

HTR Monthly Report
Thoroughbred Handicapping Newsletter
March 2004

Brought to you by –
KM Software
Handicapping Technology and Research

This Month

[1] This page

[2] News and Tournament

*HTR Winter Challenge 2004
Results and Highlights*

[4] Handicapping

*Workout Rating - Advanced Topics
Combinations Tested with K and Velocity*

[8] Systems and Angles

3yr Graded Stakes Overlays

[9]

\$ and \$\$ Longshots

[10]

*HTR2 Upgrade Info
Pars Out - EPR In*

[12]

Tester: Longshots and Tournaments

[13] Late News –

Tournaments /HTR Users in the News

The HTR Monthly Report is converted from a Microsoft Word Document to a .pdf file for viewing with the free Adobe Reader. The newsletter may be viewed while on-line or the file can be downloaded to any computer hard-drive for off-line reading and printing.

Each month, the current edition of the HTR Monthly Report is available on the Internet from our members' web site only. This is not a free newsletter, it is included as part of a paid subscription to HTR's monthly download service (\$119/mo). Selected articles can be found on the free HTR web site (see back page for web addresses). The HTR Monthly Report is expected to be available around the first of each month. If you prefer to have the newsletter printed and mailed to you (first class postage) a one-year subscription is currently \$79 in the U.S.A. and Canada. International rates are slightly higher.

All proprietary rights to this material belong to KM Software. No portion of this product may be reproduced, copied or transmitted on the Internet without the express written consent of KM Software. All articles and information in this newsletter are written by Ken Massa unless otherwise stated. Test data files are provided with permission from Handicappers Data Warehouse and Equibase Corp. The test results, analysis and opinions found herein are those of KM Software only - Handicappers Data Warehouse and Equibase Corp are not responsible for the written contents of this newsletter and cannot be held accountable for any claims made in it.

KM Software 2004

*Tournaments and News***HTR Winter Challenge 2004**

Congratulations to *Gambler* Ed P (PA) - the runaway winner of the HTR Winter Challenge Tournament. His final score was tremendous and nearly twice that of the second place player. The contest had lead changes nearly every day and most of the players found themselves moving up and down the standings like an elevator. This happens when the bet amount is deducted. Unlike most tournaments where the winning points accumulate to the score, with no negative for losing picks, our format subtracts the cost of the bet (-\$6) and therefore requires a more consistent approach.

The runner ups were "Gumper1" (Don M - PA) and "Dr. F" (Fred M - CA) with scores over 100 points. Any player that tallied a score above zero at the end had a positive ROI for the 60 tournament plays and those above 36 points were realizing an ROI over 1.10, well-done for 11 days (see player stats below).

Other prize winners include "Paladin" (Scott K - CA) who racked up an incredible 80% in-the-money hit rate and won the ITM% prize. There was a 3-way tie for the highest mutuel hit which was hit at MNR-9 on February 17 paying \$96 to win. Honorable mention goes to Barbara B "LeakyEyes" for finishing 5th and 13th with her two entries; Ray F for finishing 7th and 9th; and Glen L who deserves a comeback award for finishing 14th and 17th after falling far behind in the early standings. The rest of the top-20 are listed below and deserve congratulations for their excellent handicapping and persistence.

This was a tough competition. Perhaps even exhausting. The 11-day format and wager deduction rule put the lid on the luck factor for the most part. *Bombs away* was not a viable winning strategy, consistency with medium and large priced mutuels is the key. My experience and the feedback from other players is that these contests are extremely beneficial to the handicapping experience. Putting your selections in front of the public and competing against a very determined group of other people sharpens the focus and increases our skills like nothing else can. Above all else though, tournaments are exciting and loads of fun - thanks to all of you that participated. Looking forward to seeing many of you and our contest winner Ed P in Las Vegas at the Orleans on March 24. On page-3 Ed will give you a summary of his tournament experience and we'll list all his winners.

Below are the top-20 standings with additional statistics. Side notes: There were 73 players total. ROI tend to be much lower when the contest includes Place and Show bets. Tournaments with Win betting only have bigger returns but also leave lots of players with zero in the end.

