

TO ALL BC THOROUGHBRED BREEDERS:

Our office and directors have received calls with concerns about the new incentive programs for 2016/2017.

I want to make it clear to all members that the CTHS was unaware the HBPA and TOBA had decided on these programs when they were released to the public August 5th in the Derby Bar and Grill newsletter. We did get a copy of a broodmare purchase program from Glen Todd that TOBA/HPBA had put together for review on August 3rd, but not the announced programs. The wording of the broodmare program had been changed by TOBA /HBPA from the one we agreed upon and used last year. We were not consulted about any changes. We have asked for changes to the wording and are trying to reach an agreement.

The biggest change was that last year's program as well as the year before didn't disqualify BC bred horses and this year it did. During the negotiations with TOBA/HBPA we tried to get wording that we felt discriminated against BC horses removed, but were unable to do so.

We were informed by Mr. Todd during a conference call with Mr. Todd, Mr. Milburn, Mr. Nielsen and Mr. MacDonald that Hastings was prepared to break the three year agreement and withdraw their \$86,000 from the \$200,000 in incentive support, which would have scuttled the broodmare program. We chose to make the best deal we could given the possibility of losing our only program.

We also discussed the HBPA/TOBA incentive programs and have proposed some changes that would be less harmful to the breeding industry.

Many of these changes, if accepted, will not appease breeders but they are the best we could do without losing the broodmare purchase program. We understand that these programs do nothing for long-time loyal breeders who have supported the industry for many years and have yearlings for sale and mares that have just foaled.

The CTHS has agreed with the wording as published in the Derby Bar and Grill newsletter for the weanling, two-year-old and three-year-old programs. We have not been able to reach an agreement on the yearling program. TOBA/HPBA want yearlings bought between January 1st and May 31st, 2017 to be eligible for a TOBA/HPBA sale as well as the CTHS yearling & mixed sale. We believe this would destroy the BC breeding industry. Mr. Milburn with the support of Mr. Nielsen and Mr. Todd had been adamant that their sale also be available for these yearlings. They fail to see how they would be competing against the yearlings sold in our sale because their sale is for Racing Age Horses. This contradicts the need to list their sale.

I have posed the following question to our industry partners on August 12th:

If your sale doesn't accept yearlings in the spring of 2017 why do you want your sale included in the wording for yearlings bought between January 1st 2017 and May 31 2017?

We have no response to date despite daily contact prior to my question being asked.

We will continue to oppose any program that we feel is an attack on the BC breeding industry. We are hopeful that the CTHS will be able to help all breeders which includes long-time small breeders in the future should we be able to obtain some funding directed towards BC bred horses in the Province of BC.

Sincerely,

Grant Watson