2.- GLOBAL VISION ON SOUTH AMERICAN RACING AND BREEDING ACTIVITY, by Mr. Bruno QUINTANA, Chairman of Jockey Club Argentino and OSAF

Mr. Bruno QUINTANA showed a <u>video</u> presenting the breeding and racing situation in the OSAF member countries.

« OSAF stands for the globally well-known South American Association for the Promotion of Thoroughbred Race Horse Breeding, an entity that gathers horse breeding institutions of Argentina, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay



and Venezuela. Within the horse racing world, OSAF is South America's synonym.

It was incorporated in May 1958, three years before Marcel BOUSSAC and Jean ROMANET organized the first committee of today's fundamental International Federation of Horse Racing Authorities. OSAF actively participated in that process from the very start.

OSAF represents a young and vigorous South-American horse racing sector, a consolidated industry whose main characteristic is being the world's breeder and supplier of Thoroughbred Race Horses, with successful outcomes since the first decades of the 20th Century.

Due to the generosity of many of its regions, South America is very well known for its production of commodities, its agro-industrial profile, and its products of excellence, among others, the Thoroughbred racehorse leading all equine breeds.

Such top quality is due to the unparalleled natural conditions of most of the countries of the subcontinent, in addition to the ancient expertise that our Man has with horses.

This man-horse relationship has its origin in the times of the Conquest, and today represents the distinctive value of the people of the region related to the breeding, training and riding of thoroughbred race horses.

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Today's performance of the horses born in our countries in every global racetrack, is the result of a diversity of factors. The first of these factors is the enthusiasm that races caused since the very start, enthusiasm that increased when races began to be organized in the "English-style" and within the environment of the racetracks.

This passion, together with the competition itself and significant investments, provided the basement for South American élevage, in which Argentina, Brazil, Chile and Uruguay contributed in a high percentage.

This explains the imports of the best European breeds long before the end of the 19th century. Since then, excellence has been the target. Mestizos (mixed breed horses) were replaced by thoroughbred horses, through an intensive-selective and rigorous process, that lasted in time.

Argentina has imported memorable horses, such as Cyllene, whose import impacted on the British Parliament due to the loss that this represented to the Crown.

As a symbol of those first steps in South America's horseracing, the first horse racetracks were designed, mostly after the initiatives of British residents.

Belgrano Racetrack, in Buenos Aires, was one of the first and best organized. And then, after some time, Palermo Racetrack was built nearby.

In Santiago de Chile, the Club Hípico was created, and, together with Belmont Park in New York, represented the first horse racetrack in America.

The whole process was in line with the European traditions, as regards of the architecture and organizational and statutory aspects. By the end of the 19th century, an organized horseracing activity was born in several countries, as a result of the efforts of the Jockey Clubs, among them, Argentina's.

Champions emerged soon after that, and offshore need for quality horses set eyes on South America. Consequently, export activities started taking place, mainly of the classic winners of the region.

With time, farming activity became an industry, and today employs hundreds of thousands of people. In 2006, the production in South America accounted for approximately 16,000 Thoroughbred Racehorses, representing 13% of the world's breed production, with almost 25,000 races performed.

Nearly 30,000 horses compete in regional scenarios: San Isidro, Palermo, and La Plata in Argentina; la Gávea and Cidade Jardim in Brazil; Club Hípico, Hipódromo Chile, and Valparaíso Sporting Club in Chile; Monterrico in Peru; Maroñas in Uruguay, and La Rinconada in Venezuela, where classic races are the basis for the selection process in each country, and the launching platform of South American horses to foreign countries.

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South American horses are responsible for the region's pride in recent times. For instance, Invasor, bred in Argentina, the world's best horse in 2006 according to the International Federation (IFHA) rating, and the horse of the year in the US, as well as Leroidesanimaux, bred in Brazil, turf champion in the US, in 2005.

The list of champions born in South America is extensive and includes Argentina's Candy Ride, Bayakoa, and Paseana, Brazil's Siphon, Sandpit, and Riboletta, Chile's Pico Central, Cougar, and Lido Palace, among some of the best. The big awards in South America are Carlos Pellegrini, in Argentina; Gran Premio Brasil, in Brazil; El Ensayo, in Chile; Jockey Club de Perú, in Peru, and José P. Ramírez, in Uruguay.

Another significant race in the region is Gran Premio Latinoamericano, a competition held in the different hosting racetracks with competitors representing all the entities gathered under the Asociación Latinoamericana de Jockey Clubs e Hipódromos (Latin American Association of Jockey Clubs and Horse Racetracks), an institution that aims at common goals and to the solution of inconveniences, in order to promote horseracing development.

