



HOW TO OWN A



RACEHORSE

THE RACES

THOROUGHBRED RACING SA

THE THUNDER OF HOOVES, THE CHEERING OF THE CROWD AND THE REALISATION THAT YOU'VE JUST HAD YOUR FIRST WIN AS A RACEHORSE OWNER – THERE'S NOTHING LIKE IT!

The best thing about racehorse ownership is that anyone can be involved. You don't need to be a racing expert or have heaps of money to invest to be a part of this amazing industry.

The easiest way to get involved is to join or form a syndicate with a group of friends or family and invest in a small share of a horse. That way all of the expenses are shared between your group and best of all you have plenty of people to celebrate that first win with!

Horse ownership is not something to be daunted by and once you get started it's something that you'll want to be involved in for the rest of your life. This guide is here to point you in the right direction and explain just how easy it is to own a racehorse!





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FINDING A TRAINER

For most first time owners, the easiest way to get into ownership is to get in touch with a trainer.

Trainers will usually go to the thoroughbred sales and buy a number of horses which they then sell shares in to others. Many trainers are great judges of horses and will be the people who spend countless hours with your horse and will get it to the track and hopefully winning some races for you!

Finding a trainer is easy but deciding which one is right for you is another thing. There are a number of ways to find which trainer may be best for you and all it needs is a little research.

1 Track the Trainers Premiership Table to see which trainers are doing well both in Adelaide and around the state

2 Where is the trainer based? If you live in the country, perhaps it's best to choose a local trainer so that you can visit your horse and watch it run live more often

3 How much are the trainer's fees? It may be enticing to choose a big trainer with a lot of success and horses in work but sometimes their fees can be a lot dearer than a smaller trainer who only has a few horses

Most trainers will have website or social medial channels which have range of contact details which makes it easy to get in touch with them to make initial contact.

Speaking to a Trainer

So you've made a shortlist, checked strike-rates, figured out a budget and now it's time to have a chat to some trainers. It's important to ask lots of questions to find out whether a particular trainer may be the one for you, don't feel bad about asking some tough questions as you are investing your hard-earned money and it's important that you make the right decision.

Some good questions to ask are:

- What is your communication method (emails, text messages, or phone calls) regarding the horse's progress?
- Can I see my horse when I like (e.g. before a race or when it's not racing)?
- Where do you prefer to race your horses?
- Where will my horse be based when it's a) in work, and b) spelling?
- How many horses do you have in work?
- What are your training fees?
- Do you charge any extras, such as veterinary fees?
- What type of horses (sprinters, stayers, jumpers, younger or older) have you had the most success with?

Average Training Fees

Training fees differ greatly within South Australia and across the country. They depend upon the success of the trainer, the training facilities and their location. Metropolitan trainers generally charge a higher fee than those who operate from country regions.

The following are average annual and daily training fees and are indicative of 100% ownership only:

Metropolitan trainer \$35,000 (annual) / \$120 (per day)

Provincial trainer \$25,000 (annual) / \$70 (per day)

Country trainer \$18,000 (annual) / \$50 (per day)

If you or your syndicate owned a 10% share then your costs would be 10% of the training fees for your horse.

BUYING YOUR SHARE

After having a chat to a number of trainers and getting an idea about what they can offer you, it's time to start thinking about purchasing your share.

Many trainers will have a certain number of shares available in horses that they own and will let you know what is available. Size of the share available will depend on how much has already been bought by other owners and how much the trainer is willing to sell.

The next decision is will you purchase the share by yourself or would you like to split the costs with some other friends and form a syndicate.

Syndication Explained

A syndicate is a great way to make the process of buying a horse a lot more affordable. By sharing the costs, you and your syndicate partners can enjoy the thrill of owning a racehorse without investing large, individual sums of money. A syndicate can consist of up to 20 members (including other syndicates). It has to be registered, and there can only be one Manager.

Owning a small share of a racehorse can be just as much fun as being the sole owner, as you have a lot more people to celebrate with!

