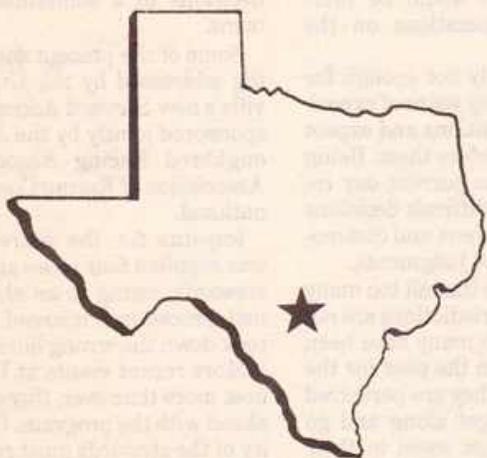


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Big Plans in San Antonio



Texans David and Joe Straus Jr. have announced plans to build Retama Park, a Class 1 racing facility and equine exhibition center near San Antonio

"That company motto would be considered chauvinistic now," Joe Straus observed recently, "but it wasn't meant to denigrate women, back then. It was meant to exalt women. Strafco was trying to promote the horse to keep the saddlery business going. The horse was so important."

Indeed, although Strafco's interests have diversified, the horse is still the primary focus at Straus Medina Ranch, which was also left to Joe and David as part of their father's estate.

Situated in an idyllic, tree-shaded rural area just four miles from San Antonio's busy Loop 410, Straus Medina was purchased by Joseph Sr. in 1945. Established 30 years earlier as the W. T. Montgomery Ranch, it was one of America's pioneer Hereford ranches, and at one point the Strauses had over 1,000 registered Herefords on the 1,500-acre property.

An ample portion of ranch acreage is still planted with corn, oats, wheat, hay, and pecan and fruit trees. About 2½ miles of the Medina River meanders through the land, as do the Lucas and Potranca creeks. Grass for grazing is lush and plentiful, and the livestock is further nurtured by water pumped from five limestone artesian wells.

In the early years, Joe Sr. kept his horses at a second ranch, located on a 1,000-acre site that is now a major section of downtown San Antonio. La Cima Ranch's training track was where Straus's multiple stakes winner and \$285,395-earner Reneged and others were broken. La Cima was sold in 1968, and Joe Sr. took the horses across town to Straus Medina.

Among the 24 stakes horses Straus raced in his own name and in partnership during his lifetime was No Le Hacer, second to Riva Ridge in the 1972 Kentucky Derby and second to fellow Texan Will Farish's Bee Bee in the Preakness Stakes. No Le Hacer won the Arkansas Derby Stakes and Louisiana Derby Stakes that year and, just five years later, Straus's Clev Er Tell captured those same two Southwest events.

Also included on the roster of Joe Sr.'s stakes horses, which were all trained privately by Homer Pardue, were Incredible Ease (on whom Randy Romero won his first stakes), Soy Numero Uno, Flos Forum, Broadway Forli, Fuego Seguro, Alamo Maid, La Cima, Emperors Desire, Spencers Togs, Sweet N Pretty Tbo, Inyalas Goody, Yo Solo, and Pronto Forli. The Straus-owned

by Anne Lang

MORE than 100 years ago, David Straus left his native Missouri to take a job at his uncle Jacob's harness shop in San Antonio, Texas. Back then, the horse still played an integral role in the business world, and the harness shop—co-founded by Jacob Straus in 1870—flourished and expanded into a major leather goods manufacturer before the turn of the century.

By that time, however, the emergence of the automobile was steadily reducing the need for working-class equines. Even in Texas, where today the horse remains one of the state's proudest and most enduring symbols, the speed and efficiency of motor transportation was not to be denied.

Strafco, the leather company where David Straus had worked his way up to the top ranks, sought to rekindle its customers' appreciation for four-footed horse power. As part of a stepped-up marketing strategy, the following company maxim was devised:

"Horse, next to woman, God's greatest gift to man."

The slogan prevailed, business continued to thrive, and today David's great-grandsons, David and Joseph Jr., represent the fourth generation of Strauses at Strafco. David, 67, is chairman, while Joe Jr., 63, is vice chairman of the firm which has developed over the years into a wholesale distributing company. The brothers took over the reins at Strafco from their father, prominent Texas horseman Joseph Sr., who died in 1984 at the age of 84.

Red Hannigan ran in the 1954 Kentucky Derby.