Rank	Player	Nickname	WINp	ITMp	ROI
1	Ed P (PA)	<i>Gambler</i>	24%	49%	1.58
2	Don M (PA)	<i>Gumper2</i>	25%	47%	1.30
3	Fred M (CA)	<i>Dr.F</i>	10%	35%	1.28
4	Daven T (OH)	<i>Buckfan1</i>	08%	33%	1.17
5	Barbara B (CA)	<i>LeakyEyes2</i>	12%	48%	1.16
6	C Martin (OK)	<i>C_Martin</i>	12%	17%	1.14
7	Ray F (MA)	<i>RayF2</i>	15%	40%	1.13
8	Tommy C (TX)	<i>TequilaTea</i>	05%	28%	1.12
9	Ray F (MA)	<i>RayF1</i>	12%	48%	1.09
10	Val W (MD)	<i>RedQueen</i>	22%	52%	1.06
11	Mike D (OH)	<i>MikeDee</i>	07%	25%	1.06
12	Herman B (MD)	<i>Hbee1</i>	12%	33%	1.06
13	Barbara B (CA)	<i>LeakyEyes1</i>	10%	37%	1.04
14	Glen L (TX)	<i>Glen2</i>	15%	32%	1.04
15	Korky (woof)	<i>Korky</i>	07%	36%	1.03
16	Doug C (CA)	<i>dougC1</i>	10%	33%	1.01
17	Glen L (TX)	<i>Glen1</i>	08%	25%	0.98
18	David B (IN)	<i>DB58</i>	32%	67%	0.98
19	Rick N (AR)	<i>JockeyJoe2</i>	08%	38%	0.97
20	Gus D (MD)	<i>Phantom1</i>	24%	48%	0.97

*Tournaments and News***HTR Winter Challenge 2004 -- How'd He Do It?**

In his own words, contest winner Ed P had these comments on his performance ==>

Truthfully I believe I was extremely lucky to win. It seemed like every move I made was the right one. I wish I could tell you I had some magical handicapping system or even a good mechanical one, but I don't. Donnie N (who I have talked to numerous times on the phone, has really helped me in many ways) showed me how to make a good handicapping system using Access and whatever figures I choose from HTR. That is what I used. I don't have any special formulas, I just bet what it gave me. I don't feel I'm even in the same ballpark with a lot of HTR users. They are true professionals. I'm just an old rookie still trying to learn this game. Hopefully what I'm doing will continue to work. I would like to thank Donnie N, Ricks, Mike Dee, KM and everyone that helped me. [Here are my 14 selections that won their races] =

<u>Date</u>	<u>Trk-R#</u>	<u>Pg-Horse</u>	<u>Win Paid</u>
14Feb	AQU 2	1 Clever Gree	\$4.80
14Feb	MNR 5	2 Charity Lin	\$4.40
17Feb	MNR 4	8 Angel Aglo	\$25.00
18Feb	GP 7	4 Bahama John	\$9.20
18Feb	GP 8	4 Joyful Ball	\$12.80
19Feb	OP 1	4 Transgress	\$12.40
19Feb	OP 7	8 Go Legs Go	\$22.40
21Feb	SA 9	7 Geardown	\$17.60
21Feb	OP 5	4 Johnny One	\$16.80
21Feb	OP 10	12 Mr. Devious	\$42.60
22Feb	GP 7	11 Honorable B	\$21.00
22Feb	GP 6	9 Bigamo	\$22.80
23Feb	GP 6	4 Tempers Ris	\$8.80

Ed obviously got hot and snowballed his points when it counted in the last few days, yet his play was very consistent and mixed in a variety of prices along with some bombs. Most tournament formats pretty much require that we stab at horses that you would never bet money on sensibly, but this contest features a more realistic betting simulation and 14 wins cannot be achieved in 60 chances if aiming for the moon.

What about moving from our safe little contest to the public chaos of the *Orleans Championship*? The mass-market tourneys are very overwhelming to newcomers, no matter the level of handicapping experience. The atmosphere is 180-degrees removed from the comfort of home sitting at the computer with quiet time to ponder. It takes a few tries to get the jitters out and learn to deal with the distractions. Several players reported making costly mistakes in our easy event. Those mistakes are compounded in a room of 600 screaming people with 7 tracks going simultaneously on dozens of televisions. But the hotter the fire, the tougher the steel, so I strongly recommend you take the plunge whenever possible.

