on a standard I-IV scale. As 90% of the yearlings in the study group were found to be either I or IIA, it is fair to say that, in terms of arytenoid function, nine out of ten yearlings have similar potential for racing success.

With regard to epiglottis grading and racing success, no differences were found in performance between yearlings rated 0-II (on a 0-IV scale in which 0 = normal, I = slightly flaccid, and II = mildly flaccid). Thus, yearlings with a mildly flaccid epiglottis raced as successfully as yearlings with no flaccidity. As yearlings rated 0-II represented 98% of yearlings studied, this research indicates that only 2% of sales yearlings have a diminished probability of success based on epiglottic structure.

The Pierce, et al. research extends and confirms earlier studies and findings by Pierce and Embertson, and by John

Stick, et al. of Michigan State University. In plain and simple terms, data by these investigators document that 9 out of 10 yearlings' throats are equivalent and similarly suitable for racing.

These findings also point out the importance of performing an airway exam in order to identify the 10% of yearlings who

may have throat variations that might reduce their racing potential. Scoping is important to do, therefore, in order to rule out deviations or "pathology" that might interfere with a horse's racing career.

It should also be noted that a satisfactory airway exam on a yearling at sale time does not guarantee that its airway will be satisfactory when the horse begins racing. Some yearlings who are judged to be without significant airway

problems at sale time may develop problems later, just as some yearlings with problems may outgrow them or overcome them successfully through surgery or their own talent and competitiveness.

The important thing to realize is that airway interpretation is subjective. As a result, differences in opinion among vets are commonplace, in part because of differences in technique

or experience, and in part because of the situational circumstances mentioned above. What looks like a slight variation to one vet may look like a moderate variation to another. Furthermore, as horses can "scope" differently at different times of the day, the same vet scoping the same horse twice may think something is significant one time, and normal the next. Therefore, if a yearling makes it to your short list, and does not seem to scope well, you may want to ask your vet to scope the yearling again, or you may wish to obtain a second opinion before removing the yearling from consideration.

And, based on recent research, if your

vet is flunking much more than 10% of the throats he or she examines for you, you may want to ask them for a more detailed explanation or rationale.

For a more detailed understanding of issues related to scoping, read the CBA booklet: *Vet Work Plain and Simple: What is Scoping?* A complimentary copy of the booklet is available from the CBA, or it can be downloaded and printed from the CBA website at www.consignorsandbreeders.com. In addition, it would be a good idea to sit down with your sales vet and have him or her explain airway function, the process of scoping, and the research findings described above.

Performing an airway exam is important in order to identify the 10% of yearlings who may have deviations that might interfere with a horse's racing career.

Differences in opinion among vets are commonplace, in part because of differences in technique or experience, and in part because of temporary and transient factors affecting the yearling at the time of scoping.

MYTH: OCDS ARE USUALLY A PROBLEM.

FACT: OCDS ARE DEVELOPMENTAL
AND MOST DISAPPEAR OR DON'T
AFFECT RACING PERFORMANCE.

► *it is important to have a knowledgeable and experienced veterinarian on the team to evaluate whether a particular OCD in a particular horse might be a significant soundness issue in the future.*

.....

The presence of OCDS are becoming less of a sales issue as they are increasingly understood as a common side effect that occurs during a Thoroughbred's normal growth and development.

As a young horse grows, an OCD (osteochondritis dissecans) may occur when the cartilage surface of the long bones and joints does not develop fully at a particular site, leaving an often temporary separation of cartilage that shows up as a dark spot or lines on radiographs.

Typical locations for an OCD are a fetlock joint, hock, or stifle. In many instances, the horses and their human caretakers don't know an OCD is present without an x-ray. At other times, a horse may show some "clinical signs," such as lameness or filling in a joint (synovial effusion).

As yearlings are in a rapid stage of growth and development, OCDS are commonly found in sale horses, and have historically bothered buyers who were looking for "clean" x-rays. Misunderstanding the significance of most OCDS, however, caused cautious buyers to knock horses off their short list if an OCD was present. Not understanding that most OCDS resolve themselves or don't interfere with racing performance caused buyers considerable frustration, as they missed out on countless top quality racehorses who proceeded on to major stakes success.

Most OCDS do in fact resolve themselves naturally, or with the aid of supplements such as Adequan, Cosequin, Osteoform, or

Isoxuprine, and disappear. Many others, because of size or location, are insignificant when left alone, and have no impact on a horse's racing career. Most of the remaining OCDS with potential to compromise a yearling's prospects (because of size or location), can be effectively addressed through arthroscopic surgery. The few that do not resolve on their own, and are in a troublesome location and cannot be safely removed surgically, may indeed cause a long-term problem for the horse as a race horse. Therefore, expert opinion from an experienced veterinarian is important in these situations.