But it was Joe and David's paternal grandfather, David Straus, who laid the foundation for the steadfast racing tradition that continues in the family today. He was director of the San Antonio Fair during the 1890s, and "that was the first organized racing in Texas, as far as we can tell," the younger David told a visitor at the ranch. "So our family goes way back in racing."

And if David and Joe are able to bring their ultimate dream to fruition—establishing San Antonio's first Class 1 racetrack—the Straus family racing legacy will move forward into another century, with perhaps a greater impact than ever before.

THE passing of Joe Sr. six years ago created a painful void for Joe and David, who as the horseman's only children shared a close bond with their father. It also presented an obvious challenge: to perpetuate Straus Medina's Thoroughbred interests at a level worthy of the family name.

Straus Medina Ranch currently is home to a dozen or so broodmares and weanlings, and a half-dozen yearlings, in addition to 130 head of Simmental cattle. After early conditioning by Tommy Oliphant at nearby Sunny Clime Farm, Straus racing prospects are shipped to various tracks around the country. Trainers include Phil Gleaves in New York, Bill Fox and Larry Robideaux in Louisiana, and Carl Bowman in Kentucky and Illinois.

Joe and David put their faith in the proven expertise of those men, but it is the Charles Nuckols family of Midway, Kentucky, to whom they probably turn the most frequently for advice. The close relationship between the two families dates back many years.

"Just before our father died, he said, 'Whenever you don't know what to do with the horses, ask Charlie,'" Joe recalled. "And we've been asking Charlie ever since."

The Strauses maintain breeding activity in Kentucky, where they send numerous mares each season to the stallions in which they have interests: Mr. Leader, Blade, Play Fellow, and Settlement Day.

However, they prefer to keep their mares at home as much as possible, and support the accredited Texas-bred program by breeding to Texas stallions Full Courage (a Straus-owned Mr. Leader horse who stood his first season in 1990); and Clev Er Tell, in whom the Strauses have a half-interest. Straus mares were also covered by Texas stallions Top Avenger and Wonder Lark this year.

Among the goals for expanding Straus Medina operations when Class 1 racing has begun, Joe said, is to have "about a dozen stakes-winning or stakes-producing mares. We'd also add a training track and break our yearlings here, and maybe even stand our own stallions."

For now, though, much of the breeding still takes place out of state.

"It's hard to keep your own mares in Texas when most of the good stallions are somewhere else," Joe said, "like Kentucky, Maryland, Florida, or wherever. That's going to be the case for several more years, I imagine. But we'll see more quality stallions down here, once racing really takes hold in Texas."

Helping Texas racing "take hold" has been an unwavering Straus priority ever since Joseph Sr.'s initial foray into Thoroughbreds, which was not long after the Lone Star State repealed an earlier (and brief) era of pari-mutuel racing in the 1930s.

For the next 50 years, Texas racing advocates endeavored to revive a pari-mutuel bill in nearly every legislative session. But it was not until 1987 that the measure finally made it all the way to a statewide referendum, where voters indicated their desire for a boost to Texas's crippled economy by solidly approving legalized wagering.

The present law, however, imposes a 5% state tax on the handle, and although a handful of smaller Class 2 and Class 3 facilities have managed to open under that condition, the statute does not sit well with potential Class 1 racetrack developers—particularly the Strauses.

Most of the major candidates to build Class 1 tracks in the sanctioned metropolitan areas of Dallas, Fort Worth, Houston, and San Antonio have publicly declared their desire for the Texas Legislature to alter the takeout structure. However, several have said they would be willing to start construction under the present law, with hope that a new "clean-up" bill is approved during the 1991 legislative session.

That proposed bill, the result of a collaborated effort by leaders from numerous Texas



Anne Lang photo

David, left, and Joe Straus hope to see world-class racing in Texas in the not-too-distant future.

horse organizations, calls for a sliding scale tax structure whereby 1% of the first \$100-million wagered at a track during a calendar year would go to the state, 7% to purses, and 10% to the track. The state's share would increase (and a track's share decrease) as revenue accumulated and tracks became more financially viable.

The revised Texas bill was to have been introduced during one of many consecutive special legislative sessions held last winter and spring. However, Texas lawmakers focused solely on public school funding measures during those sessions, and now it appears that the clean-up bill will not be resurrected until the Legislature meets again for its regular bi-annual session, which commences next January under the leadership of a new governor.

To serious investors like the Strauses, January looks pretty far away.