If you want more information about the Orleans and strategy to win it, please read back issues of the HTR newsletter during March/April and October/November in previous years.

See page 11 for a good discussion of using the HTR2 Tester for tournament research.

*Handicapping with HTR2***The Workout Rating -- Advanced Topics**

The Workout rating (Wk) has been a part of HTR software only for a matter of months and there is much for us to learn about it in our handicapping. There is no doubt about the impact of the Wk figure for uncovering big longshots and flagging some otherwise clueless bombs. This month we'll test the workout in tandem with many of the other HTR ratings to determine just how valuable it can be, as well as to locate favorable situations we can profit from.

Primer and Review of the Wk Rating

The Wk rating is not based on conventional workout analysis. The public is well aware of the common benchmarks for fast times in the morning such as "bullet", "best of morning", etc. Public workout information includes the rank for every horse compared to all others that worked the distance the same morning (ie: 7/22 = the horse was 7th best of 22 workouts at that distance) and everyone knows who was fastest each day. Trainers are also analyzed for their workout tendencies and there are private clockers that sell more detailed visual information from their morning observation. Even if someone could quantify all this information, it would have little value for finding overlays or price plays as long as most serious handicappers are well aware of it.

My goal with the HTR Wk rating was not to compute a speed figure type number that merely related who ran the fastest time during the morning preparations. We have that already with the "A-B-C" grades in the HTR PP's. There just isn't much benefit from finding the fastest "morning glories" as the fastest workouts will lead predictably to lower odds. What is needed instead is a method to understand a horse's probable physical condition. Think of the Wk rating as an IQ for fitness.

=====

I'll discuss the nuts and bolts behind the workout rating and my original theories on its development at the seminar in July. Be sure to attend if you want this important background information along with increased understanding of the rating for locating live longshots.

=====

To determine winning workout patterns the following information was fed into the computer ==>

- Days since the last workout and most recent race.
- Days between the previous recent works and races (last 4 workouts).
- Distance of the workout.
- Apparent strength of the workout such using daily ranks, raw time, clocker description, type of workout (breezing, gate, handily) and the location (track, surface condition, etc).

After identifying the various productive workout patterns, a scale (0-99) was devised to enable fast understanding and comparison ==>

<u>Wk Rating</u>	<u>Probable Meaning</u>
90-99	High level of fitness is likely - big effort looming.
85-89	Strong indicator of a fit and ready horse.
80-84	Good indication of a positive pattern.
76-79	Fuzzy, but possible indication of a good pattern.
75 or less	No pattern detected. Not necessarily a negative.

As with all handicapping factors, the Wk rating represents a tendency for something to happen based on past results. Workout information itself, as everyone knows, is subject to lots of errors, omissions and even chicanery. Yet as we will discover in the next few pages, there is clear value with using a rating based on a horse's activity/workout pattern.

Handicapping with HTR2
The Workout Rating -- Advanced Analysis

The best place to start our analysis of the Wk is with the venerable (K) rating. First I isolated all horses with a Wk rating of 83 or higher, irrespective of the ranking. Why 83? Seems like a logical benchmark that seems to point in the positive direction and still give us a reasonable sample - an educated guess at the break point for strength in the rating.

=====

The (K) rating computation does not include the current workout rating (Wk). The (K) does have a small adjustment for fast workouts with first time starters based on the A-B-C grading system found in the HTR pp's. The results of the test below and others will help in possibly incorporating it.

=====

Key to Data

* exceeded results for an unfiltered sample
 ** far exceeded the expectation
 < worse than expected

note: the 'Longshots' column here is displayed only with the symbols to indicate if the percentage of \$15+ winners went up or down from an unfiltered (K) sample.

