



Boutique Break Out

BY DEIRDRE B. BILES

Sheikh Mohammed leads the way at Fasig-Tipton Saratoga's 'damn good horse sale'

Sheikh Mohammed began attending the Fasig-Tipton Saratoga select sale on a regular basis in 2009. From then on, the auction's success has risen and fallen based on the Dubai ruler's spending levels. Prices have gone up when he has pumped more money into the boutique market and prices have gone down when he has cut back.

In the latest edition of the fancy nighttime sale, which was held Aug. 8-9 in upstate New York, Sheikh Mohammed was an enthusiastic shopper through his bloodstock manager, John Ferguson, and the gross revenue, average price, and median price all enjoyed increases from the previous year. At a time of wild stock market fluctuations and global economic turmoil and uncertainty, the gross revenue rose 1.2% to \$32,892,000 even though 15 fewer horses (103) were sold than in 2010. The average increased 15.9% to \$319,340.

Meanwhile, the median grew 4.2% to \$250,000, equaling the sale record established in 2009.

In yet another encouraging development, the buy-back rate declined to 22% from 28% last year.

"I would describe it as a damn good horse sale," said Fasig-Tipton president Boyd Browning during a press conference following the sale's second and final session.

On Aug. 8, an hour before the auction started, Browning said he and the rest of Fasig-Tipton's management "felt like we were facing a stare down with a large gun pointed at our heads."

The Dow Jones industrial average had plunged by more than 600 points that afternoon. There was rioting in England after a man was killed in a police-related shooting in London. And the financial world still was reeling from the recent news of an unprecedented downgrade in

FASIG-TIPTON SARATOGA			
	2011	2010	CHANGE
NUMBER SOLD	103	118	-12.7%
GROSS	\$32,892,000	\$32,515,000	1.2%
AVERAGE	\$319,340	\$275,551	15.9%
MEDIAN	\$250,000	\$240,000	4.2%
PERCENT RNA	22.0%	28.0%	



Go online for deeper statistics and analysis; next up: Keeneland's September yearling sale in Lexington (Sept. 11-24)

the U.S. government's creditworthiness.

"I think apprehensive would be the best word to describe the mood," Browning said. "It wasn't a comfortable feeling."

But his worries didn't last for long after the auction got started. The first 11 horses offered found new homes, and Ferguson purchased two of them, a colt and a filly by Bernardini, for \$750,000 and \$600,000, respectively.

"There was a lot of bidding, and horses were selling well past their reserves," Browning said.

Trade continued to be brisk throughout the session, during which Ferguson paid \$4,125,000 for six yearlings. The night ended with upswings of 9.5% in gross, 29.6% in average, and 25.3% in median.

Ferguson continued shopping aggressively for Dubai's ruler the next evening, and when he finished, his totals for the auction were expenditures of \$8,530,000 for 13 yearlings. The amount he spent, which was the highest of any other buyer, accounted for 25.9% of the auction's gross. All but two of the horses he bought were by stallions that stand at Sheikh Mohammed's Darley operation in Kentucky.

But the influence of Sheikh Mohammed and his family, friends, and associates on the sale wasn't limited to Ferguson's shopping efforts. Rabbah Bloodstock paid \$290,000 for one horse while English trainer Mark Johnston spent \$1.4 million to acquire five yearlings.

"I'm here almost entirely thanks to the Maktoum family (Sheikh Mohammed and his relatives) and Darley," Johnston said. "Obviously, it's a huge organization and there are a number of owners in that. I train principally for Sheikh Hamdan bin Mohammed, who is Sheikh Mohammed's second son and the crown prince of Dubai. He had about 100 horses