"Everybody's so frustrated now from this long wait," David said. "I guess everyone anticipates that once the new bill is passed and the tax is lowered, suddenly these Class 1 tracks are going to spring out of the ground. But it's about a 2½-year process to put together the financing, the architectural work, the bidding for construction, building the track, and putting your organization together. It's a monumental task to build a Class 1 track."

WITH that in mind, the Strauses recently decided to submit their Class 1 application this fall, abandoning their original strategy of waiting until after the new law was in place. In mid-September they revealed they would file during the official application period of November 1-30, as a "show of good faith" that lawmakers will approve the clean-up bill next January.

Joe outlined the reasons for his and David's new attitude.

"First of all, we don't want to let this application period go by, because we feel a very deep obligation toward the San Antonio community. San Antonio deserves to have one of the Class 1 racetracks, and soon," Joe said.

"So we are working out plans now for somewhat of a scaled-back version, but still a nice version that can be expanded if the law is revised. We can at least get this started on paper, and work on getting the law changed at the same time. I believe we can show the Legislature we are committed to these plans, if they'll just give us some tax relief."

The Strauses do admit they will have an advantage over most other Texas racetrack applicants, because the site where they hope to create their Class 1 plant, the 500-acre Retama Polo Center near San Antonio, has been actively used for polo, horse sales, and other equine-related events for many years.

"We've already got a good head start," Joe said. "We've got 400 stalls there, we've got a site that's as level as this floor, all the structures are there, the water, sewer, electricity and office buildings—they're all there. We've got a track already half-built, and the highway situation is perfect."

Retama is conveniently located northwest of the city just off Texas's major north-south highway, Interstate 35. It's about a 20-



Anne Lang photo

Joe Straus Sr. expanded the family tradition of horse racing begun by his father, and eventually raced 24 stakes winners before his death in 1984 at age 84.



Turfotos

Among the horses broken at the Strauses' La Cima Ranch training track was multiple stakes winner Reneged, left, shown defeating Tick Tock in the 1956 Benjamin Franklin Handicap at Garden State Park.

minute drive from downtown San Antonio, and less than an hour from Austin.

Fittingly to be called Retama Park, the proposed \$55-million track would be a welcome addition to a city economy that is already heavily dependent on tourist dollars, the bulk of which are generated by Sea World of Texas and the historic downtown Riverwalk area.

Fiesta Texas, a music theme park similar to Nashville, Tennessee's Opryland, is currently under construction; and its location is in close proximity to Retama and Sea World. All are easily accessible via the city's Loop 1604. Joe indicated that when Retama Park opens (they estimate a construction period of 18-to-24 months), he and David would be very agreeable to combining marketing forces with the other attractions.

David and Joe each own a third of the option on the Retama property; the remaining one-third partner is Jerry Carroll, a Nashville resident and co-owner of Turfway Park in Northern Kentucky. Red McCombs, owner of the National Basketball Association's San Antonio Spurs, was involved initially, but subsequently decided to channel his resources in other directions. Joe said he expects McCombs to come on board again in some capacity, "when the racing law changes and things start getting cranked up."

Last fall the Strauses announced an agreement that would engage Churchill Downs Management Company, a subsidiary of the Louisville, Kentucky, track, to manage the proposed track, and also to be an equity partner. Churchill Downs has not previously been involved as an equity partner in any outside racing venture, although it has acted in a consultant capacity.

In addition to the racetrack, the Strauses have outlined plans for an equine-oriented exhibition center at Retama, with adjoining polo and horse show grounds. Tentatively dubbed Texas Horse World, the facility would be patterned after the Kentucky Horse Park near Lexington, and the non-profit venture would be funded through contributions made by members of the racetrack's planned private turf and field club.

Perhaps hearing a message similar to the mysterious recurrent epistle in the baseball fantasy film *Field of Dreams* ("If you build it, they will come."), the Straus brothers are serenely confident that central Texans will be drawn to Retama Park from the first day the gates are opened.

"You can't compare San Antonio to Birmingham or Minneapolis, where they had no history of racing, no affinity for the horse," Joe pointed out. "We're in horse country here, and we have a racing history, just like Oklahoma. The type of fans here, the demographics, are similar to those in Oklahoma City, and we believe we'll have the same kind of good results they've had at Remington Park."

Joe also feels that once the state's Class 1 tracks have had a chance to mature a bit, the quality of Texas racing will rise to a level comparable to the most prominent racing states.

"At first, of course, we've got these growing pains, and a credibility gap," he said.

