



Shared Interest

BY CLAIRE NOVAK

Every owner, trainer, and jockey dreams of reaching the winner's circle at the Kentucky Derby — it's the ultimate achievement in our sport and a mark of instant success. In days gone by, individuals whose horses were bred, raised, and campaigned under family colors pursued the challenge. Gradually, acquiring Thoroughbreds at auction became part of the chase, and many high-priced sales graduates dashed to victory for those who funded their purchase.

But throughout history, classic-caliber racehorses seemed unattainable to the average racing fan. The expenses of the game often outweighed returns on investments, and newcomers found it difficult to select a trainer or develop connections without knowledgeable guidance.

Thankfully, Thoroughbred racing is evolving with the times. Now, partnership groups allow investors to purchase

shares of racehorses for a fraction of the cost and campaign these horses under the guidance of savvy managers. The Sport of Kings is becoming the sport of every man.

Leaps and bounds in the history of racehorse partnerships were made right here at Churchill Downs, where horses owned by groups such as IEAH Stables (Big Brown, 2008) and Sackatoga Stable

(Funny Cide, 2003) won the Kentucky Derby. Thanks to the extensive publicity provided by these scores, the concept of shared interest gained popularity. And even though many partner-owned runners have never conquered the Run for the Roses, their talents account for some of the greatest victories seen at recent marquee events.

PIONEERING CONCEPT

As the industry seeks additional players and widened exposure, partnerships have emerged as desirable and logical components of racing. The concept's origins trace to the late 1960s, when an advertising executive named Cot Campbell decided to split the ownership costs of a filly with a few of his friends. This venture was so successful Campbell began to offer partnerships through the business

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that ultimately blossomed into the Aiken, S.C.-based Dogwood Stables, which now consists of 60 horses owned by 90 investors.

To date, Dogwood runners account for 73 stakes winners (including 14 grade I victories) and two Eclipse Awards. One of their greatest runners, Summer Squall, finished second to Unbridled in the 1990 running of the Kentucky Derby before going on to take the Preakness by 2½ lengths.

“The concept I stumbled onto was a very logical niche in horse racing,” Campbell said. “When I did the first partnership, racing was so steeped in tradition that most people in the industry had a reflex to look askance at the idea. But through the years it has become clear that this is a vital niche. I think some of the people who looked down their noses on the idea at first are now thankful for it.”

Credited as the concept’s originator, 81-year-old Campbell still oversees Dogwood’s daily operations. He has inspired countless individuals



Summer Squall was a star for Cot Campbell, inset, and Dogwood Stable.

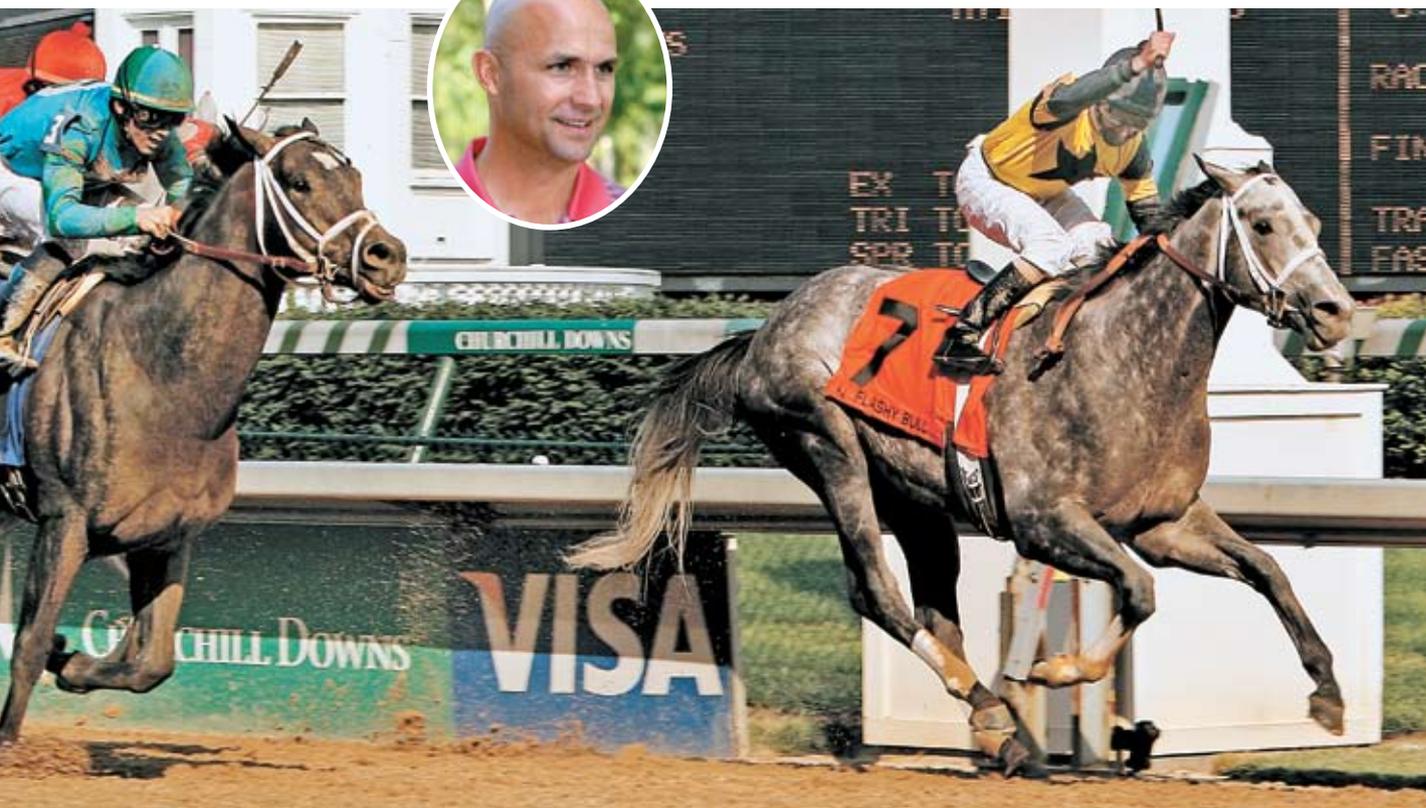
— including 45-year-old Terry Finley of the Mount Laurel, N.J.-based West Point Stables — to become involved in the game.