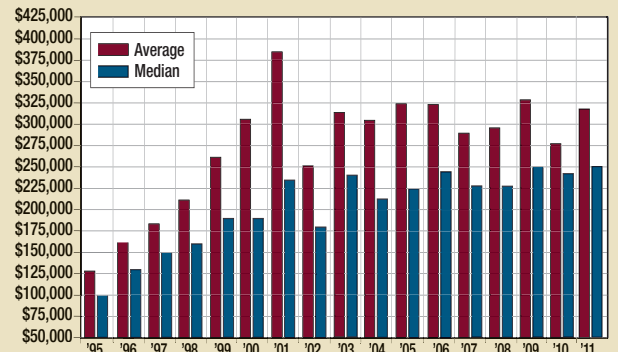


Sheikh Mohammed and bloodstock advisor John Ferguson examine a yearling prior to the sale

SKIP DICKSTEIN PHOTOS

Saratoga Select Sale History

Year	Number Offered	Number Buy-backs (Pct.)	Number Sold	Gross Revenue	Average Price	Median Price	High Price	\$500,000 or More	\$200,000 or More
2011	132	29 (22.0%)	103	\$32,892,000	\$319,340	\$250,000	\$1,200,000	20	70
2010	164	46 (28.0%)	118	\$32,515,000	\$275,551	\$240,000	\$1,200,000	12	74
2009	204	44 (21.6%)	160	\$52,549,500	\$328,434	\$250,000	\$2,800,000	31	102
2008	164	42 (25.6%)	122	\$36,080,000	\$295,738	\$227,500	\$2,000,000	16	78
2007	188	46 (24.5%)	142	\$41,082,000	\$289,310	\$227,500	\$2,200,000	16	80
2006	160	30 (18.8%)	130	\$42,085,000	\$323,731	\$245,000	\$1,600,000	20	91
2005	136	33 (24.3%)	103	\$33,415,000	\$324,417	\$225,000	\$3,100,000	16	61
2004	191	41 (21.5%)	150	\$45,705,000	\$304,700	\$212,500	\$1,850,000	24	90
2003	196	42 (21.4%)	154	\$48,257,000	\$313,357	\$240,000	\$2,700,000	26	89
2002	196	56 (28.6%)	140	\$35,242,000	\$251,729	\$180,000	\$1,300,000	14	65
2001	201	39 (19.4%)	162	\$62,412,000	\$385,259	\$235,000	\$3,300,000	28	105



Superfection, a half brother to Super Saver, brings \$1.2 million ...



... as does this colt by Bernardini out of Easter Bunnette

with me last year, and he has about 80 with me at the moment.”

Also active were European agents and agencies such as John McCormack, Anthony Stroud, and Blandford Bloodstock, all of which have bought horses for Sheikh Mohammed and his family in the past at the Saratoga sale. Trainers John Gosden and Eoin Harty, who have close ties to Sheikh Mohammed, also purchased yearlings.

Because of Sheikh Mohammed's dominance, “I am sure there is some frustration among buyers and it's going to be expressed,” said Headley Bell, who participated in the Saratoga auction as a consignor through Mill Ridge Farm's sales division and as a buyer through Nicoma

Bloodstock. “But there is always top competition at elite sales no matter where you go. He's never going to buy all the horses, so it's OK.”

There was some grumbling off the record by buyers, and some consignors expressed concerns about trying to figure out Sheikh Mohammed's spending plans and which horses to bring to the sale in the future.

But Hill 'n' Dale Sales' John Sikura believed everyone should stop complaining.

“People might say negative things about the sale and Sheikh Mohammed, but I think they are inaccurate and wrong,” Sikura said. “It's one thing to evaluate the yearlings and buy the ones that you like. It's another to prop up the sale by buy-

ing bad or moderate horses to make sure they find new homes. Sheikh Mohammed bought high-end top-class horses, many of them by his sires, and by doing so, he sent a great message to breeders who are going to send their best mares to his stallions: ‘If you present a first-class yearling in the sale ring, I'm going to buy that horse.’

