



Executive Produ

Hall of Fame inductee
Joe Thomson speaks out

by Chris Tully

While attending college at Transylvania University in Lexington, Ky., a young Joe Thomson worked as an usher at Keeneland Racecourse. Ultimately, he found the trotters at the historic Red Mile more intriguing. As a budding harness racing fan, he never dreamed that one day he would become a co-owner of that fabled red clay.

Fast forward half of a century and that same fan of racing from Cynthiana, Ky., finds himself on the receiving end of the sport's highest honor: induction to the Living Hall of Fame at the Harness Racing Museum.

In 1991, Joe and wife JoAnn founded Winbak Farm in the Maryland horse country near Chesapeake City, a short distance from Baltimore and Philadelphia.

"We bought Winfield Farm, where the Thoroughbred Northern Dancer was born," he said back when he was named to the Little



cer

BUSINESS IS GOOD: Thomson shares a laugh with Winbak Farm Yearling Manager Jim Ladwig (center) and General Manager Garrett Bell (right).



Brown Jug Wall of Fame in 2009. “The contract prohibited us from using the name Winfield, so we shortened it to Win and then used the names of our three kids, Bradley, Ashlee and Kimberly, to complete the name Winbak.”

Winbak Farm has produced three Horse of the Year champions in the past 12 years: No Pan Intended (2003), Rainbow Blue (2004) and Muscle Hill (2009). In addition, they are also the breeder of two Hambletonian winners, two Little Brown Jug winners, and one Meadowlands Pace winner.

Headquartered on nearly 3,000 acres, Winbak Farm also has stallion stations

in New York, Ontario and Delaware. Overall, Thomson stands 37 studs combined in all of those states and provinces, as well as in Pennsylvania. This multi-jurisdictional approach has enabled Winbak Farm to be named the leading breeder more than 20 times in three different states or provinces and the U.S. Breeder of the Year three times in a single decade.

In fact, for the 2009 racing season, Winbak Farm was the leading breeder of 2- and 3-year-olds, the only time in history that Hanover Shoe Farms finished second in that category. Thomson is proud of that fact, yet credits the

farm’s employees as one of his operation’s greatest assets, citing a core staff that have been with the farm for well over a decade.

“People know what we are trying to accomplish here,” said the 71-year-old Thomson. “There was a time when I didn’t think that anyone appreciated what we were doing here. So we put up signs throughout the farm that list horses that have gone on to win over a million bucks or became Horse of the Year or the mares that were here. I think it gave people a better appreciation that they were part of something that was doing very well.”



In an industry that has observed a significant decline in registrations, Winbak is doing its part by keeping racing going amidst shrinking foal crops. Thomson said that the vast number of horses that his farm has bred will be considered his greatest contribution to the Standardbred breed and to harness racing.

Since 1999, Winbak Farm has sent more than 5,000 yearlings to public auction. Over that time frame, horses bred and sold by Joe and JoAnn Thomson have won nearly 28,000 races and more than \$262 million in purses.

“Over time when you combine the

land, the people, and we have not shied away from adding mares and breeding to different stallions, you can see our formula,” he said. “Basically, what we have tried to do every year is improve on what we did last year. We made some mistakes, and we have made plenty of mistakes. But we don’t focus or spend a lot of time on our mistakes. We just try to improve for next year.

“Which reminds me of something Phil Tully once said: ‘The road to ruin is paved with the bodies of stallion owners.’ So we just try to stay ahead of the curve.”

Having sent more than 27,000 horses to the winner’s circle is no small feat, which has led to the development of a large client base for Winbak Farm. Thomson recalled what a sales manager once said: “The reason people buy horses from Winbak is because they win with them.”

Always the realist, Thomson said, “But, our horses don’t win all the time. There is a whole lot of times that they came in second, third and fourth. So that is a lot of horses racing every day!”

A perennial large consignor at the major fall auctions, Winbak sells around 150 yearlings annually at both the Lexington Selected Sale and the Standardbred Horse Sale. They also market many of their Ontario-bred colts and fillies at the Forest City Yearling Sale in London. This year, Thomson has partnered with Blue Chip Farms and the Mark Ford Training Center to hold a new sale just outside Goshen, N.Y., the “Cradle of the Trotter.”