Plain and simple, the reality is that most OCDS disappear or don't affect racing performance. Buyers should not, therefore, automatically discount or back off from a horse they like, simply because it has an OCD. Nonetheless, it is important to have a knowledgeable and experienced veterinarian on the team to evaluate whether a particular OCD in a particular horse might be a significant soundness issue in the future. Your vet, if properly experienced, can also suggest options for an appropriate course of treatment (or non-treatment), if you are successful in purchasing a yearling with an OCD.

To learn more about issues related to OCDS, see the CBA booklet: *Vet Work Plain and Simple: OCDS in Sales Horses*. A complimentary copy may be obtained from the CBA, or you can download one from the CBA website www.consignorsandbreeders.com.

***Most OCDs disappear naturally or with treatment
and don't affect racing performance.***

.....



FOR MY next
TRICK, I will
make my
OCD
vanish into
thin air!

MYTH: SELECT SALES PRODUCE ALL THE TOP RACEHORSES.

FACT: MANY GRADED STAKES WINNERS COME FROM THE BACK END OF KEENELAND SEPTEMBER AND FASIG-TIPTON OCTOBER.

► *Sessions seven through fourteen at Keeneland accounted for no less than 131 graded stakes from 2002 through mid-2007. . . Across town at Fasig-Tipton, the October Yearling Sale produced another 25 graded stakes wins during the same time period.*

.....

It is true that the select sessions at Keeneland (Books 1, 2, and 3) and at Fasig-Tipton July and Saratoga produce the greatest number of future stars. But a surprising number of graded stakes winners wait for horsemen who keep on working after the private jets take off from Bluegrass Airport.

Sessions seven through fourteen at Keeneland accounted for no less than 131 graded stakes from 2002 through mid-2007. Altogether, 24 recent Grade 1 wins were accounted for by horsemen who stayed the course through the entire September sale.

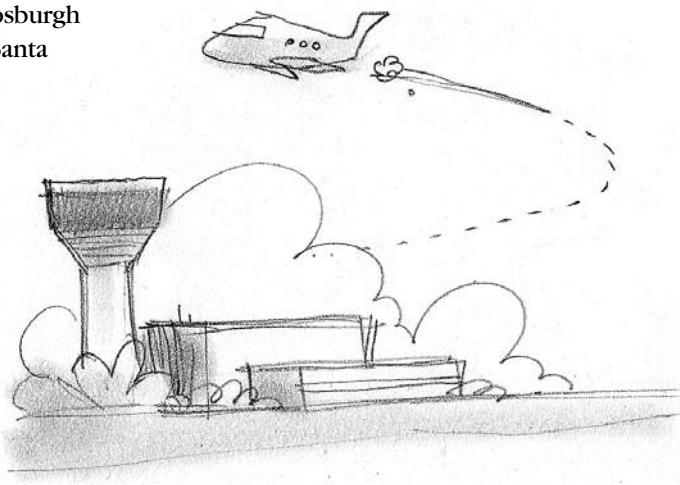
Buyers, during the later sessions, were rewarded with the winners of the Preakness (session 7), Santa Anita Derby (10), Futurity Stakes (14), Frizette (7), Spinaway (10), Vosburgh (9), Acorn (10), Hollywood Futurity (10), Santa Anita Oaks (7), and many other prestigious stakes.

Those buyers who worked hard, persevered, and made their own luck, have enjoyed the fame and fortune that comes with owning recent stars like Adoration, Appealing Zophie, Arravale, Bonapaw, Brother Derek, Curlin, King of the Roxy, Private Vow, Sutra, Unbridled Belle, Whywhywhy, You, and many other graded stakes winners.

Across town at Fasig-Tipton,

the October Yearling Sale produced another 25 graded stakes wins during the same time period. Savvy buyers in October accounted for major stakes like the Acorn, Arlington Classic, Ashland, Bayakoa, La Canada, Mother Goose, Nassau, Santa Margarita, Santa Maria, and Santa Monica, and numerous other graded events.

The message is clear: If you seek quality racehorses, but have a more modest pocketbook, show up and stick around. You never know where the next great racehorse will come from.



A surprising number of graded stakes winners wait for horsemen who keep on working after the private jets take off from Bluegrass Airport.

.....

OK! the last jet
just took off...
Let's get **BUSY!**



Q & A

WITH EXPERIENCED TRAINERS

► *Trainers know how certain faults translate into management or training issues...and they have essential experience recognizing qualities that predispose success.*

.....

► *Successful race horses come in all shapes and sizes, and possess conformational flaws that can be successfully managed through effective training methods.*

.....

Buying sales yearlings is supposed to be all about racing. Unfortunately, a disconnect often exists between the sales ring and the training barns, as trainers or agents with meaningful racetrack experience frequently do not participate in the selection process.

Therefore, it is wise to involve your trainer in the selection process. Trainers may not always have extensive experience judging young horses, but they know how certain faults translate into management or training issues related to their own training methods. They also have essential experience recognizing qualities that predispose success.

The following cross-section of trainer perspectives provides insight into how yearling investments play out in the real world of racing. Collectively, their varying comments reflect the fact that successful race horses come in all shapes and sizes, and possess conformational flaws that can be successfully managed through effective training methods.