“Cot is obviously acknowledged as father of the idea, and you’ll never hear me say a bad word about



his organization,” said Finley, West Point’s founder and president. “He’s a tough competitor, but he’s always carried himself with dignity and class. He’s the kind of person who makes you proud to be in the same industry; he’s brought more people into this business and had more success than anyone I know, and he’s carried the torch of our industry in a very honorable way.”

With Campbell setting a high mark for professionalism and innovation, it’s little wonder those who aspire to follow in his footsteps are doing so with marked success. In West Point’s case, although the operation has never won the Kentucky Derby, its partners have campaigned 20 stakes winners, including 10 graded stakes winners and four grade I winners. Their horses have earned nearly \$10 million in the last five years and more than \$17.2 million overall.



West Point Stables and founder Terry Finley, inset, have won major races with such horses as Flashy Bull, above.



LUCK REQUIRED

Dave Berman of Roslyn, N.Y., is a perfect example of the typical Thoroughbred partner. A long-time racing fan, he heard about West Point on the radio and in 2005 decided to take the plunge. At that point the partnership was offering shares in a stalwart gray colt named Flashy Bull. Before he knew it, Berman was a 7.5 percent owner, and that colt was taking him to the Kentucky Derby.

“It was fantastic,” said 43-year-old Berman, co-owner of the Westbury, N.Y.-based Met Sales & Installations Corp. “I went to every race in Florida, went to the Fountain of Youth, went to the Florida Derby, and then we went to Kentucky. It was so surreal, being on the backstretch the morning of the Derby, then being on the track, walking with my horse in front of 150,000 people — I’ll never forget it.”

Berman also invested in several other West Point runners including Macho Again, the second-place finisher in the 2008 Preakness Stakes. He became fast friends with several of the colt’s co-owners and shared experiences with West Point’s enthusiastic managers.

“I’d definitely recommend joining a partnership for someone who wants to get into the game without shelling out a bunch of money at one time,” he said. “But you also have to remember that it’s a very high-risk, high-reward type of sport. Don’t assume you’re going to make back on your investment; just choose a good group and hope you get lucky like I did when I first got in.”

Finley said his operation brings a wealth of experience to the table, as is the case with most established organizations. Management handles the day-to-day details, such as the selection of a trainer and communication regarding a horse’s conditioning. Ultimately, all a partner has to do is sit back and enjoy the races (and pay the bills, of course).

“With the amount of money our partners are investing, we definitely feel the responsibility to provide them with access to trainers who get the job done,” Finley said. “I talk to our trainers just about every day, and it’s a great part of this business that it’s very easy to ascertain who gets the job done and who doesn’t. We’re at the point right now

where our size really helps us, so that every one of our trainers has a sizable string of about 15 to 20 horses and every horse gets the same good care.”

Access to top horsemen such as Todd Pletcher, Rick Dutrow Jr., Richard Violette, Kiaran McLaughlin, and Barclay Tagg may be one of the perks

of belonging to a big operation such as West Point, but joining a mega-partnership is not the only path

position where they could get lucky and get the big horse,” Finley said. “And all of the sudden, as soon as you get a big horse, you’re a big player.”

