

Young Ideas

William T. Young is well known to Kentucky and to the Thoroughbred industry for many reasons. Successful in a variety of businesses and supportive of numerous philanthropic and civic causes, Young also has developed Overbrook Farm near Lexington into one of the top racing and breeding operations in the Thoroughbred industry.

Recently, while being honored for his achievements at the 65th annual Testimonial Dinner of the Thoroughbred Club of America, Young—a shareholder and director emeritus of Churchill Downs—surprised some of his peers in racing by taking a position in support of Kentucky's tracks getting video lottery terminals to compete against encroaching riverboats in Illinois and Indiana.

In a Nov. 15 interview with Ray Paulick, editor-in-chief of *The Blood-Horse*, Young reviewed the success story of Overbrook Farm, and also elaborated on his reasons for supporting expanded wagering at Kentucky's tracks.

The Blood-Horse: You've had quite a year: winning the Kentucky Derby with *Grindstone* and the Belmont Stakes with *Editor's Note*, then winning the Breeders' Cup Juvenile and setting a 2-year-old earnings record with *Boston Harbor* that may stand for a long time. And *Honor and Glory*, whom you bred and sold, had an outstanding year. When you made your commitment to this industry back in the 1970s and developed a plan for Thoroughbred racing and breeding, did you set goals that were anywhere near this level?

W. T. Young: Oh, no. I don't think anyone does. I'm not much of a believer in a five-year plan, or a lifetime plan. I think one has to be alert every day to what opportunities come along and take advantage of them as best you can. I've never seen a planned career, unless one is going to pursue something like medicine or law, but even then, with that specialty, it's hard to plan.

Because you were so successful in your previous businesses, did you apply some of the practices or philosophies that worked for you?

There's no real secret of success in any line. The advice that you get as a young person—from teachers, or your mother and father—is really what counts. I think that the old virtues of hard work and applica-

tion and perseverance are about as specific as you can get. I think above all, a business person who doesn't have common sense and all that it implies will have great difficulty. In business, you have to have a general approach to all aspects of that business, and to make it successful someone has to pull it together. I think the successful people that I've observed seem to have an abundance of common sense, which means simply doing the logical thing at each juncture of one's career. There is no substitute for intelligence, I suppose, but I don't think it takes brilliance.

There's something indefinable that makes some people more successful than others. One is, of course, motivation. Some people seem to be driven. I've given that a lot of thought, and perhaps you get it from a teacher sometimes, or a parent. But I believe it's just born in a person.

When you started in breeding, did you have model operations that you followed?

I had no grandiose plans. Basically, when I turned about 60, I started looking at other directions rather than just the businesses that I had been in, and purchased a little farm from Lucas Combs, one of the founders of Keeneland. I don't think they had been on the farm in 50 years. I restored it and

fixed it up, then acquired some more land. It quickly became apparent that I should do something with it, and that's when I started buying mares.

So the first decision in the horse business was to get into it. When I did, I went the way that most people do: I tried to acquire a few good mares. And I put "good mares" in quotation marks. The horse business is a very inexact science. I reckon the chief motto in breeding, the one you've always heard, is to breed the best to the best and hope for the best. I think everyone, more or less, does that, and of course there're all kinds of definitions of what makes a good mare. One is always restricted by what he can afford to pay for a mare. It may be generally true that the more you pay, the better mare you get in terms of pedigree and race record, but it's still inexact.

In the early days, we had to make an investment to get in the business. You can get in a business out of college and make it your lifelong career, or you can get in it as a second career after you are thinking about retirement years. That's a unique feature of the horse business that I've never observed in any other business. People like myself, who have been in a number of busi-



ANNE M. EISENHART PHOTO

nesses in a reasonably successful way, long for the change and the glamour. I live in Lexington, and it offered an opportunity to do something different.

You come in with some capital so you can move a little more quickly than if you were 21. So instead of buying one horse, well perhaps those of us coming in late in life can buy 10 horses or 15. It accelerates the process. But that's a very vital part of the horse business, to have people who want to come into it with capital and energy and desire. That gives a great stability to the industry. Really, when you're talking about getting new owners in the business, you're not talking about 20-year-old kids. You're talking about people who can come in with capital at a later age and make an economic impact right away. That's the way I came in.