“As for some of the people who say that they're not going to come to the Saratoga sale because Sheikh Mohammed buys so many horses,” Sikura continued, “they should remember that he is the guy who has paid millions of dollars for their stallion prospects. They also need to remember there are a lot of sales and a lot of horses to be sold. The past has shown that nobody, no matter how much money they

Top Prices

Name, Sex, Pedigree	Consignor	Buyer	Price
SUPERFECTION, c, Medaglia d'Oro—Supercharger, SPR, by A.P. Indy	Taylor Made Sales Agency, agent	John Ferguson	\$1,200,000
C. Bernardini—Easter Bunnette, SPR, by Carson City	Mill Ridge Sales, agent	John Ferguson	\$1,200,000
F. Bernardini—SUGAR SHAKE, by Awesome Again	Hill 'n' Dale Sales Agency, agent	John McCormack Bloodstock	\$950,000
WHIPPENDEAL, c, Unbridled's Song—DREAM SUPREME, SPR, by Seeking the Gold	Kinsman Farm, Lane's End, agent	Dale Romans, agent	\$775,000
C. Bernardini—COLOGNY, by Go for Gin	Clover Hill Farm, Dapple Stud, agent	John Ferguson	\$750,000
C. Bernardini—MOUNTAIN MAMBO, by Mt. Livermore	Dromoland Farm, agent	John Ferguson	\$750,000
C. Bernardini—Habiboo, by Unbridled's Song	Hardacre Farm, Brookdale Sales, agent	John Ferguson	\$725,000
C. Street Cry—Dance Swiftly, SPR, by Danzig	Taylor Made Sales Agency, agent	John Ferguson	\$625,000
F. Bernardini—Nataliano, SPR, by Fappiano	Dromoland Farm, agent	John Ferguson	\$600,000

Leading Buyers by Gross

Buyer	No.	Gross	Average
John Ferguson	13	\$8,530,000	\$656,154
Mark Johnston	5	\$1,400,000	\$280,000
Blandford Bloodstock	4	\$1,380,000	\$345,000
Anthony Stroud	3	\$1,135,000	\$378,333
Robert V. LaPenta	3	\$1,095,000	\$365,000
Mark Casse, agent	2	\$990,000	\$495,000
Live Oak Plantation	4	\$965,000	\$241,250
John McCormack Bloodstock	1	\$950,000	\$950,000
Dale Romans, agent	1	\$775,000	\$775,000
IEAH Stables	4	\$730,000	\$182,500
Fox Hill Farm, Tom McGreevy, agent	2	\$650,000	\$325,000

Leading Consignors by Gross

Consignor	Offered	Sold	Gross	Average
Taylor Made Sales Agency	17	12	\$4,715,000	\$392,917
Gainesway	12	10	\$3,280,000	\$328,000
Lane's End	7	6	\$3,010,000	\$501,667
Dromoland Farm	8	5	\$2,425,000	\$485,000
Denali Stud	10	7	\$2,150,000	\$307,143
Mill Ridge Sales	5	4	\$1,860,000	\$465,000
Hill 'n' Dale Sales Agency	3	3	\$1,720,000	\$573,333
Eaton Sales	5	5	\$1,582,000	\$316,400
Dapple Stud	3	3	\$1,240,000	\$413,333
Four Star Sales	7	6	\$1,240,000	\$206,667
Woodford Thoroughbreds	3	3	\$1,200,000	\$400,000

Leading Sires by Average (three or more sold)

Sire	No. Sold	Low Price	High Price	Average
Medaglia d'Oro	7	\$360,000	\$1,200,000	\$583,571
Bernardini	13	\$110,000	\$1,200,000	\$544,231
Unbridled's Song	5	\$185,000	\$775,000	\$422,000
Indian Charlie	4	\$200,000	\$550,000	\$352,500
Giant's Causeway	3	\$100,000	\$550,000	\$316,667
Tapit	4	\$110,000	\$357,000	\$254,250
Hard Spun	3	\$200,000	\$290,000	\$250,000
Candy Ride	5	\$100,000	\$400,000	\$215,000
Midnight Lute	3	\$100,000	\$310,000	\$210,000
Street Boss	3	\$100,000	\$285,000	\$191,667

have, can buy every good horse.”