Differences in perception and opinion reflect differences in a trainer's personal experience or variations in training methods.



TRAINERS

A cross-section of experienced trainers and their base of operation:

- **CHRISTOPHE CLEMENT:** Belmont, Saratoga, Gulfstream Park
- **CARLA GAINES:** Santa Anita, Del Mar
- **EOIN HARTY:** Santa Anita, Del Mar, Belmont, Saratoga
- **BOB HESS:** Santa Anita, Del Mar
- **LARRY JONES:** Delaware Park, Oaklawn
- **JOHN KIMMEL:** Belmont, Saratoga, Gulfstream Park
- **RICHARD MANDELLA:** Santa Anita, Del Mar
- **KIARAN MCCLAUGHLIN:** Belmont, Saratoga, Gulfstream Park
- **KENNY MCPEEK:** Churchill Downs, Keeneland, Gulfstream Park, Saratoga
- **TODD PLETCHER:** Belmont, Gulfstream Park, Churchill Downs
- **LINDA RICE:** Belmont, Saratoga, Gulfstream Park
- **JOHN SERVIS:** Philadelphia Park
- **RICK VIOLETTE:** Belmont, Saratoga, Gulfstream Park

What are the most important things you look at when you're evaluating a yearling?

Clement: I want them to be athletic, balanced, and have a big, long walk. Conformation is important, but not more than athleticism. I also want them to have presence. My first impression is usually the best impression.

Gaines: Balance, athleticism, and how they carry themselves at a walk. I look for something athletic first, and pedigree comes after that. I like to see a nice sweep in their motion.. I also like to see a deep girth, good motion from the shoulder, and a good, fluid stride.

Harty: First of all, the horse must look like an athlete. I look for a good forearm, a deep girth, a big hip, and a good, honest eye. I also look for personality traits. I like to see that they are willing to do what they're asked, and I like when they are not spooked by sudden or loud noises, or when other yearlings act up. How a horse walks is very important to a lot of people, and it's important to me. But it's not the most important thing to me; and the less money I have, the more I am willing to forgive a walk.

Hess: Foremost, I want really good balance. It doesn't matter if the horse is a little narrow or a little offset or turned out, as long as the whole package is there. I also like really good walkers who have a big overreach, have a swagger with a powerful hind end, and handle themselves with confidence. If I'm buying a more expensive horse, I want a good pedigree, so that I can hit a home run with a stallion or broodmare prospect. Those are the horses that repay a buyer's investment many times over if they win a Derby or something similar.

Jones: Number one, look at the price range your owners want to operate in. I like a balanced horse, but the nuts and bolts of selection come down to looking at a lot of horses and getting a feel for what is good and what isn't.

Kimmel: I first look at the catalog page and note the birth date. Then I look at the yearling itself and evaluate its development relative to its chronological age. Is it small, medium, or large for its age? Then I ask myself how I believe it may develop from this point forward. Next, I take this picture of the yearling in its development and evaluate its balance and athleticism, and I ask myself how this young horse is progressing toward becoming an equine athlete. Then I watch the yearling's motion at a walk. Does it have a smooth motion; does it track well; and does it give the impression of having natural athleticism? Finally, I look the yearling over more specifically. I like to see a good hind leg on a young horse. I want to see some strength and good muscling through

the gaskin, and I like to see good depth and development in the shoulder and girth. Then, I look for serious faults that might prevent an otherwise athletic and balanced horse from realizing its potential.

Mandella: Overall presence, balance, and an athletic look. I also like to see a deep shoulder and heart girth and a distinctive look in the horse's face. My first impression and my overall picture is the most important thing. The individual has to look like a racehorse. When we were in the locker room in school, we weren't surprised very often about who was going to be the most athletic when we went out on the playing field. But it's important to remember that there are always exceptions.

McLaughlin: Conformational correctness, walk or movement, and pedigree. Overall, I'm looking for the athlete.

McPeck: Hip, balance, and class. I want to see the G1s, G2s, and G3s under the dams. They have to have some sort of foundation for class, even if it's as far down as the third or fourth generation. My job is to find graded stakes winners for clients; and if there aren't any in the family, chances are there aren't going to be. I'm obsessive about the hip on a horse and I've never had a good horse that had a bad hind leg. I also want to see a horse that has a good shoulder and a good reach. And the package has to go together; the neck has to tie in well to the shoulder and the shoulder angle needs to connect well into the back.

Pletcher: The most important things to me are overall balance, athleticism, and correctness.

Rice: First is conformation. Second is motion. Third is pedigree. I like to see enough strength and substance in a yearling, without it being too massive. Everything needs to be well proportioned and balanced. In terms of motion, I like a horse who has an agile, fluent walk and who tracks well when it walks as an indication of correctness. I usually don't mind buying horses with unproven pedigrees, but try to stay away from mares that have proven themselves unable to produce a good runner.

