

New York State Racing Fan Advisory Council

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July 2, 2014

Christopher Kay
President and CEO
The New York Racing Association, Inc. (NYRA)
2150 Hempstead Turnpike
Elmont, NY 11003

Dear President Kay,

As representatives of New York's diverse array of racing fans, we are compelled to share with you the serious concerns that have arisen with regards to the June 7, 2014 Belmont Stakes Day experience. We are sure you and your executive team have reviewed the day's experience. The Council wishes to bring to you direct feedback from New York fans in hopes that it might assist and supplement your analysis.

The matters addressed below, which range from overall poor customer service issues to potentially dangerous public safety concerns, were witnessed by members of the Council first-hand, communicated to us by other fans who attended, and widely documented in the media. The sheer volume of missteps throughout the day raise serious questions regarding NYRA's pre-event planning and overall strategy for conducting the event.

The Council, and any reasonable fan, understands an event of such magnitude – with more than 100,000 fans in attendance – will inevitably have logistical issues and areas in which to improve for the future. Yet, given the recent history of similarly large crowds at the event over the last 13 years, the hosts should have been far better prepared to accommodate fans attending this year's Belmont Stakes Day.

Our charge is to make the sport more appealing to new and existing fans. We recount these issues not in an effort to "pile on," but in the sincerest hope that they will be addressed by NYRA and taken seriously. New York's racing fans deserve nothing less.

The Council is appreciative of, and acknowledges, the initial steps taken and intentions leading up to Belmont Stakes Day. We were heartened by the quality of the racing card on June 7 and the full fields. These made for exciting races to watch and wager, and truly showcased some of the best horses in the country. Additionally, we acknowledge that NYRA incorporated an array of seating and entertainment options in an attempt reach new fans. Finally, utilizing Ticketmaster for advanced ticket sales led to easier access for fans. However, these steps do not begin to counter the net negative experiences of the day for those fans in attendance.

Attendees paid a handsome price to attend the third leg of racing's 2014 Triple Crown, and were also responsible for an on-track handle of more than \$19 million. Entry prices for the Belmont Stakes were raised to \$10 for Grandstand Admission (a 100 percent increase from admission on a regular day) to \$30 for Clubhouse Admission (a 500 percent increase from admission on a regular day). These entry fees did not include a reserved seat, which ranged in price from \$20 to \$150 and included admission. Despite this sizeable and increased investment by fans to NYRA, many were met with very poor service:

- **Disorganization, Confusion and Lack of Information on Entrance:** Many attendees who pre-paid for parking passes ranging from \$10 to \$100 were informed that there were no spaces left for them. In fact, the Council was advised by a fan who had paid for such a pass that they were contacted by NYRA in the days leading up to the event noting that they had apparently oversold the number of available passes. Buses experienced similar hardships and ended up having to park far away from the grounds. The driver of a charter bus from The National Museum of Racing and Hall of Fame, which organizes a trip to the Belmont Stakes every year, had to pay an unexpected \$150 out-of-pocket fee for parking. This fee had never been charged in the past.
- **Unmanaged Seating and Absent Security:** An apparent shortage of security personnel and/or a lack of training for employees on grounds made for a poor customer service experience. It was difficult to locate assigned seats, and when seats were found, they were often occupied by un-ticketed attendees who refused to leave. Many of these “squatters” were intoxicated and uncooperative. In multiple instances, NYRA security was nowhere to be found to defuse the situation, leaving those who paid for seats to fend for themselves.
- **Insufficient Restrooms:** The availability of restrooms was insufficient to accommodate the fans who paid the increased costs of attending the event. This resulted not only in lengthy lines and in many patrons cutting the lines, but in women using men’s restrooms on a constant basis throughout the day. This was an unacceptable and potentially unsafe situation. Consideration should have been given to installing more portable restrooms throughout the facility and in adequately supervising the permanent restrooms.
- **Inadequate Food and Drink Availability/High Costs:** The Council understands the restrictions on bringing in coolers and alcoholic beverages on Belmont Stakes Day. However, poorly executed planning led to extremely long lines and an inadequate supply of food and drink. Furthermore, the excessive prices charged for food and beverage (e.g., \$5 for a 16 oz. bottled water; \$10 for a 16 oz. beer) were far above amounts necessary to achieve a substantial profit. This left many fans with no reasonable recourse to stay hydrated or fed throughout the day.
- **Non-Existent WiFi/Cellular Service:** While the Council is cognizant of limitations and fluctuations of wireless service in situations with large crowds, it appears that service was virtually non-existent on Belmont Stakes Day. Cellular service was similarly unavailable or limited. As a result, many fans were unable to place phone or online wagers via NYRA Rewards, forcing them to wait in already long lines for tellers. Given the significant feedback received on this issue, this situation certainly caused NYRA to miss out on significant revenue from unplaced wagers.
 - In the Council’s 2012 Report, one of our formal recommendations stated: *“Track operators should make WiFi available throughout the racing facilities so that fans can use tablets and other technology to download racing programs and access handicapping information at the tracks.” (Page 12)*
 - Belmont Park’s Web site states that *“Free wireless access is available to patrons throughout the clubhouse side of the facility. Availability is limited within the grandstand area.”*
 - Yet, in response to the recommendation in our 2012 Report, NYRA informed the Council that *“[a]ll three (3) of NYRA’s tracks are WiFi enabled throughout. We proactively communicate that service to our patrons and encourage them to use the service to enhance their racing experience.” (Letter of November 8, 2013 from NYRA, included in 2013 Report)*