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As a result of the high level of the horses of the region, four of its countries appear in Part I of the International Cataloguing Standard Book : Argentina, Brazil, Chile, and Peru; two in Part II: Venezuela and Uruguay, the latter was part of Part I, a category lost in 1995; and two in part III: Colombia and Ecuador.

The synergy among South American horseracing industries is very important. Argentina has become a breeding axis, and there is a permanent and fluid exchange, an example of which is the case of Invasor, bred in Argentina and trained for competition in Uruguay, where it won the Triple Crown as a previous step to establishing itself in the US and Dubai.

South American exports have taken horses to all places in the world: the traditional USA market, and new destinations have been added during the last decades, such as South Africa, Asian countries, and recently, even Arabian countries.

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The concept of the Breeders' Cup was successfully introduced in South America creating solid roots. Carreras de las Estrellas, in Argentina, Copa de los Criadores y Propietarios in Brazil are today's great programs of classic races, with the participation of the best horses.

The efforts aimed at scheduling exceptional races are permanent, and in this regard Gala Hípica de Caracas (Horse Gala) should be mentioned. This Gala has been held for three years now, and it represents another excuse for breeders and owners to gather, with the support of the international championship of riders.

In Venezuela there are almost 3,000 horses under training, and over 1,000 births per year. In Colombia, experts from different countries have been summoned to advise on matters such as breeding and racing. The positive economic scenario contributes to the search for options of growth and excellence. In the last few years, Peru gave up its breeding methodology in line with the times of the Southern Hemisphere, something which will enhance its competitivity.

Another very positive aspect that benefits South America's racehorse activity is the excellent prize-cost ratio, which encourages owners to employ qualified personnel.

There are 25,000 registered owners in South America, and over 3,100 trainers working on racetracks, mainly significant Thoroughbred Racehorse training centers, particularly San

Isidro, whose five tracks training center next to the main horse racetrack, makes it unique worldwide.

There are 250,000 people employed in South America's horseracing industry, and it is proven that every horse that reaches high competition levels, creates employment for 7 individuals, directly or indirectly.

Regional horse bets were above 400 million dollars in 2006, and the efforts to add bet-selling points is permanent, with an increasing number of off-track betting sites, and the opening of San Isidro, Maroñas and Chile races to the vast USA market.

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However, the sector has endured, for years, the strong competition of other games that abound in large cities. As a paradigmatic case, we can mention Lima, Peru, with a very tough competition from casinos and bingos, the strongest competition ever faced by horse racetracks, though they still have their enthusiastic fans.

Such competition has weakened the economic basis of horse racing. This situation gave rise to strong claims from the sector aimed at obtaining, from governments of the different countries, the same conditions as those of entertainment centers. That hard task showed, in some cases, positive outcomes. For instance, Palermo Horse Racetrack, in Buenos Aires, was able to install slot machines deriving part of their returns to horse races.

The formula produced an expected, excellent result, and we must keep insisting in the same track, in order to obtain the slot machines for San Isidro and La Plata in Argentina.

Also in Uruguay, Maroñas Racetrack was the first in South America to exploit slot machines, with evident returns for the horseracing industry, achieving real progress.

From the political point of view, governments' acknowledgment on the importance of horseracing activity represents a substantial improvement, due to the economic, labor and social impacts.

An expression of such acknowledgement is the actual economic support of the Provincia de Buenos Aires in Argentina, with San Isidro and La Plata horse racetracks.

However, there is still a lot to improve from Governments as regards South American horseracing. This is another endless effort from the authorities, who expect to achieve substantial amendments in order to project and ensure the future of the industry.

Another reason for South America's satisfaction is its experts' level, both trainers and jockeys. South American riders have a well-known reputation in the USA, with examples such as Jorge Chavez, Edgar Prado, and Fernando Toro. The region is a pool of talented riders, such as the Brazilian Jorge Ricardo, with over 9,800 victories, currently competing with the Canadian Russell Baze for the world record of won races.

The training of the professionals is also a carefully considered issue in South American racehorse industry, with jockeys and trainers schools in almost every country.

In our nations, horseracing bears a very significant social profile, as it is related to two aspects of our own being: tradition and solidarity.

Tradition includes the equestrian roots of our Man, and solidarity is an ever-present expression, particularly in recent years. Horseracing has been present in every delicate situation providing help and support, as in Peru's recent crisis.

This is, in broad terms, the profile and potential of racehorses in South America, cradle of champions and provider of great racehorses to worldwide consumer markets, with breeders that rely on human and technological resources ranked as one of the best.

Within the world of horses, South America has a well-defined profile as breeder and provider, that the region faces with responsibility and devotion. That is its destiny, and the quality of its horses is a reason for obvious pride."

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