Servis: Neck-shoulder combination, back leg, and walk. I like to see a nice strong shoulder and see a good length of neck that sits way up high on the shoulder. I like a deep hip, carrying down to the hock and a hind leg that's a little straighter, rather than more curved. I like a smart looking head. I also like a big, lumbering overstep with good extension.

Violette: Overall balance, athleticism, and enough pedigree to have a license to be a good horse.

What faults don't bother you as a trainer?

Clement: I am willing to forgive most slight conformation defects, such as slight toeing in, toeing out, or offset knees, as long as the horse lands well when he hits the ground. Movement overcomes defect.

Gaines: Toeing in and toeing out doesn't bother me, depending on the degree. I would still consider the horse if the toeing in or toeing out was moderate. Most of what we might call "faults" are more acceptable if the individual looks like a good prospect and is a balanced individual with some scope.

Harty: Toeing in doesn't bother me because I've had a few stakes winners that toed in. Having a straight leg behind or in front doesn't bother me because I've had some that could really run.

Hess: I don't mind a horse that toes out. Officer is a horse I tried to buy who toed out significantly, but it never slowed him down. I don't think the fault impairs them, and it's really up to the horse's natural ability. Sickie-hocked horses don't bother me either, now that we have synthetic surfaces.

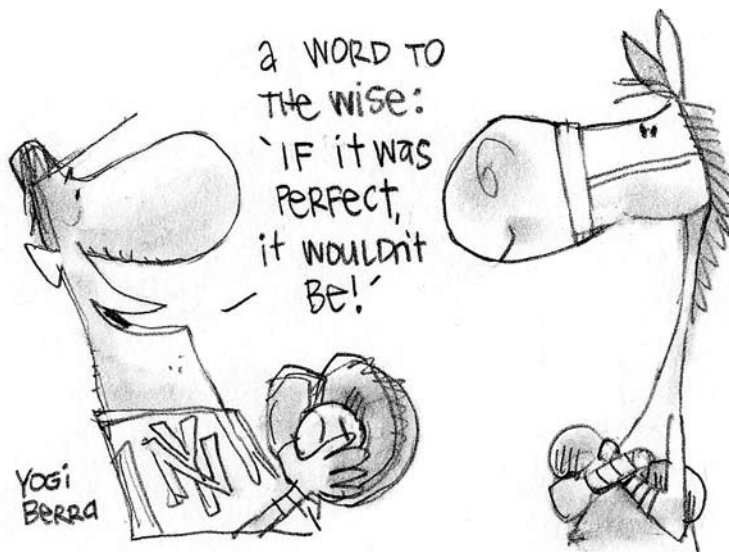
Jones: I don't mind a horse that's cow-hocked. Also, size doesn't matter a lot. I've had some good fillies who were awfully small. Size doesn't seem to have a lot to do with it.

Kimmel: I don't worry about a horse that toes out or toes in a little, so long as they track through it pretty well. Likewise, I'm not going to worry about it too much if a horse is slightly offset, provided that its motion isn't affected and the bones above and below the knee are in good alignment. I will also accept a horse that is slightly back at the knee.

Mandella: It all comes down to a matter of degree. I can live with any faults that aren't severe, as long as I like the horse for being balanced and athletic, and they walk through their faults well with a good stride. We like to see the long, big hips with a lot of strength and muscle. But many mile and a quarter horses have less of a hind end and lack strength and muscularity behind, yet do very well if they have a big girth and lung capacity.

McLaughlin: I'm not bothered much if they're a cribber, or have offset knees, or toe in.

McPeck: I've bought horses that were back in the knee, turned in, turned out, and over at the knee, and many of them turned out to run well, so long as they had the strength and athleticism of a well-balanced horse. As long as the horse hits the ground well, the front end doesn't matter. I want them to move through themselves well. For example, Repent was not



a very correct horse, but he turned out pretty well because he had balance, class, and such a great hip.

Pletcher: A horse that is a little back in the knee does not bother me. A lot of my best horses have been back in the knee.

Rice: I don't mind variations from correctness, whether toed out, somewhat flat through the knee, or slightly offset, for instance. If the horse is well balanced, I'm going to be more forgiving. So long as nothing is too drastic, I buy a lot of yearlings with imperfections. I don't like extremes, either too large, too small, or too incorrect. I'm forgiving if I like the rest of the package.

Servis: I'll overlook a lot of conformation flaws if they walk through them well. I'll also take a crack at a horse with offset knees, if he walks straight at you and doesn't throw his feet or knees out badly. Long pasterns don't bother me, as long as they're not really weak. Although I like a smart look, I've bought some with a plain head that turned out really well. I almost passed on Jostle for that reason. She was a nice filly overall, but I almost passed on her because she had sort of a plain head. But while I was looking her over and watching her, something caught her attention, and she picked herself up and gave a different look, and she went on to be a great filly.

Violette: A little toeing in or toeing out doesn't bother me if they walk well through it. Sickie hocked horses are OK if I like the rest of them. We've had some graded stakes winners who were pretty sickie hocked and it didn't bother them.

What faults most concern you as a trainer?