STRIKING IT BIG

No partnership proves that point better than IEAH, whose Big Brown raced undefeated to win the Kentucky Derby and Preakness Stakes before being pulled up in the Belmont. Founded in 2003, IEAH was already operating on a significant scale when the son of Boundary turned



DAVE BERMAN, ABOVE, WISEPHOTOS/NTRA

Kentucky Derby winner Big Brown brought new people into the game, according to IEAH’s president Michael Iavarone, inset.

to success. Jim Gates, general manager at Churchill Downs, said smaller syndicates keep the starting gate and backside barns filled with runners at the Louisville oval. Many compete in claiming or allowance races, hoping to get up to stakes company, and their presence is not to be taken lightly. West Point, for instance, began in 1991 with a \$5,000 claimer named Sunbelt — the gelding debuted at Philadelphia Park and became the group’s first winner in a \$6,500 claiming event on Aug. 27 of that year — while one of Dogwood’s first horses was an \$8,000 claimer named Memphis Lou. All it takes is one big horse to catapult a team to stardom.

“Any one of these partnerships is in a

up as a strong 3-year-old contender, but his victories in 2008 inspired approximately 80 new partners to get involved with the organization.

“Obviously, any time you have the success we had as far as getting a horse to the Derby and winning, that’s unbelievable,” said 38-year-old Michael Iavarone, president and co-director of IEAH. “Big Brown was a built-in advertising agency. He drove a lot of people who knew us but weren’t investors to become a part of the game. We let them come around the horse and get a feel for the whole thing, and once you taste the flavor of it, it’s very tempting to get involved.”

In 2008 alone, owners involved with IEAH led the nation in purse earnings

with \$10.7 million brought in by 25 stakes winners — including 11 grade I stakes winners. Last year the group took home two Eclipse Awards and finished in the top three for leading owner of the year. According to Iavarone, 90 percent of his organization's partners are newcomers to the racing industry.

"If there should ever be any credit sent in our direction, I think it should be for that," he said. "That's what I find so

supervision of Barclay Tagg, Sackatoga Stable LLC maintains the goal of racing New York-bred runners at the highest level of competition.

PASSION FOR THE GAME

When Billy Koch first graduated from college, he used to eat at a Cuban restaurant in Los Angeles with a group of buddies. The garlic chicken was unbelievable; the camaraderie more so. Be-

If Koch and his partners — several of whom went on to invest in other horses — thought owning that filly was fun, they were about to have the time of their lives. In 2001, Koch founded Little Red Feather Racing, the syndicate that now campaigns 16 horses owned by approximately 240 partners. In 2004 they burst into the big-time with a score by Singletary (a \$30,000 2-year-old purchase) in the Breeders' Cup Mile.

"I have people come up to me to this day and say, 'Your celebration at the Breeders' Cup was one of the greatest moments of all time,'" Koch remarked. "They kind of say it a little bit quietly, like it's wrong to be so over-the-top, but I think a lot of people enjoy the enthusiasm and passion we show."

"Once people catch the racing bug, they're hooked," said Gates. "In many cases, partnerships make ownership more affordable and, therefore, expose a wider variety of folks to the sport. If you can get people involved — on a small scale or a larger basis — they're going to be around for a long time."

Runners such as Team Valor's Captain Bodgit (second in the 1997 Kentucky Derby) gave connections the thrill of running for the roses while grade I winners such as Cotton Blossom, Lear's Princess, Trippi, Kip Deville, and Benny the Bull brought success outside the Derby winner's circle. But, regardless

of close calls and other great victories, one challenge dominates every owner's thinking when the 3-year-old season gets under way.

"Not to say that the other horses don't matter, but any time you talk to anybody, everyone wants to know, 'Oh, you got any good 3-year-olds?'" Finley said. "Jockeys are asked, trainers are asked, tracks

take possession so to speak of the 3-year-olds working up through the ranks at their venues, so it becomes a goal to get to the Derby — especially after you've been there before."

"We've gone to six Derbies with seven horses, and those experiences are just incalculable," said Campbell. "I don't care how sophisticated a person is, running a horse in the Kentucky Derby and owning a piece of it is a very heady, zesty experience. You can't put a price tag on it." 🍷



BARBARA LINGGON; BELOW, SHIP DICKSTEIN

Singletary's Breeders' Cup score gave Little Red Feather Racing members reason to celebrate, right.

gratifying."

Jack Knowlton, operating manager for Sackatoga Stable, said his group's experience with 2003 Kentucky Derby winner Funny Cide merited the same response. Before he knew it, his partnership was introducing new owners to the game.

"A lot was made [in the media] of the partnership and all the fun we had," 62-year-old Knowlton said. "As we traveled around the next couple of years, so many people came up to me and said, 'I got into horse ownership and I did it because I saw what you guys did.' Then three years ago in the summer of 2006, I took on a new partner, and he and I set up Sackatoga Stable LLC, which has introduced about 65 to 70 people to the game."

With 10 horses in training under the

fore he knew it, Koch's enthusiasm for the Thoroughbred industry — developed through a childhood spent at the track with his grandfather, the late Howard Koch — spilled over to inspire his friends. "There were about 15 of us; we all put in like \$1,000 and ended up with this filly we had in training with Ron Ellis," said Koch, now 39. "Her name was No More Worries. She broke her maiden and that was it, but we had a blast with it; it was so much fun."