- **Malfunctioning Public Address System**: On Belmont Stakes Day, many fans in the facility, including those in reserved seats, could not hear the race call of the Belmont Stakes. A functional public address system is essential so fans can closely follow the live race and enjoy the experience of listening to the calls of NYRA's gifted track announcer, Tom Durkin. This this is also an important means of communicating to the crowd in the event of an emergency.
- **Disorganized, Frustrating and Potentially Dangerous Situations on Exit**: As with any large event at which attendees depart at similar times, one should expect potential delays in egress from Belmont Stakes Day. These delays, however, were compounded by poor crowd and traffic control, uninformed staff, and misinformation.
 - Exiting the unlit and understaffed parking lots was particularly chaotic and potentially unsafe. Drivers were stuck in their cars with little or no movement long after the conclusion of races. The parking lots should have been better illuminated and had adequate staff directing and funneling traffic on egress.
 - Exiting Belmont Park via public transportation was nothing short of a nightmare. Staff and security on grounds were uninformed as to proper direction for exiting fans, which led to longer delays and confusion. Several fans reported exiting the facility for the Long Island Railroad trains hours after the Belmont Stakes only to find people still backed up into the track. As you are aware, this led to the pedestrian bridge being evacuated due to structural concerns. Many attendees abandoned the idea of taking the train and tried to locate buses, but misinformation, rumors, and lack of organization led to further confusion and delays.
 - Barricades erected to control entry at admission gates were left in place and became hazards to the masses exiting following the running of the Belmont Stakes.

Had NYRA considered and implemented several recommendations of the Racing Fan Advisory Council, many of these problems could have been avoided. The Council has repeatedly stressed the importance of Belmont Stakes Day to New York Racing. In our 2012 Report, a key recommendation was to enhance the Belmont Stakes Day Fan Experience:

"...Belmont Stakes Day is, for many fans, their only visit to a race track during the year. Belmont Stakes Day is an excellent opportunity to highlight and showcase every positive aspect of horse racing to entice fans to come back to the track on other race days. The experience should be improved by lowering the prices of food, beverages and souvenirs, as opposed to raising prices for such items. NYRA should also consider allowing fans to bring food and beverages to the track on Belmont Stakes Day. If safety reasons prevent this, prices at the track for these items should be reasonable to ensure fans have a positive experience. Finally, NYRA should consider a promotion to draw those fans in attendance on Belmont Stakes Day to return to the races on another day."

The Council shared this recommendation in person before the NYRA Board in August 2013. We expressed concern that Belmont Stakes Day was being conducted more with an eye toward maximizing revenue than simultaneously attracting new fans to the sport and retaining existing fans.