Clement: Training methods in the U.S. make it difficult to overcome being back in the knee. Quite a few runners in Europe are successful despite being back in the knee, because European training methods make it possible to overcome the fault. I also avoid horses with bad feet. I don't want a yearling if its foot is too clubby with contracted heels, or if the foot is too shallow and flat. I will also prefer to pass if a yearling's behavior is too difficult and I think he will be too much of a project.

Gaines: Training in California is likely to change with the synthetic tracks, but traditionally our surfaces have been harder and faster than back East. As a result, I've been concerned with the length and angle of pasterns, because of the concussion that horses have to contend with in training and racing. Horses that tend to be back at the knee also can be a concern for the same reasons.

Harty: Back in the knee, because it puts a lot of pressure on tendons or ligaments. Narrow horses also bother me. So do horses with a small, bad eye, often accompanied by small ears and a bad attitude.

Hess: I don't want a yearling who is back in the knee until I can do research on how being back in the knee works on synthetic tracks. I don't want long cannon bones or long pasterns. But with the synthetic surfaces, there might be a lot of faults we can get away with in the future that we couldn't accept in the past.

Jones: I won't try to buy a horse that toes out excessively. I don't like a horse that's back in the knee, that has long pasterns, or is slung low. But if you go and watch the winners as they come out of the test barn after they've won a race, you will see almost anything in terms of conformation. All sorts of things that people will knock a yearling for at the sales don't mean a thing, if they have athletic ability and want to win.

Kimmel: The fault I dislike most is the foreleg conformation where the horse is over at the knees and is long in the pasterns. That arrangement seems to put too much torque on the lower legs and predisposes horses to injury with their ankles.

Mandella: It all comes down to severity. For example, I don't worry about a horse being straight through the knees; but if they're way back in the knee, that's not acceptable to me. It's all a matter of degree. Toeing in or toeing out or offset knees don't bother me if I watch them walk, and they walk through it well with a good stride. If they walk like a snake, that's another story.

McLaughlin: I don't like a horse to be back in the knee. And I don't like a short, thick neck or a thick throat-latch. I believe that a thick throat-latch may compromise breathing and a short neck compromises the balance of a horse and its stride. Also, I don't like club feet.

McPeck: Not having balance would stop me. Also, the body can't be too long or the legs too short. Proper proportions absolutely must be there for me to buy a horse.

Pletcher: What puts me off altogether are horses with severely club feet.

Rice: I wouldn't give a second look to a horse that wasn't well balanced and doesn't possess good athletic traits. I'm also not forgiving with scopes or knee x-rays. Otherwise, I buy a lot of small imperfections and small artifacts on x-rays.

For instance, I would accept a flake from an ankle or pastern, or an OCD in a stifle, if those things weren't causing a problem. But I wouldn't buy one with an issue in the knee.

Servis: I won't buy a horse that's real straight up front, with short pasterns, because there's not much room to absorb the concussion of racing. I also try to stay away from the blocky, short-necked, sprinter-type horse and prefer those who want to go two turns. I also try to stay away from horses with bad feet, because that seems to be where a lot of problems start. But even in that situation, if I like the overall look of a horse, I'll live with a club foot as long as it isn't horrible. And I'll live with white feet if they aren't the shelly, thin-walled hooves that crack up easily.

Violette: Severely offset knees, cannon bones that don't align with the forearm, and hocks that are camped out in the next county.

.....

With regard to faults, it all comes down to a matter of degree... to severity. Toeing in or toeing out or offset knees don't bother me if I watch them walk, and they walk through it well with a good stride.

— Richard Mandella

.....

Based on all of your experience, what are the most important things for a yearling buyer to keep in mind?

Clement: Seek value for money. Don't force yourself to buy horses you don't love. Be forgiving if you really like the horse and how it moves.

Gaines: While trying to buy the most correct horse possible, keep in mind that they aren't always the runners. If you see a yearling that appears to be a good athlete, try to be more forgiving about conformation. It's a good idea to look at yearlings before looking at pedigrees, because it won't influence your judgment of the physical individual. Then, if you like the pedigree, it's a huge bonus. When looking at pedigrees, the sturdiness of the family is important. Look at the longevity of siblings under the first and second dams. It may help to predict the racing life of the yearling you are looking at.

Harty: Watch your budget. Don't be influenced by hype. Be flexible and forgiving so that you can get an athletic, balanced horse while forgiving a few things that you can live with.

Hess: Be reasonable about the money you spend because you're still dealing with a yearling that can change as it grows. In selecting a particular yearling, I believe that if you can "feel" the horse, you should buy it. If it doesn't give you the right vibe, you probably shouldn't buy it.

Jones: Don't get caught up in the action of being in an auction. Don't get in over your head through the excitement of the moment. Good horses come through the sales in all price ranges; pick your spots. Find a horse that fits the purse structure where you will be racing, and pay accordingly.