Syndicate Manager

The Syndicate Manager is responsible for managing the finances of the syndicate, and reports to each of its members. Any Prizemoney is sent to the Syndicate Manager for them to distribute to the syndicate members. Any member of your syndicate can be the syndicate manager.

Syndication Companies

There are also a wide range of public syndication companies who specialise in selling shares in racehorses all around the country. These companies often have relationships with bigger trainers and will often organise a lot of the paperwork and finances on your behalf. These syndication companies will often charge a fee for these services.



Training Fee Breakdowns

During your horse's racing career, there will be times when it's 'in work', which means it is being raced or being prepared to race. But a horse can't maintain this level of training intensity indefinitely, and needs rest periods, commonly referred to as 'spells'.

While your horse is spelling, it will generally spend time out in a paddock, giving it time to relax, recover from any injuries and recuperate mentally – much like a holiday. Often younger horses are given an extended spell to help them to mature physically. As a result, costs vary while your horse is in work or spelling.

The following costs are indicative only:

SPELLING

Approximately \$15-\$25 per day depending on the property and the level of service provided (plus expenses for veterinary and other charges).

IN WORK

Usually around \$50-\$120 a day (The cost is greater because your horse is being prepared to race. It's more labour intensive and includes things like track fees, nominations, transportation, track rider costs, feed and general training).

OTHER WAYS TO OWN A RACEHORSE

Purchase from the Horse Sales

If you are in the market to purchase 100% of a racehorse, the horse sales are the place to do it. They are held at various times around the country. Anyone can attend a horse sale, including your trainer and/or veterinarian so don't forget to invite them along.

A horse sale is a public auction, and you are free to bid on any horse as long as you have the finance available. Generally, sales companies require financial approval before you can bid at a sale – this is called 'registering to bid.'

If you're a successful bidder payment is required before your horse can be removed from the sales complex. Usually, an arrangement is made with your trainer for next-day transport to his or her training facility.

Yearling Horse Sales

Yearling Sales are very popular in Australia and the largest sales conducted in South Australia, with the Magic Millions sales scheduled around Adelaide Cup Day being the biggest. Yearlings are one-year-old horses, who have not been broken in yet so their racing ability has not been tested.

Tried Racehorse Sales

Tried Horse Sales can often be less expensive than a Yearling Horse Sale. As the name suggests, it is a sale of racehorses that may have had racing experience.

However, it is recommended the expertise of a trainer be sought. Most horses bought



at Tried Racehorse Sales will not reach the higher levels, and, more often than not, it's a case of 'smaller investment smaller reward,' however there are always good luck stories!

Leasing a racehorse

Leasing is a very popular way to enjoy the benefits of owning a racehorse without the up-front costs.

A horse owner - often the breeder - leases the horse to a syndicate and/or individuals, and they don't play a part in controlling the racing career of the horse for the period of the lease. Lease periods vary, but the maximum allowed is three years.

At the end of the lease, your horse is returned to the owner unless terms to renew the lease or purchase have been included. A lease may be cancelled at any stage provided all parties have signed the cancellation form and lodged the form with Thoroughbred Racing SA.

Breeders often lease horses they wish to retain ownership of, for future breeding purposes, whilst still having an interest in its racing career. It is usually a win/win situation for owners and lessees.

Trainers are usually a good starting point for finding horses available for lease.

Lessees are responsible for all the training fees and associated expenses but there are no upfront purchase costs of owning the horse. This may suit people who are risk averse as if something does happen to the horse you have not lost money on the purchase of the horse. While a horse is leased, the lessees are entitled to the prizemoney won by the horse while they are leasing it minus any agreed payment. An owner may give you the option to purchase the horse at the end of the lease period.



TRAINING

It will be some time before your horse makes it to the track. Before a yearling can race, it must be broken in. This process usually takes a couple of months and involves teaching the horse many skills: turning, stopping, wearing a saddle and, ultimately, having a jockey on its back.