“In today’s marketing, you have to make it convenient for the buyer,” Thomson said. “We believe the Goshen location will make it a whole lot easier for people to visit, to look at horses, to buy horses, and get them transported. We are very excited about that sale this year.”

The farm generally sells about 250 yearlings each year. With the scope and scale of the operation, one might wonder how many mares it takes to produce that many foals.

“Our answer consistently is that we have more than 50,” Thomson said with tongue in cheek. “We never like to let Hanover know where we are.

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racehorses in the state of Pennsylvania. But, I still try not to give away any trade secrets.”

As the current president of the Standardbred Breeders Association of Pennsylvania, Thomson lends a lot of his energy and expertise to educating legislators who are responsible for the Racehorse Development Fund.

“It seems like every year the legislature tries to attack the money, mostly because it is such a large sum of capital,” he said. “We must continue to be vigilant and head off any threats to the fund, and many times reiterate to these folks the language in the act that has allowed for casinos at racetracks.”

Recently, Thomson met with the newly appointed secretary for the Pennsylvania Department of Agriculture, Russell Redding. The racing fund falls under that agency’s purview, and Thomson makes it a point to engage with these leaders to ensure that they are aware of the benefits harness racing provides to agriculture, open space, and how the program employs people from a variety of demographics and industries who rely

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on racing for their income.

Thomson believes that coalitions, similar to the groups in Pennsylvania, are crucial to the success of state programs at the legislative level.

“I have always felt that the breeders, the horsemen and the racetracks all have a different interest and agenda,” he said. “You would think that they would share or work toward a common goal, but that is not always the case. The legislators are going to listen to the biggest group.

“The horsemen and the owners probably have the most people, so that is probably who they will pay attention to. The racetracks and the casinos go along with the horsemen to a point. But when you look at them closely, the tracks' primary interest is in getting money out of slots. Therefore, their agenda is more closely oriented to slots than the betterment or advancement of horses.”

Being a profitable breeder is challenging. Thomson works hard in Harrisburg, Pennsylvania's capital, to ensure that the revenue earmarked for racing continues to go toward the racing industry.

“Joe commands respect wherever he goes,” said Simpson. “He has an undying



passion for the industry. He's very politically connected in Pennsylvania and he is using that to help leverage our future.

“We need 10 more Joe Thomsons in the industry.”

As the industry contracts and foal crops decline, Thomson said it is even more important that all in racing work toward a common goal.

“Over the past half dozen years, many farms have gone out of business or the owners have passed on and have not been replaced,” he said. “It just becomes a much smaller group of people. Still, the expenditure that the breeders have in land, equipment and employees—it is a huge amount of money and investment to make it work.

“Somehow, we have got to put those people together with common interests and goals, rather than have everyone working on their own. In those states where they do work on their own, it's splintered and sooner or later it's going to be affected. The legislators will just think that the [racing stakeholders] don't have a common goal and then [the legislature] can do whatever they want with the money.”

Taking Ontario as an example of what can happen when a previously racing-friendly political climate deteriorates, Thomson has a strong opinion about what went wrong.

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GREAT ACCOMPLISHMENTS: *Left:*

Thomson said he placed signs at the farm touting its breeding success to give employees pride in the foals they were producing each year. *Above:* Thomson shakes hands with the author, who is the president of the U.S. Harness Writers Association, at the Dan Patch Awards banquet earlier this year. Behind Thomson in the striped tie is fellow Hall of Famer Jim Simpson, president of Hanover Shoe Farms.

he warned. “We accepted that once we had the deal and we had slots in place that it was going to go on forever. We just weren’t ready. It has to be monitored constantly.”

With each election cycle the support for harness racing can change dramatically. Newly elected officials see all the money that is earmarked for race purses and go after it. Thomson suggested that having national lobbyists may prove effective at retaining funds that racing has fought so hard to establish.

“It’s like sending a layman to bargain with unions,” he said. “These guys are tough and you need professionals that can negotiate with that kind of talent.”

