

By Deirdre B. Biles

# Keys to Success

The traditional strategy in pinhooking is to buy low and sell high. Some people do make a living — and a very good one — acquiring top prospects, based on conformation and pedigree, for big bucks and then reselling them for even higher prices. But that is an extremely risky venture that can place an investor in financial peril when just one horse suffers an injury, fails to work fast, or doesn't develop into a physically attractive individual.

Most pinhookers look for bargains when they purchase their prospects. And that means they probably will have to sacrifice one or more aspects of conformation and/or pedigree in their selection process to keep the amount they spend low enough to improve their chance to turn a profit.

A popular strategy for pinhooking mares involves claiming runners that have attractive pedigrees but lack impressive racing records. With young horses that have never been to the races, the process is a bit more complicated.

There are no hard and fast rules. But several pinhookers — Headley Bell and Marette Farrell of Nicoma Bloodstock in Kentucky and Kentucky bloodstock agent John Moynihan — offered some general suggestions to keep in mind when seeking a diamond in the rough.

Bell and Farrell enjoyed success in 2006 with a pair of two-year-olds: Exhale, a son of Millennium Wind, and a Deputy Commander—Regrets Only colt. They bought Exhale for \$100,000 as a yearling and resold him for \$800,000 through Florida pinhooker Niall Brennan. They acquired the Deputy Commander colt for \$105,000 and resold him for \$475,000, also through Brennan.

Bell and Farrell also buy horses to race for their clients and offer advice on matings. Through their various services, they have been associated with such successful runners as 2006 Kentucky Derby Presented by Yum! Brands winner Barbaro, 2005 NetJets Breeders' Cup Mile winner Artie Schiller, 2003 Woodford Reserve Turf Classic Stakes winner Honor in War, 2000 Del Mar Oaks winner No Matter What, European champi-

on Muhtarram, and grade II winner Northern Afleet, the sire of champion Afleet Alex.

Moynihan also buys pinhooking prospects and horses to race for his clients, who have included wine mogul Jess Jackson and the late Bob Lewis. Moynihan's pinhooking successes include Gotham City. In 1998, the agent advised Martin Cherry to purchase the son of Saint Ballado privately as a weanling. The price was \$150,000, according to Jeff Schwietert, whose father, Carl F. Schwietert, bred Gotham City. Two years later the Jerry Bailey Sales Agency resold the colt for \$2 million at the Barretts March select sale of two-year-olds in training.

Moynihan also has been an adviser in the purchases of such horses as 1997 Belmont Stakes winner Touch Gold, 1999 Horse of the Year Charismatic, and grade II winners Exploit and Henny Hughes.



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As pinhookers, Bell, Farrell, and Moynihan all face tough tasks. They know buyers are picky and want the equine equivalent of the sun, the moon, and the stars. That package includes outstanding conformation and a black-type pedigree. In a two-year-old, shoppers also want a horse that works fast. The buyers who pay premium prices also want quick colts with bloodlines that contain some stamina and bodies with enough scope (length of body and legs) to suggest that they can win the Kentucky Derby.

Yet, at the same time, Bell, Farrell, Moynihan, and others like them must somehow find the horse that has all those credentials for a price that doesn't suggest it is destined for greatness.

That requires looking at hundreds, some-

times thousands, of horses. It also requires knowledge of numerous factors, including a horse's birth date, the age of its dam, and the physical appearance of other offspring by its sire, dam, and broodmare sire. Some of that information is acquired through years of experience while some can be found in a publication such as Blood-Horse Publications' *Auction Edge*, which contains the pedigrees of horses in a sale and a variety of data about those animals, including auction prices and race records of their family members.

"There are some families that I know that produce yearlings that are kind of small, but by the time they get to the two-year-old level, those horses are normal in size," Moynihan said. "A lot of times you can make some pretty shrewd buys if you know that kind of thing. You see a lot of top horses at the two-year-old sales that when you go back and look at why they were inexpensive as yearlings, it was because they weren't big, mature horses. In between the time the people bought them as yearlings and sold them as two-year-olds, those horses underwent a tremendous amount of growth."

In addition, "I've had great luck buying late foals," Moynihan said. "Touch Gold was a May 26 foal, and Exploit was a May 25 foal. But you have to be careful. When I buy expensive late foals, I make sure their leg conformation is as perfect as perfect can be. Because of their lack of maturity, they can change quite a bit compared to early foals."

In evaluating the conformation of a young horse as a pinhooking prospect, according to Moynihan, you need to keep in mind the rate at which weanlings and yearlings develop and their stages of growth.