It also learns how to follow the running-rail of a racetrack, gets accustomed to the starting gates and generally learns its trade. Once your horse is broken in, it's usually sent for a spell before being brought back in work for racing preparation.

Of course, you may have bought an older horse that's already in work – if so, enjoy the experience.

It is important to be patient with your horse and trust your trainer's judgement as they always have the horses' best interests at heart. Some horses take longer to get to the track than others but like athletes, horses develop and mature at different times in their lives.

RACE DAY

You've made it! Your first raceday as a racehorse owner! There's nothing like watching your horse run for the first time - expect butterflies in your stomach.

By this stage your trainer should have contacted you about how the horse is looking and what his expectations are for it heading into the race.

Jockey

Your trainer would have selected a jockey to ride your horse in the race. Often they have a relationship with a number of jockeys who they use frequently but sometimes a jockey will be chosen on their style or the weight the jockey will carry.

Colours

Usually a horse will race in the colours registered by the trainer, and most owners are happy with that. If you wish, you or your syndicate can register your own set of colours for your horse to race in, usually this happens if an individual or syndicate has a large share of a particular horse.

Course Entry

If you are an owner (or part of a syndicate) your name or syndicate name will be featured as an owner in the race book and you will usually be admitted into the racecourse free of charge. Some clubs prefer to refund the admission cost at the Secretary's Office.

At the track you are able to visit your horse before the race at the horse stalls. And you are allowed to meet with the trainer and jockey prior to your horse's race to discuss tactics in the mounting yard. Some racecourses require mounting yard passes which are available from the Secretary's Office.



PRIZE MONEY & BONUSES

Prizemoney

There's nothing better than getting your first lot of prizemoney come in after a win or a good run! The amount of prizemoney depends upon the Class (or Rating) of race, where in Australia the race is held, and whether it's a Metropolitan, Provincial or a Country meeting.

An average Adelaide Metropolitan race offers \$30,000 - \$50,000 in prizemoney. In addition, SABOIS qualified horses can earn bonus prizemoney.

The richest races conducted in South Australia are the Group 1 Darley Goodwood and Group 1 UBET Robert Sangster Stakes both offering \$1,000,000 in prizemoney.

Bonuses

The South Australian Breeders and Owners Incentive Scheme (SABOIS) provides financial rewards to breeders, nominators, owners, trainers and jockeys over and above a race's Prizemoney.

Every season SABOIS races are programmed throughout the state, offering over \$3 million in bonuses for SABOIS qualified horses. Horses must be nominated for SABOIS as a foal within a designated deadline. The chances are your horse will have already been nominated if it was purchased in South Australia.

SABOIS qualified horses are eligible for a SABOIS bonus if they finish first, second or third in a SABOIS race. For more information about SABOIS, contact SABOIS Manager, Julie Lapidge, on (08) 8179 9812.



Ownership success stories

While you usually pay a lot for a well-bred, successful horse there have been many exceptions to the rule. Some relatively cheap horses purchased as yearlings have gone on to win big races and huge amounts of prizemoney, just like these South Australian horses:

JUSTIFY THAT

Cost: \$4,000
Won: \$491,095

EXCITES ZELADY

Cost: \$27,000
Won: \$444,190

DEIHEROS

Cost: \$6,500
Won: \$757,597

LORD ASPEN

Cost: \$40,000
Won: \$399,950

HAPPY TRAILS

Cost: \$11,000
Won: \$3,292,650

VIDDORA

Cost: \$40,000
Won: \$459,300

JIM'S JOURNEY

Cost: \$15,000
Won: \$325,325

HIOCTDANE

Cost: \$46,000
Won: \$383,750

DYLANSON

Cost: \$25,000
Won: \$345,830

HUCKLEBUCK

Cost: \$50,000
Won: \$1,164,320

SELLING YOUR RACEHORSE

Horses are sold for various reasons: realising an asset, breeding, change of career, or retirement.