Kimmel: Anyone coming into the business or anyone wanting to improve their level of success in racing should find an advisor who is knowledgeable and successful in yearling selection. The advisor should offer clear advice, explanations, and information, as well as sufficient consultation time to help the client advance his or her own understanding of sales and the selection process. Then the client should follow closely how different selections work out over several years of training and racing. This way, the client can develop the base of knowledge and experience to do his or her own selections or provide greater input to the advisor in the selection process.

Mandella: Keep your senses about you at a sale. Stay within your comfort zone and never spend more than you can afford to gamble. First impressions are very important.

Looking for a perfect horse may be an ideal goal, but there are no perfect horses; and I've seen some near-perfect ones that couldn't run, and some incorrect horses that could run like hell.

McLaughlin: Have options in case you are outbid on your first selections. Do your homework and vet work in advance so that you're in place if you have to go to your next ones. I have often been outbid and have had to be ready to move on. Focus on a horse's positive attributes and do not look at them negatively.

McPeck: When you study a horse, try to anticipate how a horse might grow and develop. Also, look at the pedigree and try to see where the traits are coming from, the sire line or the dam line. For instance, I want to see speed in the sire line. Speed is an influence in the makeup of good horses.

Pletcher: I think it is important for buyers to remember that there is no such thing as a perfect horse. People should focus on the things they like about the horse, instead of all the things they don't like. I also think it's best to go with your first reaction.

Rice: Hire someone that you have confidence in. This is a competitive business, so hire a professional who is experienced at auctions to help you examine yearlings in terms of conformation and function. A professional is worth every dollar when evaluating a yearling for its potential as an athlete, assessing which imperfections will not bother a yearling when it goes into training, and identifying a good, raceable prospect.

Servis: I believe buyers should go to all the sales, even the low-end sales, and go after their top ten or twelve selections. It's important to remember that there are a lot of horses, and it isn't financially prudent to chase one horse. If you don't get one, move on to the next one. If it's getting late in the year and you haven't found or bought the horses you want at the prices you think are reasonable, look to the private market. I also think that buyers should take the time to talk to the consignors a bit and get to know them, while understanding that the consignor has an obligation to his client to get a horse sold.

Violette: Establish a budget, making sure that the maintenance of your purchases is included in your projections. Stick to the budget and, whenever possible, buy more than one yearling. It is very risky to put all of your eggs in one basket.

AN ILLUSTRATED GUIDE TO CONFORMATION

Near perfect individuals like Secretariat don't come around very often. Virtually every yearling can be faulted in some way, especially if it is an observer's nature to find fault. However, as mentioned earlier (in the Myth of the Perfect Yearling section), a preoccupation with fault finding is frequently unproductive, as most graded stakes performers have conformational flaws, and come in all shapes and sizes.

Thus, given that most yearlings have faults, your most important sales assessment task is to try to figure out whether or not a particular fault is likely to compromise future racing success. Therefore, learning to properly evaluate a horse's movement as an athlete is an essential skill to acquire. So, too, is learning to observe, describe, and evaluate the *degree* of the fault.

It is common to hear a yearling's faults described in very general ways: "He's offset" or "he toes in." Simplistically saying that a horse is

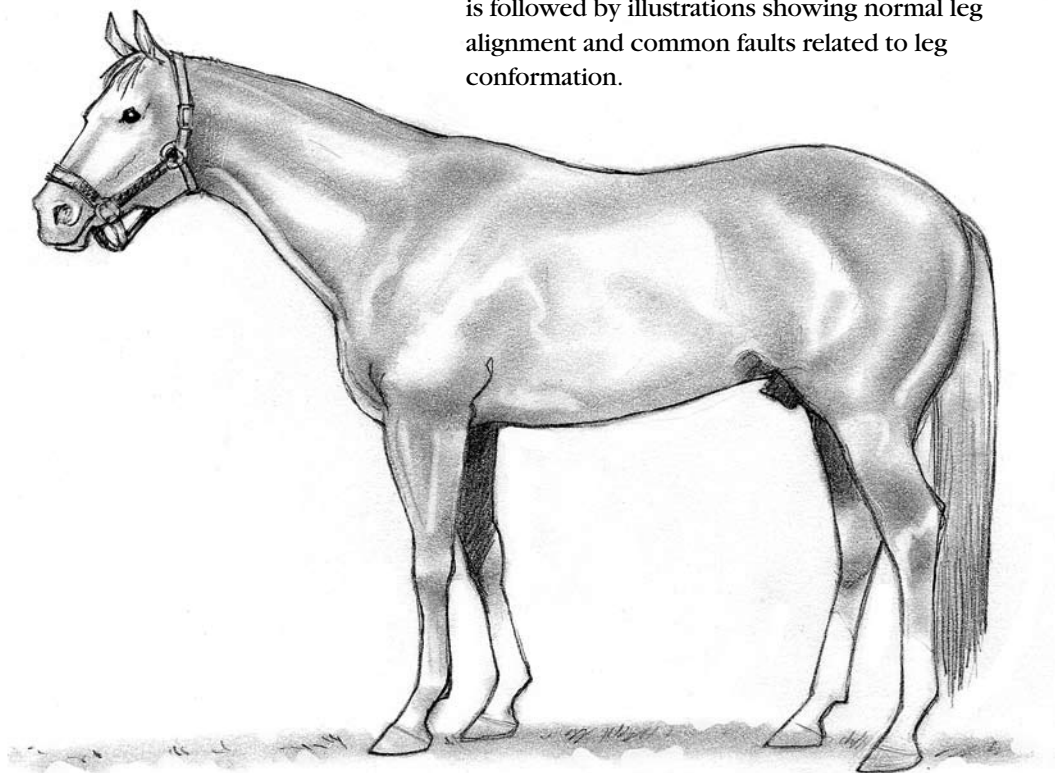
"offset" or "toes in" or "toes out," however, has very little meaning unless the *degree* is also mentioned. Experienced and competent professionals use various methods of note-taking and description in order to record the *degree* of a fault. A common one is the 1-2-3 method with 1 = slight, 2 = moderate, and 3 = severe. Further refinement can be accomplished by using pluses and minuses, as in 1, 1+, 1++, 2-, 2, 2+, 3.