"The thing I can't overemphasize is that there can be an unbelievable amount of change conformationally from a weanling to a yearling," he said. "They change in their knee conformation, and they change in the degree of their correctness. The yearlings are pretty much set up. What you see when you're buying a yearling to pinhook as a two-year-old is pretty much what you are going to get."

Weanlings that are “toed out and kind of in at the knee” often will improve in their conformation, Moynihan said. “As their chest broadens, they tend to come around into becoming more correct.”

Another key to evaluating a young horse as a pinhooking prospect is understanding what he will be asked to do when he is resold. If you are buying a weanling, how he walks is important because that is how buyers will judge him as a yearling.

“You want a good mover that has a good overstep, which is when the front foot lands in a particular spot, the hind foot will step beyond that,” Farrell said.

It is also important that whatever conformation faults the weanling has, they are not so severe that he can’t “walk through” them. What that means, according to Farrell, is that the hind feet and the front basically walk in the same path while the horse is moving forward.

“That shows an economy of motion,” she explained, and it means their forward motion is going to be so much better in a race. It’s a clean forward movement as opposed to a foot swinging out there because when they gallop, it’s going to be even farther out there. A horse can be offset or rotated, but its foot can still land in a true straight path.”

If you are buying a yearling to resell as a two-year-old, an impressive walk is important, too. But you need to remember that he also will be asked to breeze fast for a short distance and to look athletic while doing it.

“With yearlings, you’re going to look at power from behind; that’s number one,” Farrell said. “They’re going to have to go as fast as they can for an eighth of a mile or a quarter mile, so you really want a strong hip, a strong gaskin, a strong hock. You also want good feet and everything moving in a straight line. They also need to have a good shoulder because they will use that shoulder to stretch out and look good on the video (of their workout). They also need a good long neck and some length and scope (in their body).”

In buying horses to pinhook, Moynihan tends to be more forgiving of conformation flaws if a horse is a yearling than if it is a weanling. That’s because when the yearling is offered as a two-year-old, buyers at that level often are less critical about faults because the horse has been in training and has shown he can work at speed without being compromised significantly.

“There are horses that I’ve passed on at the yearling level that I have gone and bought at the two-year-old level,” Moynihan said. “When you are at the yearling level, you say, ‘Well, this horse is a little upright. He may not move the best, and that is a concern. But if at the two-year-old level



The 2005 stakes winner *What a Song* sold for \$95,000 as a yearling and \$1.9 million as a 2-year-old

you watch that same horse breeze and he moves beautifully, then the worry you had at the yearling sale is probably unwarranted at that point. You can see for yourself that the horse is doing fine.”

The severity of a conformation flaw and the build of the horse are other factors Moynihan takes into consideration when deciding whether to buy a horse with a conformation flaw.



*“I’ve had great luck buying late foals.”*

JOHN MOYNIHAN

“I’ve had great success buying horses that were a little back at the knee,” he said, “but they were slightly made horses. They never carried a lot of weight. They were lean, and they were all beautiful movers. If you buy a horse that is back at the knee and he is this great big heavy thing that hits the ground hard, then you know he will fracture that knee. It will happen. The lean one may fracture his knee, too, but it’s a lot less likely.”

Moynihan, Bell, and Farrell all mention the importance of balance in selecting a pinhooking prospect. It’s a concept that al-

most every horseman understands, but each uses different words to explain it. Carl Bowling, a Florida-based pinhooker, once offered this definition: “Balance is like a teeter-totter — a plank that has the same weight on both ends. Look at a photograph of a horse from the side. If you could cut off the head and neck and switch them to the other end of the horse, they would look like they belonged there. You don’t want a horse with a big front end or no rear end or a horse that has a big hip or a little front end. It should be like a hotdog bun, the same on each end.”

In general, Moynihan, Bell, and Farrell agree, it is easier to sacrifice pedigree than conformation when selecting pinhooking prospects.

“Most of my pinhooking successes have been conformation driven,” Moynihan said. “If I’m going to the two-year-old sales with a horse to pinhook, conformation is very, very difficult to sacrifice because, in essence, that’s what you hope is going to make a horse fast, how it is engineered.”

Said Bell: “It all gets back to the individual. It’s the number one ingredient, period.”

Among the buying strategies used by pinhookers to cut costs from a pedigree standpoint is to buy the offspring from a stallion’s first crop. The reasoning is that the horses will be less expensive because their sire has no proven runners. Also, when those horses are resold, the stallion still will have no proven runners, so the chances for a negative reception on the part



ANNE M. EBERHARDT

Deputy Glitters helped popularize the offspring of Deputy Commander before the 2006 Kentucky Derby

of buyers are lessened. But that approach has become so popular in recent years that many pinhookers are having trouble finding bargains.