Additionally, in the formal recommendations contained in our 2013 Report, we noted that "NYRA should off-set admission increases with increased opportunities and benefits for attendees (e.g. a truly improved 'fan experience')." (page 12)

Unfortunately, it appears that NYRA either discounted or ignored the Council's recommendations.

Given the popularity of the Belmont Stakes when a Triple Crown is on the line (120,139 attended the 2004 Belmont Stakes; 103,222 attended in 2002; 101,864 attended in 2003; 94,476 attended in 2008), the hosts should have been far better prepared to accommodate this year's crowd. What was a rare opportunity to bring new fans to the sport was instead marred by embarrassing missteps that all but ensured those potential fans would not become a part of New York's storied horse racing legacy.

NYRA must now take significant steps to ensure that fans attending its future marquee race days enjoy their experience. We are sure that in the weeks since the Belmont Stakes, NYRA has undertaken a thorough examination of the handling of the event so these same mistakes do not recur. We hope NYRA takes an introspective look at the intended focus of the event so that the goal of developing fan loyalty does not take a back seat to maximizing revenue on certain racing days.

The Council poses the following recommendations, ideas and notions to NYRA's leadership. We also ask that the Franchise Oversight Board follow up with NYRA to encourage their consideration and implementation.

- Document that an adequate "post-mortem" of the event has taken place at NYRA, addressing the aforementioned issues and the plethora of other problems that have been widely publicized since June 7.
- Review the proactive steps and protocols put in place by NYRA for a crowd of more than 100,000 the moment a triple crown was a possibility.
- Ensure that controls and processes are being put in place to prevent them from reoccurring. Consider sharing the correction plan with the Racing Fan Advisory Council, the Franchise Oversight Board and the NYS Gaming Commission for their collective input.
- From a cost/benefit analysis standpoint, evaluate if the increased prices for Belmont Stakes Day admission, food, drink, souvenirs, etc. resulted in a positive fan experience and whether or not fans received an adequate return on investment.
- Detail and review the training and preparation for employees, pari-mutuel clerks, security and additional staff brought in to work on June 7.
- Review the methodology of how NYRA addressed traffic/transit and access issues with Nassau County, the MTA, Town of Hempstead and other entities that were involved in logistics in advance of race day.
- Review any consultation with communication service providers to discuss whether existing cellular and wireless infrastructure was sufficient to handle a 100,000-plus crowd.
- Review what, if any, involvement or guidance NYRA sought from its Board of Directors and/or the Governor's Office regarding logistics.
- NYRA obviously spent significant funds to hire various entertainers, including LL Cool J, Dee Roscioli, Bernie Williams, and Frank Sinatra Jr., to provide brief performances on June 7. A substantial portion of those funds would have been better spent on enhancing the fan experience by addressing basic fan needs by providing:
 - Additional portable restrooms
 - Sufficient amounts of reasonably priced food and drink at more locations
 - Adequate wireless and cellular connectivity
 - Additional parking lot attendants and lighting
 - Additional security throughout Belmont Park and more thorough training of personnel

The Council plans on conducting a public fan forum in August in Saratoga Springs at a date and location to be determined soon. We respectfully request that NYRA's leadership, including President Kay and Chief Experience Officer Lynn LaRocca, attend this forum and be prepared to:

- Address the issues raised in this letter and respond to the concerns of the fans in attendance
- Recount the steps taken to ensure future marquee racing days are run in a better fashion with a priority on the fan experience
- Commit that greater attention will be given to customer service for racing fans

Consistent with the statements in our prior Reports, the Council believes that an examination of these issues can result in conducting the third leg of racing's Triple Crown, and all other marquee racing days, in a manner that not only achieves substantial revenue for NYRA, but provides fans with an enjoyable and memorable experience that makes them want to return to a race track in New York State.

Sincerely,



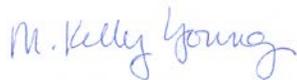
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Chairman



Michael Mills



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NYRA Board of Directors

Members of the Franchise Oversight Board

Members of the New York State Gaming Commission

Deputy Secretary for Gaming and Racing Bennett Liebman

Senator John Bonacic, Chair of NY Senate Racing, Gaming and Wagering Committee

Assemblyman J. Gary Pretlow, Chair of NY Assembly Racing and Wagering Committee