K-rating combined with 83 Wk or higher - All Races

<u>K-rank</u>	<u>Plays</u>	<u>WINp</u>	<u>WPP</u>	<u>ROI</u>	<u>Longshots</u>
1	9393	**35%	*54%	**0.92	<
2	8698	*22%	*41%	*0.85	<
3	8204	*17%	*34%	**0.86	<
4	8013	*13%	*27%	*0.84	*
5	7411	*10%	*22%	**0.85	**
6	6568	*07%	<15%	<0.74	**
7	5137	*06%	13%	**0.80	**
8	3696	*05%	*12%	**0.77	*
9	4717	*03%	*07%	**0.78	**
K110+	3179	*42%	*64%	*0.93	

Analysis

There is lots of good news here. Horses that combine K1 + Wk=83+ are going to win 35% of their races compared with 30% for an unfiltered sample and the ROI goes from 0.89 to 0.92, excellent. Notice that even though the ROI went up, the number of longshots declined. This indicates that many medium priced horses from \$8 - \$15 were involved. K2 and K3 went up slightly in win% and the ROI increased as well while the longshots declined. The good news for longshot players is that the lower K ranks get a pump with higher priced winners and all of them show dramatic increases in ROI over a regular (K) sample despite only a slight increase with the win rate. This is a certainty that high priced horses are hitting with workout rating regardless of their lowly K standing.

Let's quickly take a look now at the MLO odds favorites that are filtered with a workout rating (83+). The Wk raises the ROI for the chalk just a bit as normal return is -20% for favorites. Next month we'll discuss a possible negative angle on favorites and the workout rating.

MLO 1-2 combined with 83 Wk or higher - All Races

<u>MLO-rank</u>	<u>Plays</u>	<u>WINp</u>	<u>WPP</u>	<u>ROI</u>	<u>Longshots</u>
1	9714	*34%	*54%	**0.85	
2	8888	*21%	*41%	*0.82	

*Handicapping with HTR2***The Workout Rating -- Advanced Analysis with Velocity Factors**

Fr1 or E/P would seem to be natural partners with a strong workout pattern. Horses with early speed are big candidates for improvement when they are fit and healthy. Let's see if that theory holds any water when we combine a solid Wk with Fr1=1,2 or E/P= 1,2. I used PL-5 for all tests in this report.

Fr1 rank 1-2 combined with 83 Wk or higher - All Types of Races

<u>Fr1-rank</u>	<u>Plays</u>	<u>WINp</u>	<u>Wp</u>	<u>ROI</u>	<u>Longshots</u>
1	9386	*22%	*37%	**0.97	*
2	8888	*18%	*33%	**0.91	*

E/P rank 1-2 combined with 83 Wk or higher - All Types of Races

<u>Fr1-rank</u>	<u>Plays</u>	<u>WINp</u>	<u>Wp</u>	<u>ROI</u>	<u>Longshots</u>
1	9642	*24%	*40%	**0.96	*
2	8624	*22%	*35%	*0.87	*

Analysis

No question about it - improvement all around. My test is an "all burger" here, you should investigate it for dirt sprints and routes separately from turf and maybe separate maidens; perhaps look at it by individual racetrack. Early speed combined with a strong work pattern is like dynamite and matches and should never be underestimated. Here are a couple of other important thoughts -

- The higher workout rating -- more powerful this combination becomes.
- While we have commented in the past about the decline of Fr1 potency in recent years due to public awareness and greater access to data; the Wk rating *runs the public right off the road*. HTR users are the only handicappers that can recognize these patterns and the good news is that Wk rating cannot be duplicated or understood with visual analysis.
- Longshot production goes up modestly, but remember that Fr1 and E/P are already the most potent factors available for locating live bombs. It is no easy task to elevate the longshot rates with those two factors and I have found little in the past that could do it effectively as the Wk.

Lv and S/P

Now let's check on late speed velocity factors in combination with the Wk. Aside from higher class races or grass events, the majority of late runners win because the race falls apart up front. Most claimers who are devoid of early speed tend to meander in the pack and make only belated moves at the end. If we could uncover late runners that are truly "live" we might make some money on them if they can close strongly and get into the top-3. The workout rating would seem the ideal indicator of "live".

