

## TIME IS RIPE FOR FHBPA UPHEAVAL

“Something’s rotten in Denmark.” Shakespeare wrote it - Marcellus said it in Hamlet - and if Willie was alive today he’d probably use it in his next work, “A Mid-Summer’s Nightmare.”

Rotten doesn’t begin to describe the stench from what has taken place in the thoroughbred racing industry. It’s no secret. The captain of the Titanic and Mr. Ponzi in tandem couldn’t have done a better job of mutilating a once-proud, powerful and promising industry. There reaches a point of no return and we can only hope it hasn’t already passed.

I applaud and encourage those who are still trying to make sense of the current state of the industry and correct what seems to be impossible to rectify. I hope we pass through the current tsunami and urge them to never give up.

To magnify how the devastation has so completely infiltrated every aspect of our business, the two most successful thoroughbred publications, in their issues of July 4, had a combined total of 72 pages. Of those less than 30 were advertising and seven of those were classifieds. I kept advising these publishers that consolidation was the answer to the handwriting on the wall, but so far they aren’t paying attention.

So, I want to thank the advertisers of Post Time USA for biting the bullet in these desperate times for their continued support and encouragement. I am overwhelmed at the nearly 60 pages of advertising in this 104-page edition.

As mentioned elsewhere in this issue, the most frequently-asked question of me during the past year has been if the sale of this publication has been consummated. The answer will have to wait until MEC’s bankruptcy protection filing in Delaware is completed since several intended bidders for MEC properties are in negotiations with me to purchase Post Time USA.

The only further information I can apprise you of at this time is that if Frank Stronach or any of the misfits he has running Gulfstream remain there with decision-making powers, I will not have anything to do with them regardless of the sale of this publication.

While I empathize with the other racetracks throughout the country and the industry in general, I have written Gulfstream off concerning publishing and distribution. It’s a sad conclusion to a wonderful association that began in the days of James Donn Sr. There hasn’t been a Post Time USA which hasn’t featured Gulfstream and massively been distributed there over the past 36 years.

I have given Gulfstream as much rope as I could find, but now can regrettably say it’s over. This has resulted from my giving Stronach and many of his Gulfstream executives who were apparently hired straight out of the school for imbeciles, the benefit of the doubt for much too long. Frank has become a huge disappointment as has Gulfstream’s president, Bill Murphy. I can assure you that were it not for its bankruptcy protection filed in May, I would have already filed a major lawsuit against Magna.

Everyone who is familiar with this magazine or who is the least bit familiar with me should be aware that

### Publisher’s Prerogative

By GENE STEVENS



Stronach and I had been good friends since he purchased Gulfstream in September of 1999. I genuinely believe Frank’s intentions were more noble than they turned out to be. Unfortunately, he listened to the wrong people and hired incapable ones to carry out his plan, whatever that was. A huge mistake for anyone like Frank, who is pretty much an absentee owner.

I can’t speak about activities at his other racing facilities, but there are few, if any, activities I have not been privy to at Gulfstream. The turning point of Gulfstream’s final failure occurred when he and Sam Gordon, president of the Florida Horsemen’s Benevolent & Protection Association, became joined at the hip. Gordon, knowing the extent of my friendship with Frank, chased after me for months requesting I introduce him, which I did.

Since then, I have closely observed Stronach change for the worse, something I concluded resulted from buying into Sammy’s horse and pony lies and over-negotiating everything. This isn’t to suggest that Frank would have succeeded if Sammy hadn’t entered his circle.

Sammy and his FHBPA group are bound by statute to be neutral in their duties (benevolence), supposedly to benefit Churchill Downs-owned Calder and MEC’s Gulfstream. Yet, as explained on page 23 of this issue, the FHBPA has been a major cause of the massive losses of the horsemen they are supposed to be supporting.

Sam Gordon admitted to former Calder president Ken Dunn, who did very well for Florida’s horsemen for close to 20 years, that he felt running CDI’s Calder and Tropical dates at Gulfstream would best benefit the Florida horsemen. He even hinted that running at Gulfstream year round was the best option for South Florida racing. Stronach and his team across town have never made a secret of the fact they want many more racing dates. It’s the primary reason Sammy and his group refused to release last year’s simulcast signal at Calder and didn’t agree to ADWs until December while negotiating for horsemen’s purses.