If your horse has been successful, you could probably sell it at a higher price at a private sale. But if your horse's results haven't been the best, then a Tried Racehorse Sale may be a good option. You can sometimes sell your share of a horse back to the trainer or another owner if you want to get out of the ownership of your horse but this needs to be negotiated between you and your prospective buyer.

Post Racing Career

Breeding

A good pedigree and a successful racing history might mean your racehorse will be a top candidate for becoming a stud horse in its retirement.

Stallions can attract a service fee from \$500 to \$300,000 or more per service, and a successful stallion can serve approximately 200 mares per season.

The breeding of a mare sent to each stallion also plays a significant part in the value of the horse as a yearling.

Racehorse Retirement Programs

Retirement Rule

On July 1, 2014 a new Australian Rule of Racing was brought in to make it compulsory to record why a horse was being retired, and where it was going. All State racing bodies now receive a monthly report of every race horse that has been retired for the month with information including racing name, foal date, age, sex, where it is going, why it is being retired, and the trainers' details.

Statistics show that consistently (month by month and state by state) approximately 90% of racehorses move on to careers beyond the track e.g. equestrian, breeding etc.

Changing Rein

Changing Rein is a South Australian horse industry network, with a focus on promoting the transition of horses from racing to a new career. It is a resource for owners or trainers of horses that were bred for Thoroughbred or Standardbred racing and may, at some time in their life need to be re-trained for a new role when the racetrack is no longer a career option.

Event Partnerships

Thoroughbred Racing SA currently supports specific horse-based events to promote retired thoroughbred racehorses that are competing.

GLOSSARY

ACCEPTOR

A horse that has been Accepted by the owner or trainer to run in a race.

APPRENTICE

Means a rider who has been indentured to a Trainer under an agreement with Thoroughbred Racing SA to pursue a career as a professional jockey.

BLOODSTOCK AGENT

An authorised agent who is appointed and given the authority to buy and/or sell horses on behalf of owners. He or she also has the knowledge and experience to offer opinions regarding pedigree, conformation, and characteristics of a horse. A list of personnel registered by the Federation of Bloodstock Agents can be found in sales catalogues or at bloodstockagents.com.au

BROODMARE

A female horse used to produce foals, after they have ceased their racing career.

COLOURS (SILKS)

The colours of the 'silk' uniform worn by the jockey. These must be registered by the trainer or owner(s).

COLT

A male horse under four years old (with both testicles).

DAM

The mother of a horse.

FILLY

A female horse under four years old.

GELDING

A male horse with both testicles removed. Horses are gelded to moderate their behaviour and prevent them from becoming too 'heavy' (overly muscular).

GROUP & LISTED RACES

Commonly referred to as 'Black Type', these races are the most prestigious. The Australian Racing Board sets minimum levels of Prizemoney for Black Type races, and, therefore, they are highly sought after. From a breeding perspective, horses that have won these races (or that are related to winners), can become more valuable. In a sales catalogue, winners of these races are listed in bold print. Minimum prizemoney for Group and Listed Races (effective 1 August 2010) are as follows: Listed - \$80,000; Group 3 - \$115,000; Group 2 - \$175,000; Group 1 - \$400,000.

HANDICAP

A race where horses are assigned varying weights, according to performance (decided by the handicapper), to equalise the chance of each horse winning.

IN WORK

A term used to describe a horse that is being prepared for racing.

MARE

A female horse four years of age or older and still racing.

MOUNTING YARD

The place where horses are paraded (in numerical order) prior to each race, and jockeys - issued with their final instructions from trainers and owners - mount their horses. After each race, all competitors dismount in the mounting yard.

SCRATCHED

A term used to describe the withdrawal of a horse from a race.

SIRE

A male horse that stands at stud.

SPELL

A term used to describe the period of time a horse is resting from racing and training.

STEWARDS

Officials at a race meeting who have the responsibility of enforcing the Rules of Racing.

STRAPPER

A person who attends and grooms racehorses in training and on race days. Also known as a stable hand.



Useful Contacts

Here are the contact details of people who can answer your queries and put you on the right track to owning a racehorse:

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