S/P rank 1-2 combined with 83 Wk or higher - All Types of Races

<u>Fr1-rank</u>	<u>Plays</u>	<u>WINp</u>	<u>Wp</u>	<u>ROI</u>	<u>Longshots</u>
1	7809	**26%	**43%	**0.94	*
2	7811	*21%	*34%	*0.84	

L/P rank 1-2 combined with 83 Wk or higher - All Types of Races

<u>Fr1-rank</u>	<u>Plays</u>	<u>WINp</u>	<u>Wp</u>	<u>ROI</u>	<u>Longshots</u>
1	7355	**22%	**39%	**0.88	*
2	7411	*19%	*35%	0.81	

Analysis

Clearly the rank=1 are the plays. Not as strong as the early speed by any means, but big improvement for the top ranks. BTW: Fr3 pretty much mirrored the L/P (Lv) results, although slightly worse ROI.

*Handicapping with HTR2***The Workout Rating -- Advanced Analysis with Various Factors**

Now let's take a look at some of the overall speed and performance factors. I used PL-5 for all the tests in this report. These include PER (mirrors E/P velocity), C90 (best Cramer speed last 90 days) and VEL (overall velocity consensus rating).

PER (or E/P) rank 1-2 combined with 83 Wk or higher -- All Races

<u>PER-rank</u>	<u>Plays</u>	<u>WINp</u>	<u>WPP</u>	<u>ROI</u>	<u>Longshots</u>
1	8992	*28%	*46%	*0.92	
2	8178	**22%	*39%	**0.92	

C90 rank 1-2 combined with 83 Wk or higher - All Types of Races

<u>C90-rank</u>	<u>Plays</u>	<u>WINp</u>	<u>WPP</u>	<u>ROI</u>	<u>Longshots</u>
1	9271	*28%	*47%	*0.91	*
2	8316	*22%	**41%	**0.90	

VEL rank 1-2 combined with 83 Wk or higher - All Types of Races

<u>VEL-rank</u>	<u>Plays</u>	<u>WINp</u>	<u>WPP</u>	<u>ROI</u>	<u>Longshots</u>
1	8832	*28%	**46%	**0.94	*
2	8316	*21%	*39%	*0.89	<

Analysis

All of these factors improve their ROI when the Wk 83+ is partnered. But the longshot production is not significantly increased and that tells us that the Wk is moving many medium priced horses into the winners circle and increasing overall production without a lot of bombs to overstate the money return.

=====

It's important to keep in mind how generic my samples are. This is an "all burger" test that includes everything from 5.0f 2yr maiden claimers to million dollar Grade I grass routes. Also I plucked the 83 workout number as a filter based only on an educated guess, not documented results. We could increase the Wk to 85 or more, but the sample size will drop; or lower it to 80 and the production (win%) will decline yet there will be more plays and perhaps more longshot winners. My purpose is to increase your awareness and stimulate further research. There is much to be discovered with the Wk rating.

=====

Finally, we'll examine the 83+ Wk in tandem with Trainer rating and Pedigree rating.

TRN rank 1-2 combined with 83 Wk or higher -- All Races

<u>TRN-rank</u>	<u>Plays</u>	<u>WINp</u>	<u>WPP</u>	<u>ROI</u>	<u>Longshots</u>
1	8826	*25%	*43%	*0.91	<
2	8718	*20%	*36%	*0.85	<

PED rank 1-2 combined with 83 Wk or higher - All Types of Races

<u>PED-rank</u>	<u>Plays</u>	<u>WINp</u>	<u>WPP</u>	<u>ROI</u>	<u>Longshots</u>
1	7973	*20%	**35%	**0.91	
2	8003	*18%	*33%	**0.87	

Analysis

These two factors (PED, TRN) have weak ROI when tested by themselves. Add the workout rating and they improve nicely, particularly the Pedigree rating. A test would be interesting with FTS combining Wk, PED and TRN and we'll tackle that next month when I continue with the Wk research.

*Systems and Angles***3yr Graded Stakes**

Part of the excitement on the road to the Kentucky Derby is watching all the preps at the major tracks that lead up to the first Saturday in May. After the Triple Crown series is over there are many additional Grade I races for the 3yr that make the headlines such as the *Travers* and *Swaps Stakes*. Those 3yrs that are a cut below the best will compete in some good sophomore Grade II and III events. The fillies also have their share of high quality Graded stakes throughout the year.