Despite Gulfstream’s bankruptcy, the FHBPA once more threatened to withhold simulcast signals prior to the opening of this year’s Calder meet in April. It was even suggested that CDI allow Gulfstream to run Calder’s dates in exchange for a cut of the MEC handle. Even as this is being written the possibility of CDI modifying some of Calder’s overnight stakes stems from the financial position CDI was backed into by Sammy and the FHBPA. There seems to be no end in sight.

Too often have I seen Sam Gordon sleeping in Bill Murphy’s office on Murph’s chair with both feet atop the desk. This makes it easy to believe what I hear

about Sammy helping Bill run Gulfstream. Part of my disappointment with Murphy and his talked-about three faces concerns the wagering totals he released after Gulfstream’s 2009 meet.

Figures lie and liars figure, but consider this. Murphy told the press the following, which was reported: “Gulfstream’s 2009 on-track handle of \$42,270,739 resulted in a 6.71 percent increase over last year’s \$39,613,200 total.” In fact, official figures obtained from the Department of Business and Professional Regulation’s Division of Pari-Mutuel Wagering show last year’s live Gulfstream handle of \$44,035,797 to be a decrease of more than \$2 million - \$2,033,212 to be exact.

Now I can’t prove Murphy lied on purpose, not in this case, but I do have absolute proof that Sam Gordon not only lies continuously, but he’s a serial liar. I had one of my attorneys write to him with a copy to FHBPA attorney Bruce Green, along with a copy of my letter, a day later, which is printed as part of this article.

Last year, it came as a surprise that Frank Stronach told me on three occasions how upset he was about my writing unflattering things about his good friend Sam Gordon. This surprised me because of Frank’s life-long promotion of the importance of transparency. I reminded him that I was the person who introduced him to Sam and suggested he get over it. “Whatever is bothering you about it,” I told Frank, “get rid of it.” After six months of his not “getting rid of it,” I got rid of Frank, refusing to talk to him even at the request of two of his CEOs and one of his best friends. It gets worse but I don’t want to embarrass him further.

The best thing that can happen for South Florida racing is to dump lying Sammy and the part of his board that rubber stamps almost everything he says and wants, along with director Kent Stirling and Bruce Green. They should be replaced by an impartial group with the ability to deal with the massive problems facing South Florida, much of which have been created by and mishandled by the current board.

As though these clowns haven’t created enough of a fiasco, the Kentucky law firm of Dinsmore and Shohl sued or is in the process of suing Sammy and his boys for non-payment of an \$80,000 bill. The FHBPA hired the firm to defend the antitrust lawsuit brought against them last year by Churchill Downs when CDI was being financially clobbered to the tune of more than \$10 million, detailed on page 23.

Another shining example of Sammy’s character can be gleaned from a letter or email Gordon sent to FHBPA member Karla Wolfson, wife of Marty, one of the leading trainers at Calder and in the country. Karla told Sammy she was going to sue him for failure to follow the organization’s bylaws and state statutes. This was Sammy’s response: “Karla, your threat made me wet my pants and I just s--t.” Not nice, Sammy. Your reign of terror is in jeopardy of coming to an end, especially if I have anything to say about it.

Sammy, no doubt, feels secure in the fact that the

*Continued on Page 10*

*By  
The Way...*

*By Gene Stevens*



**Publisher's Prerogative**  
*Continued from Page 8*

FHBPA directors and owners' insurance policy (paid for by horsemen) is responsible for almost all lawsuits brought against them. What Sammy might not understand is that among the exclusions of D & O insurance are libel and defamation, which would make him personally liable if he is found guilty. Sammy, I can only promise that the suit I am referring to and might even become a party to, will make the litigation you are now facing look like a jaywalking summons by comparison.

In the meantime, I advise anyone who has any questions about Sammy or the rest of his team contact attorney Tom Sclafani at 954-563-8111 or email him at tds@selectlitigation.com. I am told Sammy has been postponing his deposition for close to a year, but he is now set to be deposed on Aug. 25.

