

## Chapter 1

# Playing the Ponies for Pleasure and Profit

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### *In This Chapter*

- ▶ Contrasting the different kinds of horse racing
  - ▶ Getting a grip on handicapping
  - ▶ Introducing yourself to the world of parimutuel wagering
  - ▶ Exploring the basics of successful betting
  - ▶ Finding out where to bet
  - ▶ Testing your knowledge: A horse racing quiz
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Nearly 40 states in the United States conduct some sort of live horse racing. It has been a legal form of gambling a lot longer than casino gambling. In fact, back in the 1940s, horse racing was right up there with baseball and football among the leading U.S. spectator sports. As for horse racing's universal appeal, you can travel to almost any country in the world and find horse racing of some kind going on.

Horse racing has slipped in popularity. But since the mid-1990s, the game has been making a steady comeback. Horses like Funny Cide in 2003 and Smarty Jones in 2004 rode a wave of popularity after winning the Kentucky Derby and Preakness. Both lost the Belmont Stakes to narrowly miss a Triple Crown, but record television ratings were set, and crowds of more than 100,000 people came out to see them try to make history.

Horse racing isn't an easy game to figure out, which is why you've picked up a copy of *Betting on Horse Racing For Dummies*. I try to give you answers about horse racing before you even ask the questions. I focus a lot on betting, but I still take the time to explain the nuances that makes horse racing such a uniquely great game.

## Differentiating the Types of Horse Races

Horses have always been a part of American culture. In early times, the animal was used in farming and transportation — so much so that when the automobile was invented, carmakers used the term *horsepower* to define how powerful the car engine was. It was a term that people could easily understand.

Three types of horse racing have evolved in the United States, each of which has its own peculiarities that attract a loyal following:

- ✔ **Thoroughbred racing:** This form is by far the most popular and most well-known, thanks to the Triple Crown and Breeders' Cup races, and it's what I focus on throughout the book.
- ✔ **Standardbred or harness racing:** In this form of racing, a driver sits behind the horse in a small cart called a *sulky* instead of riding atop the horse like a jockey. Chapter 19 is devoted to harness racing information and handicapping tips.
- ✔ **Quarter Horse racing:** These horses are bred for break-neck speed, and the races rarely exceed 870 yards. Head to Chapter 20 for the ins and outs of this exciting form of racing.

All races are run at a racetrack that holds licensed race meets. Each state has a racing commission that ensures that all the rules of racing are being followed. Due to the fact that people are betting on the outcome of horse races, the racing commissions place utmost importance on protecting and policing the integrity of the sport.

## Before You Bet: Handicapping the Races

Don't let anyone fool you into believing that betting on horse racing is sheer luck. In any gambling game, having lady luck on your side is always better. But when it comes to handicapping, brains and intellect win out much more often than luck.

*Handicapping* is the art and science of picking winners. You can do it several ways, though I prefer to stay away from using hat pins, coins, darts, and rabbit feet to pick my horses.

Information is power, and the best place to get horse racing information is from the *Daily Racing Form (DRF)*. The *DRF* is the industry's main daily newspaper that provides independent editorial copy along with the best past performances of all horses racing on any given day. If you're at the racetrack, you'll notice all of the serious handicappers have the *DRF*. Most have studied the races the night before, marking their notes in the newspaper.



Handicapping is a little complex and isn't something you can pick up overnight. If you're new to the game, head to Chapters 11 and 12 for the basics. Then, when you're comfortable, you can try some advanced handicapping techniques, which I discuss in Chapter 16.

## *Eliminating losers and developing the race shape*



When I look at the day's races in the *Daily Racing Form*, the first thing I *don't* do when going through the races is try and pick a winner. Instead, I go through and eliminate the losers. The losers are those horses I think are too slow or overmatched to win that day. Getting the losers out of the way creates a smaller pool from which to pick winners, making your job a lot easier.

Next, I mark in the *DRF past performances*, which is a horse's racing resume, the horses into three categories: speedballs, pace horses, and dead late closers. Each label is self-explanatory. *Speedballs* prefer to take the early lead. Their early position in their past races show mostly "1s," meaning they're in the lead. *Pace horses* stalk the early pace. Their past performances show more "3s" and "4s," indicating their running position. The *dead late closers* lag far back early in the race, so depending on the field size, they're in the back half of the group.