Whatever your evaluation or recording method, training yourself to think in terms of the *degree* of a conformational flaw, helps you to define how difficult it might be for a horse to manage himself so that the fault does not significantly impact soundness or performance. Plain and simple, making decisions based on an accurate assessment of the severity of the fault will help your long-term success because most horses handle minor to moderate *degrees* of deviation successfully, if they move in a fluid and athletic way.

For your reference, the correct horse below is followed by illustrations showing normal leg alignment and common faults related to leg conformation.

► ***Training yourself to think in terms of the degree of a conformational flaw, helps you to define how difficult it might be for a horse to manage himself so that the fault does not significantly impact soundness or performance.***

.....



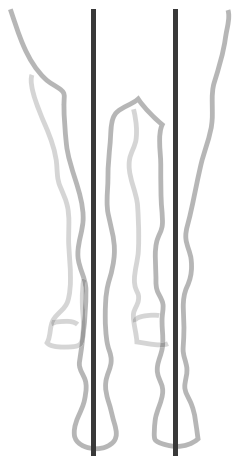
Story
continues
on page 38



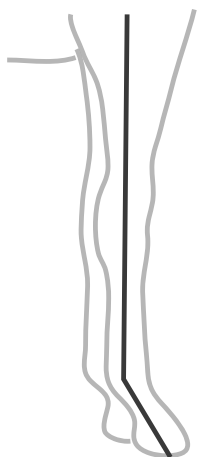
AN ILLUSTRATED GUIDE TO CONFORMATION

CORRECT CONFORMATION

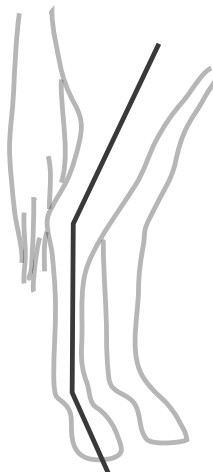