When considering the pedigree of a pinhooking prospect he likes physically, especially that of a yearling he wants to resell as a two-year-old, Moynihan pays particular attention to the produce record of the young horse's dam.

"Sometimes you may have to sacrifice a little on the female side," Moynihan said. "In other words, you buy a first foal or buy a foal out of a mare that really hasn't produced anything successful. If you look up a mare's produce record, and her offspring have brought \$20,000, \$19,000, and \$30,000 RNA (reserve not attained) at auction or earned those amounts, chances are those were not great physical horses. Where a lot of people would look at it and say, 'This mare has never had a runner,' I look at it and say, 'This mare has never had a chance to have a runner. And she probably has never had one that looks like this horse.' A lot of times, you can get great value for a horse like that you are buying, at least in respect to what you have to pay and the cost to get him resold."

Bell and Farrell follow the sire records of stallions. Most horses have cyclical results on the racetrack; sometimes their offspring are hot, and sometimes they are cold.

"We are big on the timing of stallions," Bell said. "We try to anticipate stallions that

we think produce racehorses that aren't necessarily hot at the time we are buying and hope that they will be hot when we resell their offspring that we buy."

Often, it works like this. A horse goes to stud, and in his first crop he gets a classic winner or another successful runner. As a result, he gets better mares. Even though he may go cold for a while after that initial success, he may get hot again when the offspring of those better mares start to race. That's when Bell and Farrell want to be reselling that stallion's progeny.

"When we bought the Deputy Commander colt as a yearling, his sire wasn't necessarily a hot stallion; in fact, he was a cold horse," Bell said. "Yet, when we did our research, we realized that he had more potential runners in 2006 than when he started off and sired Ten Most Wanted. He started off well and then he had gone quiet. But we felt like he might pop back up again a little bit, and it just so happened we got lucky."

Said Farrell: "Right before that Deputy Commander colt sold (as a two-year-old), Deputy Glitters won the Tampa Bay Derby. And a few other nice horses popped up as well, so it worked. But we also loved that colt as a yearling. He was a beautiful yearling."

With Exhale, Bell and Farrell used the first-crop sire strategy, but with a twist. They went with a colt whose sire, Millennium Wind, was overlooked by many buyers and breeders. Millennium Wind won the

2001 Toyota Blue Grass Stakes. His sire, Cryptoclearance, while a success at stud, wasn't very popular commercially. In the group of stallions that entered stud in 2003, Millennium Wind was overshadowed by such sire prospects as Came Home, Orientate, Buddha, Johannesburg, Yonaguska, and Include.

"He (Exhale) was an extraordinary individual, but he was by a first-year sire that wasn't really fashionable," Bell said.

An important pedigree consideration in a yearling being purchased for reselling as a two-year-old is precociousness. Because that yearling will be expected to work fast over a short distance as an early juvenile, you would like him to be by a sire that was a successful racehorse as a two-year-old or has shown that he can produce precocious runners.

"You wouldn't necessarily go look for a horse by a stallion that you know whose offspring perform better later in life and probably at longer distances. But it's a real paradox because you want a horse by a precocious stallion that looks like a classic horse. The real high-ticket horses at two-year-old sales, the ones that usually bring seven figures, the one thing they usually have in common is they all, at least at the time they are sold, demonstrate that they probably aren't limited to sprinting."

Market trends also are factors in pinhooking success. For example, if you resell a horse in a market where the supply of horses is high, it may lower demand. When the Thoroughbred market is on an up cycle, you may be able to sell your pinhooked horses for more money, but you also probably will have to pay more money to acquire them.

The key, in any market, according to Moynihan is to buy horses that you would want to race if you did not resell them. You also need to have the strength to back away when you can't get the horses you want for the prices that you think are reasonable.

"The horses that look like racehorses and that you absolutely love are the ones that you always do well with," Moynihan said. "There are many times when I've tried to buy horses (to pinhook) and I've quit bidding because I said, 'These are just too expensive.' But it's not an exact science. Sometimes you may back off when you shouldn't and sometimes you may buy when you shouldn't. But you've got to do what you are comfortable with."

Bell gave a similar philosophy.

"Even if we are pinhooking a horse, we try to buy what we think will be a racehorse," he said. "Commercial considerations come into it, but we think if you buy what you think is a racehorse to pinhook, then, in the end, the buyers will want that horse." 🐾