I like to look for the *race shape*, which is how I project the race will be run. For example, if multiple speedball horses are racing, the early pace will be fast, and a speed duel will hurt their chances of winning. Conversely, if only one speed horse is racing, I call this the best bet in horse racing — *lone speed*.

I take into account the overall *class* of each horse. The classier horses win races when facing lesser rivals. Class is something measured in the heart and head of the horse, but at least you can make good judgments by the class of the races they've run in previously. For example, cheap claiming horses exhibit less class than allowance or stakes horses. I cover the class and classification of horse races in Chapter 2.

## *Taking all factors into account*

Winning a horse race is never a one man show. Granted, there's no replacing a fast, talented racehorse. But when you're handicapping the races, the contributions of the jockey, trainer, and owner, and even the reputation of the stable's skilled help — such as grooms and exercise riders — must be taken into account. (See Chapters 7 and 8 for more.)

Publications like the *Daily Racing Form* and the racetrack program print statistics that are paramount to your handicapping. Both publish statistics on the jockeys and trainers. Equipment changes are also duly noted, such as whether the horse has blinkers on or off, is using Lasix medication, is wearing front bandages, and so on. When a trainer makes a change, it's usually a positive sign. At minimum, the change is a signal that the trainer is trying something different to win a race. (Chapter 10 is all about equipment changes.)

In addition, the program and *Daily Racing Form* list the track condition (such as fast, good, muddy, and sloppy for the main track and firm, good, soft, and yielding for the turf course) from race to race so you can see whether a horse runs its best effort on a certain type of dirt or turf surface. (See Chapter 9 for more on track surfaces and conditions.)

## Playing the System: Parimutuel Wagering

*Parimutuel wagering* is the accepted betting system in the United States. The French invented it, and the word *parimutuel* means betting amongst ourselves. In parimutuel wagering, the money wagered goes into a common pool. After deductions are taken out to cover racing expenses and taxes to the state, the remaining money gets paid out to the winners.

The *win odds* on each horse, which reflect the probable win payoff, are determined by the betting public. The more money bet on a horse, the lower its odds. Horses called *long shots* have higher odds because very little money has been bet on them to win. A *tote board* on the infield and displayed on television monitors all around the racetrack relays the odds and potential payoffs for parimutuel wagers.



One of the key points to keep in mind about parimutuel wagering is that you're betting against all the other horseplayers. This type of wagering is opposite of casino gaming where, in most cases, you're playing against the casino or the *house*, as it's also known.

I cover all the nuts and bolts of parimutuel racing in Chapter 3.

## Betting with Success

Horse race betting is much different than sports betting, where the odds on a ballgame are 11/10, meaning you bet \$11 to win \$10. The common bet denomination in horse racing is \$2 and has been that way forever. Although it's true that if you bet more money, you can win more money, professional horseplayers follow a different credo: "Bet a little to win a lot."

In horse racing, betting *overlays* is the key to success. Overlays are horses going off at odds higher than their real chances of winning the race. For example, professional horseplayers put their own morning line on each race to determine overlays. When a horse they like is going off at much higher odds (say 10/1) than it deserves (say 5/1), they bet. I don't expect newcomers to make their own *morning line*, which is made by a handicapper who is an employee of the racetrack and reflects how that person thinks the public will bet the race. A simple way to find overlays is to trust the oddsmaker at major racetracks. Then bet on horses that are going off at odds much higher than their morning line.

## Starting off simply

Although you can make all kinds of wagers, newcomers should focus on *straight bets*, meaning to win, place, and show. You collect on a *win bet* when your horse finishes first, on a *place bet* if it runs first or second, and on a *show bet* when your horse ends up first, second, or third. The concept is a simple one to grasp. Bet one horse to do one good thing for you to win money.



Chapter 4 is all about placing straight bets, and I even provide step-by-step instructions for calling out a wager if you've never done such a thing before.

Even if you've placed a few bets before, until you get more sophisticated with your handicapping, I wouldn't go much further than wagering on *daily doubles* (linking the winners of two consecutive races), *exactas*, and *quinellas*. In an *exacta*, you're betting on the first two finishers in exact order. In a *quinella*, you're betting on the first two finishers in either order (see Chapter 15). In *betting*, you can use multiple horses, giving yourself a chance to cash a sizeable ticket and still keeping your investment small.