"But tracks like Louisiana Downs didn't start with any whirlwind, yet they're doing very well today. In ten or 15 years, I think Texas racing will compare very favorably with any other major racing state."

Assuming the Strauses' application is approved by the racing commission, the men acknowledge they must still overcome certain obstacles before Retama Park calls its first horses to the post.

"Our biggest challenge is going to be getting investors," David said. "The enthusiasm for Texas racing has cooled some during this waiting period, and we're going to have to rekindle that enthusiasm. The racing bill that exists now has done a lot of harm, and we have to overcome that. And, of course, the Texas economy hasn't helped any, either. Getting anything financed in Texas is difficult nowadays."

MEANWHILE, the Strauses aren't wasting any time between Legislatures. They are actively courting potential investors, and by the time their application is filed, they will have spent close to \$1-million on items such as architect's renderings, site plans, public opinion polls, and myriad other investments they feel will help them hit the ground running when it is time to begin construction.

Visions of a Texas circuit similar to California or New York are part of the Strauses' long-term goals. Ideally, David said they would prefer if all the Class 1 tracks—presumably located in Dallas/Fort Worth, Houston, and San Antonio—came on line at roughly the same time.

"Naturally, you wouldn't all be running at the same time," David said. "But the two tracks that weren't running could offer simulcasting from the live track."

"Yes, like California," Joe interjected. "We'd be like Del Mar, and Houston and Dallas might be like Hollywood Park and Santa Anita. Or we'd be like Saratoga, and they'd be like Belmont and Aqueduct."

Unlike Saratoga, however, Retama Park would offer more than one month of racing annually. Because San Antonio is the southernmost approved locale for possible Class 1 racing, Joe said he would expect that their track would be designated to conduct the winter program. They will request a 60-day Thoroughbred meet and 30 days of Quarter Horse racing, "but that's up to the racing commission. I would hope they'd try to establish a Texas circuit, so the three tracks wouldn't be competing with each other."

"Of course, once we get the bill changed, people are going to start protecting their own turf," Joe said, "and that's just natural. But I hope each track owner will be understanding of the other tracks' plights and their necessary requirements, because no one's going to have a monopoly on Texas racing, that's for sure."

Any fears about the various racing factions' potential for getting along with one another stem from years of competitive sniping between numerous horse racing and breeding organizations in the state.

During the 1960s, Joe was a leader in People for Popular Sports, a political action organization geared toward bringing pari-mutuel racing back to Texas. When the name of that lobbying group was changed to

the Texas Horse Racing Association in 1970, Joe served as the first president, and has remained an active THRA director through the years.

Also a longtime board member of the Texas Thoroughbred Breeders' Association, Joe said he was amazed—and ecstatic—that the same Texas horse organizations that had been feuding for decades suddenly cast aside their differences and pooled their collective knowledge in order to create the proposed new racing bill.

Within the last two years, the Texas Racing Commission has granted licenses to seven Class 2 racetracks (which are limited to 45 racing days per year), and one Class 3 track (limited to 16 days). Although the costs involved in bringing a Class 2 facility up to racing commission standards are considerably less than Class 1 requirements, so far only two Class 2 tracks and the Class 3 track have been able to obtain adequate financing to open.

Of the two Class 2 tracks, one of them—G. Rollie White Downs in remote Brady—was forced to close after an abbreviated season due to mounting financial troubles.

And although Class 2 Bandera Downs (about 30 miles northwest of San Antonio) and Class 3 Gillespie County Fairgrounds in Fredericksburg (also nearby) have boasted higher than expected attendance and handle, the future looks dubious for many of the remaining licensees. David's opinion is that too many Class 2 licenses were issued in the first place.

"If a bunch of Class 2 meets are all overlapping one another, that's not good for any one of them, or even for us, down the road," he said. "Also, I think the euphoria of passing pari-mutuel blinded a lot of people, and they didn't look at the realistic situation that existed with the 5% tax, for one, and with markets that weren't large enough to support the kind of investment they were putting up."

Joe agreed, adding: "Part of the problem is the purses. There's no way under the current law that you can have decent purses in Texas. Who's going to take a Thoroughbred horse to one of those tracks and run him for a \$1,500 or \$2,000 purse? Even if you win, you lose. The training bills are going to be more than the first-place money."

Texas legislators, he continued, "certainly ought to give us the sliding scale tax and the simulcasting in order to get our purse structure up to where we can keep the good horses at home, and also entice horses from other states to come to Texas."