Normal front end



Normal front end

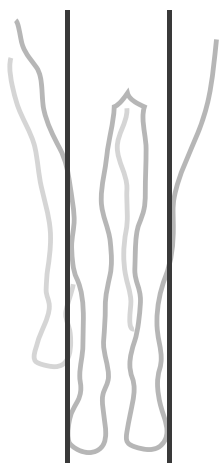


Normal hind leg

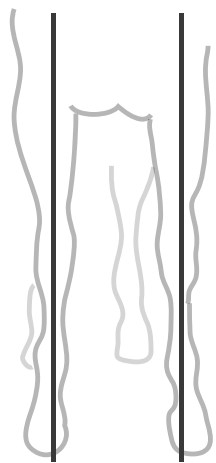


VARIOUS LEG FAULTS

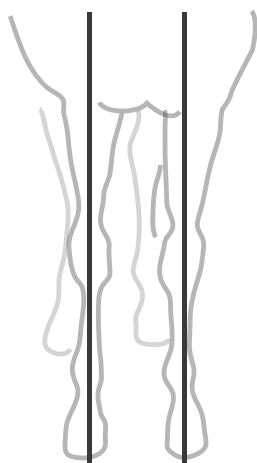
Base narrow



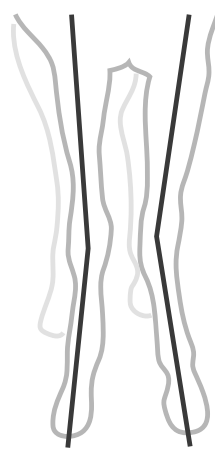
Base wide



Offset knees



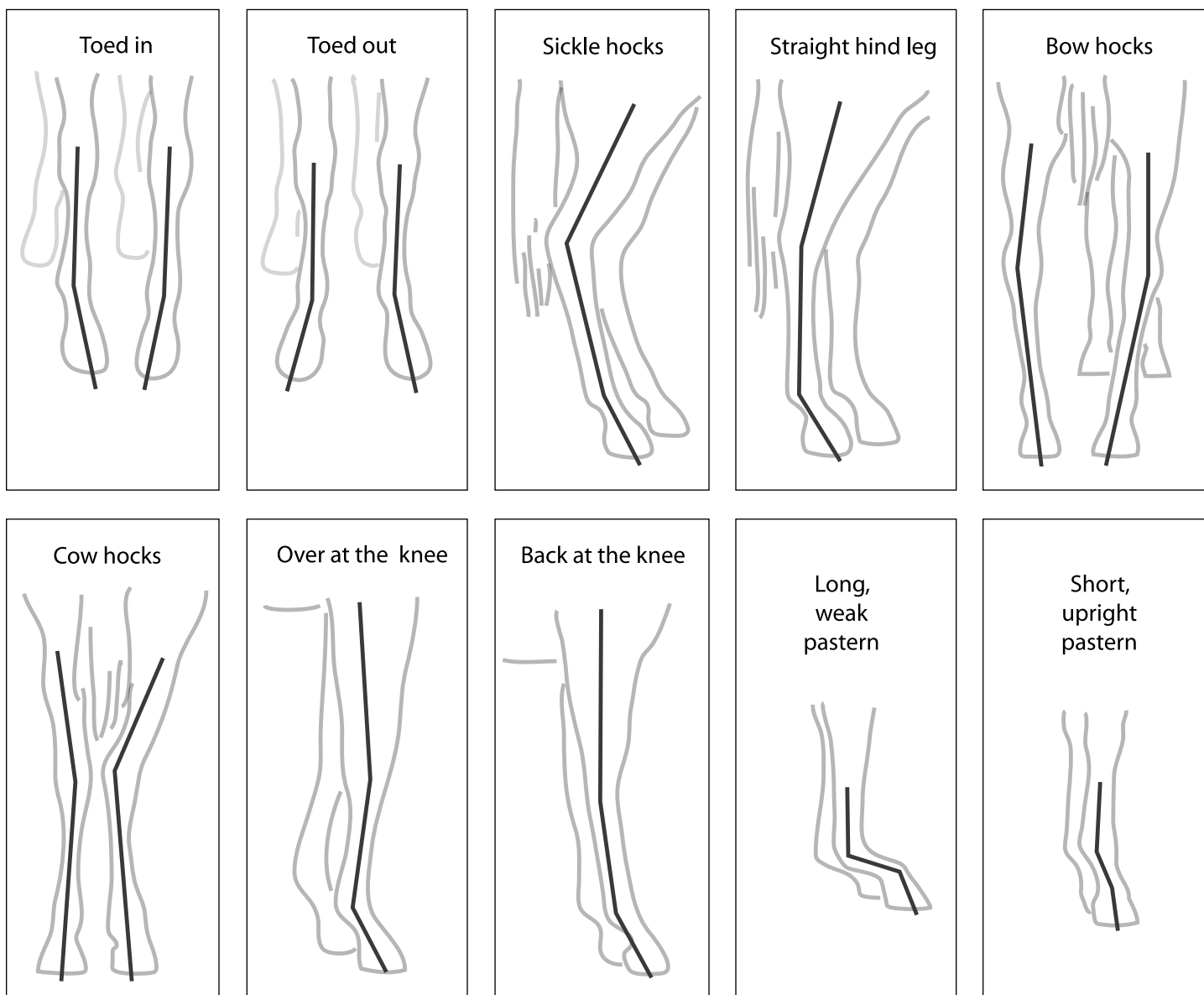
Knock knees



Bow legs

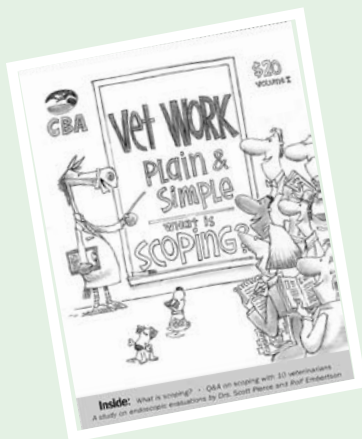


VARIOUS LEG FAULTS (continued)



A few suggestions for further reading:

- *Investing in Thoroughbreds* by Arnold Kirkpatrick. (www.amazon.com)
- *New Thoroughbred Owners Handbook*. (Available from TOBA: www.toba.org)
- Various publications from *The Russell Meerdink Company* catalog. (www.horseinfo.com) including:
 - *Conformation Evaluation*, a DVD by Dewitt Owen.
 - *Lightning In A Jar* by W. Cothran "Cot" Campbell.



VOLUMES 1 AND 2
of the CBA's educational series
are available for **FREE** at
www.consignorsandbreeders.com



Published 2007 by the CBA

*The Consignors and Commercial Breeders Association
P.O. Box 23359, Lexington, Ky. 40524
Email: info@consignorsandbreeders.com
www.consignorsandbreeders.com*