## Going for the score

*Exotic wagers* (see Chapter 15) give you a chance to win a sizeable amount of money with a small investment. A \$100 bankroll doesn't give you much leeway to *shoot for the moon*, meaning to win thousands upon thousands of dollars. I recommend initially trying to win your first *prime bet*, meaning a good-sized bet on a horse you really like, and/or a couple *action bets*, which are small wagers just to have a rooting interest. After you win a couple of these bets, you've built up your bankroll and can raise the ante some.

With a small bankroll, the main exotic plays are the *quinella*, *exacta*, and *daily double*. You can also use the *trifecta* and *pick 3* because they can be bet with a \$1 unit, but I wouldn't get into the *superfecta* and *pick 4* unless your bankroll has greatly increased. The last two plays produce high rewards but are also very high risk wagers.



The key to *going for a score*, meaning to win a lot of money, isn't necessarily betting a lot of money. The key is beating the favorite in the particular bet you're making. For example, in the daily double, you beat two 6/5 odds race favorites. Your winning horses may pay \$10 or \$12 win prices. In a natural *parlay*, meaning to take your winnings from one horse and bet it all on the next horse, the \$2 daily double returns anywhere between \$50 and \$72. But because you beat both race favorites, the daily double payoff is overlaid. If the overlay is 25 percent more, the daily double payoff could range between \$62 and \$90 — not bad for a small investment.

The ultimate wager in going for the score is the *pick 6*. Because it covers six races and is a \$2 minimum unit, the cost can be prohibitive. For example, using just two horses in each of the six legs of the pick 6 is a \$128 ticket.



My recommendation is to bet the *pick 4*. Using two horses in each of the four legs of the pick 4 costs \$16 because it's a \$1 unit. That price is much more affordable than the pick 6. Beat a couple race favorites in the pick 4, and you could take home a nice windfall for the night.

## *Managing your money*

Planning your wagers and managing your bankroll with discipline are vital contributors to winning at the horse races — so much so that Chapter 13 (no pun intended) is devoted to that topic. An assumption I made when writing this book is that you have a \$100 betting bankroll for the entire day. No ATM withdrawals allowed! If you tap out, no chasing good money after bad.

I like to plan my overall day of gambling so I have some idea how many races interest me. For example, if I really like three horses to win, I must discipline myself to use a percentage of my bankroll on those three horses and races first. If I don't, then I'm using up my bankroll on races I have a lesser opinion about.

I also need to consider how many bets I'd like to make — including action bets, which may be spur of the moment bets on big overlay horses. If I decide I want to make eight bets, here's what I do: I divide eight into my \$100 bankroll, which is \$12.50 per bet. I factor an additional 50 percent for my three prime wagers (\$6.25), which adds up to \$18.75. Round down the change, and I bet \$18 on each of my three prime plays, totaling \$54. I'm left with \$46 for the other five plays.

I still have enough flexibility to make a small unplanned action bet or two. In a worse case scenario — meaning all my action bets lose — I've budgeted 54 percent of my bankroll on my strongest plays. If I win one of three, I have a chance to break even. If I win two of three, I make money for the day. If I win all three prime bets, consider it a lady luck afternoon. I also have flexibility if any of my action bets win. For example, say I win \$40 on an action bet. Rather

than reinvest it all on more action bets, I can grow my prime plays by another \$6 each. Now I'm betting \$24 each and \$72 total on my prime bets. I'm maximizing my chances of winning for the day. This is just one example. An action bet that comes in may win you only \$10, or it may win you \$90. I want you to understand the principle that some of the profits should be reinvested into your prime plays, which are your strongest plays, and not just frittered away on unplanned action bets.



Only increase the size of your wagers when you're winning. Too often, increasing the size of bets when you're losing is human nature. It's called *chasing your losses* and is considered poor money management discipline. Chasing your losses can turn a bad betting day into a horrendous day. It's generally not a good idea.

## Deciding Where to Bet

For the longest time, the racetrack was the only place to go for betting on the horses. Life was much simpler when *simulcasting*, meaning betting on the races away from the racetrack, didn't exist. Now you have hundreds of places to bet horse races, including out of your own home.