The real point I was trying to make in my Thoroughbred Club speech was the importance of purses. I don't think you are going to attract a successful businessman into the game, despite the glamour of racing, if there isn't a reasonable expectation he can get some return on his investment. It doesn't have to be a complete return. But that's the reason I think purses are vital. If purses are high, you can justify spending more for a horse that may or may not run. If the purses are lower, you must adjust what you can pay for a horse.

The industry's welfare is absolutely dependent on purses. Not only for those who are already in the business and have been for all their life, or maybe for generations, but especially for those it's trying to attract into the business. I've never known anyone looking for a hobby that cost them a fortune every year, with no chance of coming out.

A lot of us, especially those who are particularly enamored with racing, are willing to drop a certain amount of money each year as a hobby and for entertainment. So my point was to emphasize the importance of purses. If they are threatened, the industry should be concerned. It's virtually the sole income to the industry.

How did you come to support the position that Kentucky's tracks should have VLTs?

Since I've been in the business, and I've been in it 20 years, I've learned a good deal about what makes the industry go. Without the purses there is no fuel for the engine, and there is no return on investment at all. It finally dawned on me that the racetracks—the agency that pays the breeding industry through purses—cannot increase purses out of thin air. If they do not have earnings, they cannot do it.

The basic source of income to the tracks is pari-mutuel betting. Attendance, as you know, has been on the decline. Fortunately, the betting handle has been on the upswing simply because of the windfall from simulcasting. It's given us an artificial feeling of security, because

total handle is at an all-time high. But that is threatened. It's going to level off. It can't go up and up. Once they saturate the simulcast market, where do increased purses come from?

There's a wave of casino and other types of gambling sweeping the country. More recently, for us here in Kentucky, five riverboats have been authorized in Indiana and Illinois. That's going to pull dollars directly out of Kentucky and will be in direct competition with the tracks. It will diminish handle at the tracks—all studies say it will—and the tracks' earnings will be decreased. If there's not something to offset that, I can't see where purses will go anywhere except down. In fact, Jerry Carroll is lowering purses at Turfway Park as we speak—for the first time in many years.

If purses go down—and I don't think the industry is "going to hell in a hand basket" overnight—bloodstock prices will go right with them, in my opinion. Therefore, we should think seriously and unemotionally about this erosion of the foundation of our business, pari-mutuel betting. The competition is coming from different forms of gaming. These video lottery machines, I've concluded, are about the most innocent way to enlarge gaming at the tracks. They are impersonal.

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If any additional gambling comes to Kentucky, I'd be very comfortable if it were administered by the board at Keeneland or the board at Churchill Downs—all people I know, and all honorable men of integrity. I think VLTs are coming, and Kentucky will have to act in self-defense. This is the one opportunity for us to participate, and if it goes in another direction, and you have the proliferation that you have with the lottery, where you can buy a ticket virtually at every cash register in Kentucky—then I think that opportunity to help our industry is gone.

I'm not emotional about this subject, and I'm not an evangelist. It just seems to me that that's where the interest of the industry and the state lies.

Have you heard from many people in the breeding community, where the consensus seems to be in opposition to this kind of a proposal?

I haven't discussed this with a lot of people. I've gotten some reaction, but it hasn't been overwhelming one way or the other. I have a feeling that generally the breeding industry has opposed additional gaming at the tracks. I think mostly that comes from tradition. None of us likes change. None of us likes to see the landscape change at Keeneland, or Churchill, which is even more traditional, or Ellis Park or Turfway. We all fight change.



Young and his wife, Lucy

Do you think that your position will sway others who may have been on the fence?

I don't have a clue. I've tried to reason it out in my own mind, because I have to be comfortable with it. The horse business, frankly, is not a life-and-death matter with me. If I'm uncomfortable in the business, then I'm going to get out or participate to a lesser degree. This just seems to be an available solution. I don't think it's stop-gap. I think it could be a long-term answer to the erosion of our income base. A lot of us may be uncomfortable that our base is pari-mutuel betting, but it is.