The letters I previously mentioned follow. The day Sammy and Bruce Green received my letter the monthly FHBPA meeting was canceled. The next one I am told is July 23, the day this issue is scheduled to be printed, so if I can't make it in person I will certainly be there in spirit.

In any event, stay tuned. This might be Sammy's first notice that his license to help destroy SoutgFlorida's racing industry is about to expire.

Food for thought: Nobody can say for sure what the origin is of the strange fascination Stronach and Gordon have with each other. Here's a possible answer. Stronach once suggested I become a consultant for MEC. I refused knowing Frank's definition of consultant was "bulls without balls." What's interesting is I recently received a Bill Christine blog which revealed: "Frank Stronach's 2007 total compensation at Magna International was \$70.6 million - but only \$215,000 of that was base salary and \$40.6 million was for consulting. This made me wonder. Is it possible that Stronach formed some sort of consulting deal with his buddy, FHBPA president Sammy Gordon? Hmmm!



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June 23, 2009

The Florida Horsemen's Benevolent  
& Protective Association, Inc.  
21001 N.W. 27th Ave.  
Opa Locka, FL 33056-1461

Re: Gene Stevens

Dear Mr. Gordon:

Please be advised that I am the attorney for Gene Stevens, a Member of the Florida Horsemen's Benevolent & Protective Association, Inc.

Mr. Stevens intends to be present at the next Board Meeting of the FHBPA on June 25, 2009. However, he is concerned that he may be excluded since he was asked to leave the meeting of May 11, 2009.

Any claim that the Board is authorized to exclude members from attending the Board Meetings is contrary to the By-Laws of the FHBPA. Article V, Section 1(b) provides that the President can exclude Members from attending Board meetings if they are unruly or disruptive.

Obviously, the By-Laws would not provide authority for the President to exclude Members for improper conduct, if the Members did not have the right to attend Board Meetings to begin with.

Further, the By-Laws would supercede any requirements of Roberts Rules of Order.

Accordingly, demand is hereby made for you to allow Mr. Stevens to attend the Board Meeting Scheduled for June 25, 2009. Upon your failure to comply with the reasonable demands contained herein, a lawsuit will immediately be commenced against the FHBPA to require the Association to permit such attendance together with a claim for court costs and reasonable attorney's fees.

An additional purpose of this letter is to place the Board on notice that it is the Board's own conduct which will result in an attorney's expense being charged to the Members in the event that Mr. Stevens is required to file suit. The FHBPA can avoid the attorney's fee expense by simply complying with its own By-Laws and permitting its Members to attend Board Meetings.

PLEASE GOVERN YOURSELF ACCORDINGLY

Yours truly  
*Mark Perlman*  
Mark Perlman

# POST TIME USA

## MAGAZINE

with offices located at  
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June 22, 2009

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Sammy:

I hired attorney Mark Perlman and pending response to correspondence he sent you, have asked him to file a lawsuit, which needn't be done if good sense prevails.

The objectives of the FHBPA are benevolence and welfare of its members. I have spent a lifetime working for the benefit of all horsemen's cause. Even you, Sammy, have taken time on several occasions to thank me verbally and in writing for the work I have done on behalf of the FHBPA and the industry.

The board's apparent desire for one upmanship is unworthy and insulting. The FHBPA seems intent on taking members' money but refusing their admission to monthly meetings. Rightfully, members have always been encouraged to attend and participate.

Because I don't want to hear whining about lawsuits costing horsemen money, I think it is important that you are made aware of the following. A previous lawsuit I filed where nothing to gain other than a general principle victory, lasted seven years and cost about a million dollars \$750,000 for attorney fees and \$250,000 for depositions and court costs. This can be substantiated by Mr. Perlman, who was my lead attorney in the case.

It is not my desire to repeat such a process, but my history will show that once I get started I never back off until resolution. I mention this because I want my fellow horsemen to know I have attempted to put the party ultimately responsible on notice.

So the question is: Is a game of one upmanship worth such predictable consequences? It's the last thing the South Florida racing industry needs.

Gene Stevens

RS/xx  
CC: Mark Perlman, Esquire