

The Day

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Going to the dogs?

Greyhound racing at Rhode Island's financially troubled Twin River may be on the home stretch

Lincoln, R.I. — Greyhound racing may or may not be on its last legs at Twin River, the racetrack casino whose owners claimed in a June 23 bankruptcy filing that the dogs are “a significant drain” on the place’s profitability.

But for “dog men” like Joseph “Joe Pie” Pimentao — and there were a fair number of them at Twin River last week — the very prospect of a permanently darkened track is a mighty big downer.

“I’m sick and tired of (Gov. Donald) Carcieri saying the state should get rid of the dogs,” said Pimentao, who lives in North Providence. “I’m here because the dogs are here. I used to go to Plainfield, but that’s gone. Now this is all we’ve got.”

“It’s really a shame,” added Lou Lynch of Woonsocket, referring to racing’s precarious state. “It’s provided entertainment here since the ‘80s (actually 1977). The problem is that BLB (the Twin River owners) over-spent.

“There’s no need for all of this,” he said, motioning to indicate the track’s comfortable, glass-walled grandstand.

While the dog men were commiserating, the Rhode Island House of Representatives was overwhelmingly passing a bill that would require Twin River to offer 200 days of racing this year, pushing the season well beyond Aug. 8, the 125th and last day of racing that management otherwise plans to provide. On Tuesday, the Senate followed suit.

The bill, which also would allow Twin River and Newport Grand, the state’s other slots parlor, to operate around the clock, seven days a week, hit the governor’s desk Tuesday night. On Thursday, as promised, he vetoed it.

“Dog racing at Twin River is unprofitable,” Carcieri asserted in a letter informing the Senate president of his veto. “The wagers on live racing in Rhode Island have decreased from \$150 million in 1990 to \$13 million in the current year, a decrease of over 90 percent.”

Lawmakers could override the veto by three-fifths votes in both the 75-member House and the 38-member Senate.

Those aren’t the kinds of numbers the dog men usually contemplate. They’re more likely to get excited when a long shot comes through, such as when Mr. Chad, at 19-1, won last Friday’s ninth race, sending a murmur through the crowd. The 7-5-1 trifecta paid \$846.

“I can’t believe they’re not making money,” said John Barney Jr., a racing fan from Attleboro, Mass. “This seems like a pretty good crowd to me. On Saturdays, it’s real crowded.”

Barney said he’d play the dogs when he vacations in Florida if the Twin River track shuts down. Like many at the track, he said he only played Twin River’s slots, or video display terminals, to kill time before the racing started.

“Obviously, we like them,” Tom O’Mara of Smithfield said of the greyhounds. “The big problem is the 60 percent the owners have to pay the state. I’d like to know if anyone’s going to come in (and take over the track) knowing they have to pay that.”

Playing its percentages

Indeed, before it filed for Chapter 11 bankruptcy protection from its creditors, UTGR Inc., the BLB subsidiary that owns Twin River, sought to renegotiate the percentage. “But the state said no way,” according to Patti Doyle, a Twin River spokeswoman. Twin River keeps only 28 percent of the gaming revenues generated by the VLTs, simulcast racing and live racing it hosts. Rhode Island’s share, 61.5 percent, is the highest take of any state that allows gambling.

By contrast, Connecticut keeps 25 percent of the slots revenue Foxwoods Resort Casino and Mohegan Sun generate.

Twin River is contractually obligated to pay the Rhode Island Greyhound Owners Association \$9 million a year to run the dogs. According to Doyle, BLB has been

losing another \$1.5 million to \$1.8 million annually in operating expenses.

Before the bankruptcy filing, Twin River tried to negotiate new terms with the dog owners, offering to pay them \$2 million a year for three years, at the end of which time it would turn the track over to them. The dog owners rejected the deal.

As it is, Twin River owes its creditors \$589 million, some \$290 million of which would be forgiven under a "consensual agreement" that BLB, whose partners include the Starwood Capital Group, Kerzner International Holdings and the Len Wolman-chaired Waterford Group LLC, reached with its lenders and the state.

The agreement hinges on several conditions, including the state's lifting the requirement that Twin River keep running greyhounds.

In announcing his veto Thursday, Carcieri said the gaming bill's extension of the racing season was "inconsistent" with the consensual agreement and that its passage could result in a "protracted, free-fall proceeding" that would cost the state millions of dollars.

Precipitous decline

Dog racing's decline, which claimed Connecticut's tracks in Plainfield and Bridgeport in 2005, has been accelerating in recent years. Only Monday, New Hampshire's two greyhound tracks won permission to stop live

racing while continuing to offer simulcasts. Massachusetts' two tracks will go dark at the end of the year when a voter-approved ban on dog racing takes effect.

"Nobody's interested in dog racing anymore," said Christine Dorchak, president and general counsel for GREY2K USA, a nonprofit organization that lobbies for the end of the sport. Sixteen dog tracks, including the two in New Hampshire, have closed or ceased live racing since 2004, according to the organization. The darkening of the Massachusetts tracks will up the count to 18.

Dorchak said her group has had trouble developing a campaign in Rhode Island because the state does not require Twin River to disclose information on the dogs it races, such as the numbers of injuries and deaths.

"Our campaigns are based on facts and if they're not available it's difficult to establish cruelty to greyhounds," she said. "The public deserves to know what happens to dogs that are injured or 'fail out' at Twin River."

By next year, dog tracks will be operating in just nine states. Make that eight if Twin River shuts down, in which case the closest track would be in West Virginia. ♦