Your name was absent from the list of influential owners and breeders who have put their support behind the National Thoroughbred Association. What was your reaction when people from the NTA came to you seeking support?

It was intriguing, but it seemed to me that it was addressed to the owners, rather than the tracks. I feel this movement should be led and endorsed by the racetracks. That was my particular concern about it. It's an idea worth studying, but obviously I wasn't persuaded to participate immediately to a full degree.

I think the NTA has a good idea, certainly where they want to bundle the simulcast signal so as to maximize the income from it. My point is that it is not possible without the cooperation of the tracks. So they have to be a part of the picture.

You often talk about the highs and low of the business. I want to ask you about one of your lows, when Union City broke down in the Preakness a few years ago and your trainer, Wayne Lukas, really took a lot of heat for it. You stood up for Wayne, even to the extent of writing a public letter saying it was your decision to run, not Wayne's.

That's right, I wrote to Joe Hirsch (*Daily Racing Form's* executive columnist), the dean of the sport's writers. It was a low point. It was so emotional. You get so attached to these animals. They aren't inanimate objects. Then to be criticized on top of it made the loss doubly hurtful. That was a low point. But the highs in the business, in the aggregate, seem to outweigh the lows.

Young and daughter Lucy Boutin after Grindstone's Derby victory



I believe the best horse we ever had may have been Grand Canyon, and we lost him. He ran the fastest mile ever by a 2-year-old, in the Hollywood Futurity. He developed a tendon problem. It wasn't bowed, but we kept working on it, hoping to get him back. With the experience we have today, we probably would have retired him. As it turned out, he developed laminitis in his good leg, and he had to be put down. That brought tears.

On the other hand, you have a horse like Grindstone, that is almost unknown. He wins the Derby by six inches. It offsets. It's a grand game.

What is it about Wayne that has made you so loyal to him?

Basically I have confidence in his integrity and ability, and I admire his work ethic. I think one of the things that's been important to Overbrook has been turning our racing program over to Wayne. He's just an achiever. I believe that Wayne, no matter what he had gone into, he'd have been a driven man, and I think he'd be a success. Our relationship has been top grade all these years.

Who are some of the other key people that have helped made Overbrook so successful?

We have a small group. Jim Cannon, who worked for a trainer at the racetrack years ago, has been with us nearly 10 years. He loves animals, he knows animals, and I don't think I could get anyone who could raise a better young horse than Jim can. Ric Waldman, with bloodlines and value of bloodstock, doesn't have many peers. Bob Copelan has been a friend since the first day I went into the business. He's not part of the official team, but it's rare that we would buy or sell a horse without consulting him.

Bob Warren is our financial man, and he has as good an overall vision of the economics of the horse industry as anyone. He was state finance secretary when I left Frankfort. I felt so highly of him I brought him with me. He's had to learn the business from scratch.

We don't run the place exactly by committee, but we all have our input. A lot of the fun are the bull sessions we have. We argue all year as to what the matings will be. Finally, we sign off and all we know is it's our best thinking. Then it's in somebody else's hands.

I have the final say, but I don't participate that much. The fact that I don't get into the details, and I'm not a pedigree or conformation man, I think that's an advantage to me. A little bit of knowledge is awfully dangerous. I leave it up to the boys and we all sink or swim by working together. It's rare that I overrule any decision that's been made. Very rare. But that may be a characteristic of the way I do things anyway.

With everything that's happened in 1996, what is left over to accomplish next year and beyond?

I think that the only thing left in '97 is oblivion. We've been so lucky in '96 that I'm almost ashamed to even wish for another year like that. We've got some good 2-year-olds, though. Boston Harbor is tucked away for the winter out in California, and some of our people are extremely high on him. His record of six wins and one second from seven starts makes me pinch myself: I don't know if he's that good or not. Usually the big 2-year-olds don't do very well in the classics. But at least we can dream about it all winter. ■