Thompson has recognized and adapted to the changes in the industry and has been an early adopter

wherever possible. This was especially true where he was able to leverage the increased participation within the slots-fueled programs in the industry’s revitalized states to build his breeding empire.

Perhaps the largest enabling factor was the dissolution of Whitehorse Farm, Thomson’s first foray into the breeding business, in the early 1990s, which stood no stallions. The addition of studs was perhaps the biggest change in his operations, which ultimately led to the magnitude of expansion that Winbak has enjoyed over the last several decades.

“This part of our operation, that my wife and I started back in 1991, allowed us to stand some stallions,” he said. “However, we have always bred to outside stallions as well as our own.”

Thomson discovered an interesting fact when looking at the possible purchase of the Armstrong Brothers farm in Ontario.

“We learned through the private placement memorandum that Armstrong generated about two-thirds of their revenue from breeding and selling yearlings,” he said. “The other third came from stallions.”

This information intrigued Thomson, who felt that standing stallions could improve the Winbak revenue stream. Boarding also supplements the farm’s

proceeds. Nonetheless, Thomson was quick to point out the tenure and guidance of his staff who have always encouraged breeding to outside stallions.

“We have some people on staff that have been here a long time,” he said. “They have their opinions about what stallions to use and where we would do best. Our yearling manager [Jim Ladwig] has great input. He has been here about 16 years. Our general manager [Garrett Bell] has been here 14 years. They pretty much know how I am thinking and how I deal with it. We have a great deal of discussion and we use a lot of data from the USTA. We look at what sold good and what sold bad and what crosses worked and that really helps guide our selection process.”

One of Thomson’s proudest products is Bettor’s Delight. His success on the track and in the breeding shed has given the Winbak ownership one of its biggest thrills.

“We thank Blue Chip for allowing us to stand him,” he said. “But we foaled him out here, we sold him on ‘diamond night’ at Harrisburg for \$65,000. He went on to win a little over \$2.5 million, and he was syndicated for \$4 million. He started out with a full book in the U.S.

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Then he went to Australia and bred over 400 mares in his first season. He has had a full book every year wherever he has stood. He is just a giant success and we are very proud of him.”

Thomson enjoys the process of selecting stallions and analyzing the crosses that have worked to his farm’s and the industry’s benefit. Nonetheless, he feels that without a renewed interest in racehorse ownership, the sport is simply surviving and not growing.

“When we look back at the various financial setbacks, Reagan-era tax cuts, the financial crisis, and the like, we can plainly see how these economic downturns have adversely affected the ability of breeders to capture that discretionary income,” he said. “People have been hurt by these situations and it has been a very, very slow recovery.

“Considering this, what the industry has overlooked is getting new owners into the business. In trying to expand the business, we need new owners to buy, and we need new fans. It probably starts with fans first, then you will get more bettors, and then you will get more owners. I don’t know how we did it, but we missed that part.”

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Thomson has not missed much in his business. In the racing game, he owns Winbak Farm and in 2000 purchased The Red Mile with a group of fellow breeders, including Brittany Farms’ George Segal, Lindy Farms’ Frank Antonacci, the late Paul Nigito and the late Bill Perretti. Well-accomplished in the financial services industry as founder of PLANCO

in 1977, which was sold to Hartford Life Insurance Company, and later Pacer Financial, which he founded in 2004, he has a firm idea about what is important with respect to success in any industry.

“People want to buy the horse that looks like he is going to be a winner,” he said. “You can look at the pedigree, and you can look at the conformation. What you can never measure is the heart of the horse.

“The same thing applies when you are recruiting people. I have recruited a lot of guys over the years. You can look at the individual; you can look at how he might fit your organization. You can look at where he came from; you can look at his résumé. But you can never measure his heart.

“What you want are people that are going to be passionate, people that will drive to it, people that want to better themselves, and people that are going to be competitive. And that is the same type of thing we like to sell in a horse.”

Chris Tully is the president of the U.S. Harness Writers Association and a freelance writer living in New York. | To comment on this story, e-mail us at readerforum@ustrotting.com.