### The racetrack

The racetrack is the most traditional place to bet on horse racing, and in my opinion, it's the most fun option — at least in terms of the overall experience. In Chapter 5, I take you by the hand and guide you everywhere there's something interesting to see at the racetrack. I give you an idea of how much everything costs, where to sit, where to eat, where to see the horses up close, and so on. I'd be honored if you take me (my book, that is) along for your very first visit to the racetrack.

### OTBs and Las Vegas

OTBs (off-track betting parlors) are popular places to bet on horse racing. The good ones offer a lot of amenities, such as fine dining, cushy chairs, plenty of work space, betting terminals at your seat, and so on.



Here's how to find the OTBs near you: Go to the National Thoroughbred Racing Association Web site ([www.ntra.com](http://www.ntra.com)). Click on "Track & Simulcast Facility Locator," and type in your complete address. The search is powered by Mapquest, so you can request text directions or print out a map. If you need additional information, telephone the facility before going there.

In Las Vegas, you can bet on the races in *race books*. These are well-appointed rooms with plenty of seating, well-lit counter space, dozens of television sets, lots of ticket writers to handle your wagers, and something Las Vegas is very famous for — free drinks.

If you're visiting Las Vegas, you don't need a simulcast facility locator. Nearly every casino in town has a race book for the horses. The race book is right next door to the sports book 99 percent of the time. (Yes, betting on sporting events is legal in the state of Nevada.)



Many race books offer contests and twin quinella wagers that can maximize your winning potential. A list of the local contests is printed a couple times a week in the *Daily Racing Form*. Or you can listen to my nightly radio show, the Race Day Las Vegas Wrap Up show, or the morning Race Day Las Vegas show, when you're in town or over the Internet. I give you more Las Vegas horse betting information in Chapter 23.

## *Home sweet home*

I can't think of a better place to play the simulcast races than Las Vegas — unless I'm betting at home, which is now possible. Two national networks, TVG and HRTV, beam the races right into your home. Unfortunately, the two networks have racetrack exclusive contracts. So to see all the available race signals, you need to find a provider that carries both channels, whether you have a cable or a satellite system.

As far as betting, there are many providers of telephone wagering throughout the United States. You need to verify what companies you can legally sign up with in the state you reside. You can also set up betting accounts with Internet companies. You can find a detailed list of bet providers in Chapter 22.

## *Just for Fun: A Challenge Straight from the Horse's Mouth*

You're going to find out pretty fast how much you know about horse racing. Here are ten questions about the sport from simple to not so simple. I gave the test to Mr. Ed, and he aced it.

1. What is the quarter-pole, and where is it located on the racetrack?
2. When the starter presses the button to begin a race, the stall doors spring open and the horses and riders come out. Is the starter turning on or turning off the electricity to open the stall doors?



3. Who was the most famous Australian Thoroughbred racehorse of all time? A Hollywood movie has even been made about him.
4. Name the horse that won the Kentucky Derby the most times.
5. If I bet a trifecta part-wheel, keying one horse to win and putting four other horses underneath, how much does the ticket cost?
6. Every horse racing quiz asks this silly question: How many furlongs are in a mile?
7. Who was “The Ice Man” in the movie *Seabiscuit*? Who played him in the movie?
8. A horse is winning a race very easily. Coming to the finish line, he’s startled by a hot dog wrapper and jumps straight up in the air. The jockey grabs the horse around the neck and hangs on. The horse lands on its stomach and slides across the finish line. Does he still win the race?
9. Can a pregnant horse win a race?
10. If I ride “acey-deucey,” should you be worried about me?

Now for the answers:

1. The quarter-pole is literally a quarter of a mile from the finish line. It’s located at the end of the far turn near the top of the stretch.
2. Racetracks use a heavy duty automotive battery connected to the starting gate. When the starter presses the button, he turns off the electricity, which has been keeping the stall doors shut.
3. Phar Lap. He came to the United States to race and unfortunately died under mysterious circumstances.
4. It’s a trick question. The Kentucky Derby is for 3-year-old horses, so you can only run in the race once.
5. \$12.
6. Eight.
7. Jockey George Woolf. In the movie *Seabiscuit*, Hall of Fame jockey Gary Stevens played the part of Woolf.
8. Yes. The key is that the jockey stayed on the horse, so the animal carried the correct weight across the finish line.
9. Yes. Mares in foal do race from time to time, and they do win races.
10. I’ll be okay. Acey-deucey is a jockey riding style where the right stirrup is shorter than the left stirrup.