Asked to address the issue of Sheikh Mohammed's huge influence on the Saratoga sale's results, Ferguson offered this comment: “The Maktoums have consistently purchased horses at the highest end of the market for years, and they have consistently been huge financial supporters of the bloodstock industry in the U.S.A. There has always been serious competition for well-bred, good-looking yearlings, and for the health of the bloodstock industry, they should always be hard to buy.”

In 2008 Dubai-based Synergy Investments acquired Fasig-Tipton. In 2009 Sheikh Mohammed returned to the Saratoga sale for the first time in many years. Ferguson spent \$11,859,000 for 12 yearlings, and it could be confirmed at the time that close associates of Sheikh Mohammed paid another \$4,660,000 for an additional 14 horses. Sheikh Mohammed's brother, Sheikh Hamdan, spent \$1,835,000 for five yearlings and there was evidence that other buyers were acting on behalf of Dubai's ruling family as well.

Even though the effects of an American



Bernardini—Sugar Shake is the top-priced filly at \$950,000

recession, foreign economic woes, and problems within the racing industry were depressing prices at other Thoroughbred auctions in 2009, the Saratoga sale thrived. The gross was up 45.6% while the average and median increased 11.1% and 9.9%, respectively.

But in 2010 Ferguson reduced his spending. He paid \$6,445,000 for 14 yearlings, and other buyers associated with Sheikh Mohammed didn't participate or weren't as active. The Saratoga auction's gross

dropped 38.1% while the average and median declined 16.1% and 4%, respectively, in a year when many other yearling sales showed signs of stabilization.

“Either fortunately or unfortunately, we never have any idea how many, if any, horses Sheikh Mohammed intends to buy or at what level he is going to spend; he's just like any other buyer in that way,” Browning said. “All we can do is put together the best group of horses we can, attract the best group of buyers that we can, and let the market dictate what happens from then on. You can't focus on the elements you can't control.”

In Browning's opinion, this year's Saratoga auction wasn't a one-man sale. As evidence, he pointed out that a number of other prominent buyers were active. They included Charlotte Weber's Live Oak Plantation, Centennial Farms, Rick Porter's Fox Hill Farms, Robert and Lawana Low, and Stonestreet Stables.

“I would have thought the sale would have been flat or down as much as 20%, but it was surprisingly strong,” said George Bolton, a shopper from California. “The breadth of buyers was fantastic, and every



Nancy Dillman, breeder of co-sale-topper



Buyer John McCormack



Headley Bell of Mill Ridge Sales

horse I bid on had three or four bidders bidding until the end. I think the horses up here were good enough that people were scared not to play.”

The anticipation of higher purses in New York following the opening of a video lottery terminal casino at Aqueduct, which is scheduled for later this year, also might have provided an incentive to participate to some buyers.

Commercial breeders, meanwhile, fared much better financially than they did a year ago. Based on *The Blood-Horse's* calculations, which take into account stud fees and other factors, 69% of the yearlings offered in the Saratoga sale were profitable compared to 49% in 2010. Pinhookers also did better, with 78% of the horses they offered making money compared to 74% last year.

“I think, to me, the most significant thing about the Saratoga market was the percentage of horses that got sold,” Ferguson said. “Fasig-Tipton did an extremely good job of selecting horses for the sale and there were plenty of people here to buy them.”

Million-Dollar Babies

Two colts—one by Medaglia d’Oro and the other by Bernardini—each commanded \$1.2 million to top the Saratoga auction. Ferguson purchased both Kentucky-bred offspring of Darley stallions while standing with Sheikh Mohammed in the bidding area located behind the Humphey S. Finney Pavilion in Saratoga Springs. The yearlings’ prices equaled the amount brought by last year’s most expensive horse, a son of A.P. Indy named Global Response.