"The real question is, why did we pass the law in the first place? That's the tough question. And there are all kinds of answers. People say we did it because we just wanted to get a bill passed, and there's something to say for that. Though we were very naive, we aren't alone in that, because every new racing state went through the same thing."

Joe reflected for a moment, then softened his tone: "Most of them got their problems solved quicker than we did, though."

OVERALL, however, the Strauses are optimistic about the chances for approval of the new racing mandate during the 1991

Texas Legislature. Joe said he even thinks most of pari-mutuel's longtime adversaries at the Capitol are grudgingly conceding the benefits of a restructured bill.

"And that means not only the 5% tax, but the simulcasting; the language that grants the racing commission proper authority without the attorney general negating everything they want to do; and the clean-up language that the governor, the breed associations and the comptroller want," Joe said. "Once we get all this done, I think you'll find everybody's enthusiasm for racing will return.

"They'll see that we have no excuses, and that we can do something that's good for this industry and is profitable for the investor. And it's all exciting and fun: that's the main thing. Racing is an entertainment business, and once we get a law an investor or lender can feel comfortable with, the excitement can really begin."

Besides the Strauses, at least one other group is expected to apply for a Class 1 license before the November 30 deadline. Dallas investor Gary Havener's DFW Racing Corporation has planned a \$110-million Mountain Creek Park for 1,000 acres in southwest Dallas.

And last June, an application was filed for Sam Houston Race Park, a proposed \$60-million Houston-area facility slated for 300 acres in northwest Harris County. Public hearings for all Class 1 applicants will be conducted by the Texas Racing Commission during the winter and spring of 1991.

In the three years since pari-mutuel racing was approved, there have been only two previous Class 1 applicants: the Houston Turf Club and Houston Downs, both of which were denied licenses in 1989.

Sam Houston Race Park's principal owners (led by former Houston Turf Club President Kirwin Drouet) have announced they will proceed with construction next year if granted a license—whether or not the 5% takeout is reduced. Mountain Creek Park has indicated similar intentions, although like the Strauses, both groups have voiced strong support for the proposed clean-up bill.

And so it goes on the Class 1 horse racing roller-coaster.

But down at Straus Medina Ranch, the deep-rooted tradition of horse raising is here to stay—despite the uncertainty of a future that could ultimately guarantee the Strauses a significant opportunity to influence the course of Texas racing as it advances into the next century.

Should that opportunity present itself in the near future, the extended family structure is in place and ready to sustain the heritage of both the ranch and Strafico. David's son Steve, 34, lives on the property with his wife and children and will retain his current responsibilities as ranch manager. David's other two sons are already involved with Strafico, and Joe's son in Washington plans to return to Texas to help run Retama Park when the time is right.

"So we've got family interests that will go on in both areas," Joe noted. "We might even get Strafico involved in racing. After all, if we evolved from the horse into the automotive business, we might go back to the horse. You never know."

Also not known is whether this tenacious pattern of continuity is somehow influenced by the forceful undercurrent of history at the ranch—a history that precedes even the multiple decades devoted to the perpetuation and improvement of racehorses and cattle.

A poignant example is an aging tombstone on the property which marks the gravesite of Henrick Arnold, a black scout who fought for Sam Houston in the 1835 and '36 battles of Bexar and San Jacinto. In appreciation of his participation in their fight for independence, the Republic of Texas gave Arnold the tract of ranch land from which the Strauses are now fighting for another kind of freedom: the right to engage in free enterprise.

It is a bloodless battle, to be sure, but the degree of spirit and determination with which it is being waged is probably no less passionate than that of Arnold's, over 150 years ago.

Even if everything goes as desired, by the time Retama Park has gained momentum and is paying its own way, it is likely that the third millennium will already be unfolding. Joe Straus offers only vague speculations on whether he and his brother will be devoting their full-time energies toward running the racetrack by then, or splitting their time between Retama Park and Strafico.

"Well, let's see," Joe said. "I'll be 73, and David will be 77, so I would imagine our day-to-day activities in Strafico would be limited. Hopefully we'll still be here, but who knows? That's not up to us."

"We've been without racing in Texas now for 50 years," David said, "and we're anxious to have it back. We don't anticipate having a big, major track like a Belmont or a Santa Anita; Dallas and Houston can have those. But we're right on the threshold of having a first-class track in San Antonio, and we just want a chance to get it done.

"Because you know, we've been waiting a long, long time." ■

Austin free-lance writer Anne Lang is the former editor of Texas Thoroughbred magazine.