The Medaglia d’Oro colt, named Superperfection, went through the sale ring during the auction’s opening session. Produced from the winning A.P. Indy mare Supercharger, the grandbayyearling is a half brother to 2010 Kentucky Derby Presented by Yum! Brands (gr. I) winner Super Saver (by Maria’s Mon) and 2011 Sam F. Davis Stakes (gr. III) winner Brethren (by Distorted Humor). Other members of the family include

Pinhooking History					
Buyer	2007	2008	2009	2010	2011
Offered	46	38	39	23	32
Not Sold	16 (35%)	8 (21%)	6 (15%)	6 (26%)	5 (16%)
Sold	30 (65%)	30 (79%)	33 (85%)	17 (74%)	27 (84%)
Profitable*	22 (48%)	22 (58%)	24 (62%)	17 (74%)	25 (78%)
Not Profitable	8 (17%)	8 (21%)	9 (23%)	0 (0%)	2 (6%)
Weanling Average	\$163,200	\$189,900	\$198,091	\$179,749	\$122,593
Yearling Average	\$272,000	\$285,000	\$340,227	\$294,412	\$281,852
Rate of Return	52.7%	38.2%	58.4%	50.6%	108.2%

*Calculated after factoring in \$6,000 estimated cost of upkeep; figures include 5% sales commission



Colt by Unbridled's Song brings \$775,000

champion Rhythm and grade I winners Bluegrass Cat and Girolamo. Darley Stable and then Godolphin Racing campaigned Girolamo (by A.P. Indy).

“He’s just an outstanding athlete who showed himself off time and again,” said Ferguson of Superperfection. “He marched up and down the shed row without a care in the world.”

The immediate underbidder on Super-

fection was Steve Davison, the owner of Twin Creeks Farm in Kentucky and the director of Twin Creeks Racing Stables.

Taylor Made Sales Agency consigned Superperfection for his breeder, Kenny Troutt’s Kentucky-based WinStar Farm.

“We had a little bit of mixed emotions about selling him,” said Elliott Walden, WinStar’s CEO, president, and racing manager. “But John and Sheikh Mohammed have been very supportive of our program every year, and I hope he wins the Derby for them.

“We were very pleased with the price,” Walden continued. “I think this horse was potentially the best horse that’s going to go to market this year. I wouldn’t say John got a good buy as far as the price goes, but in years past, it would have been a whole lot more. I think John got good value for the top of the market, and I think he recognizes that.”

Ferguson acquired the \$1.2-million Bernardini colt on the second night of the Saratoga auction. As a homebred racing for Darley Stable, Bernardini won an Eclipse Award and captured the Preakness Stakes (gr. I).

Live Oak’s buying team was the immediate underbidder on the Bernardini yearling. Fox Hill Farm’s Porter, who races the handsome colt’s half sister, 2011 Apple Blossom Handicap (gr. I) winner Havre de Grace (by Saint Liam), also tried to buy the bay yearling.

“I would suggest that this one might go to Europe and then to Dubai so Sheikh Mohammed can be around him all the time,” Ferguson said. “Sheikh Mohammed loved him because he was really athletic. He can

Foreign Spending		
Year	Expenditures	Percent of Sale Gross
2011	\$32,892,000	47.3%
2010	\$9,080,000	27.9%
2009	\$23,050,000	43.9%
2008	\$7,305,000	20.2%
2007	\$7,795,000	19.0%
2006	\$10,430,000	24.8%
2005	\$9,160,000	27.4%
2004	\$6,515,000	14.3%
2003	\$5,810,000	12.0%
2002	\$3,840,000	10.9%
2001	\$8,155,000	13.1%
2000	\$5,240,000	12.5%
1999	\$4,545,000	11.7%
1998	\$6,670,000	19.5%
1997	\$5,502,000	19.9%
1996	\$7,733,000	28.3%
1995	\$1,068,000	4.7%