Are there any specific factors in HTR that stand out for these unique races? To answer this I ran a couple of years of 3yr Graded Stakes for both males and females through the Tester. Listed below are some of the key details and the best producers for making money.

Test Parameters - about 300 races found

- 3yr only
- Male or Female
- Dirt Races from 7f - 10f
- Graded I, II, III stakes run in USA or Canada in the last 730-days (test run on Feb 28).

First we'll check the tote favorites and the (K) rating to find out how formful these races are for the obvious contenders and the public choices. I'll also comment on the longshot potential (\$15+) after reviewing the statistics ==>

Factor	Win%	\$ROI	Longs
Favorite	33%	0.76	0
2nd Favorite	22%	0.95	3
K-1	29%	0.80	2
K-2	23%	0.90	4
K-3	16%	0.86	8
K-4	14%	0.99	12
K-5	09%	1.12	11
	(91%)		

Longshot Rate = 26% (normal is 23%)

Analysis

One thing that we know for sure is that the top 3yrs are talked up excitedly in the press and therefore over-bet at the windows. The favorites do not win at higher rates than expected however. The 2nd choices in the wagering obviously benefit from the hype. Longshots are good bets in these races, particularly if they are in the top-5 (K) which takes down 91% of the winners from typically large fields.

Productive Factors

Next is a top-5 list drawn from all the HTR factors ranked 1-2. The factors are sorted by ROI. These are going to be the same factors that produced most of the longshot winners as well.

Factor	Win	\$ROI	Comments
\$\$	11%	1.14	Big money
Fr3 rank 1-2	16%	1.08	Late speed a key
HTR 1-2	58%	1.07	HTR-Consensus #1 rank very strong
Jky 1-2	45%	1.05	#2 rank jockey had ROI = 1.29 !
PED 1-2	35%	1.03	Not surprising with these top 3's.

Summary

In general, all of the velocity factors related to late speed did well (Fr3, Lv, S/P, VEL). It appears these races are easily beaten if you are willing to bet against the headline favorites and go with the resulting overlays from among the other logical contenders. Lots of value potential in these events.

*Handicapping with HTR2***The \$ and \$\$ - Live Longshots**

The March HTR2 upgrade includes an overhaul and expansion of the \$ and \$\$ longshot flags. They have been synchronized throughout the software and appear on nearly every screen. The Export and Test utilities will match the visual output; the SPADE and DIAMOND reports will also feature them.

The purpose of the dollar-signs is to alert the user to possible "live longshots". Years of testing and day-to-day experience has led to some solid parameters. A single (\$) is awarded if the horse has a ML of 6/1 or more and displays one of the following factor rankings in its favor ---

- **Fr1 = 1,2**
- **EP = 1 or A/P = 1**
- **L/P (Lv) or Fr3 = 1**
- **Wk >= 83**
- **Wk = 1,2 (rank) if rated 80+**
- **1st or 2nd time starter; PED >=450, Wk >= 83**

The double-strength play (\$\$) occurs if the horse possesses two or more of the above. Horse's awarded one dollar sign can also be upgraded to (\$\$) if one of the following is present ---

- **Shock Speed**
- **Fr2 =1 (velocity qualifiers only)**
- **VEL (velocity score) = 1,2**
- **(K) rating = 1,2,3**

On the FULL CARD and DIAMOND screens the \$ is flagged with a [] brackets, the \$\$ with < > surrounding the program number. Various pp screens also now list the dollar signs in the horse header.

If you want a list of all the day's possible price plays and live longshots, click the DIAMOND or SPADE buttons from the main interface. The SPADE lists all the \$ and \$\$ horses individually with a variety of information (see page 10 for more) and sorts them by track and race number. The DIAMOND uses the post-time to sort a list of all races for the day in the order they will be run. The longshots, if any, are listed to the right of the race information. The DIAMOND report is a great organizer if you playing multiple simulcast tracks or involved in a busy tournament.

Changing PL modes will alter the \$ and \$\$ output. The velocity factors are a key to much of the longshot identification and a different set of paceline selections will change the rankings dynamically. The Wk and PED are unaffected by PL changes. My research, benchmarks and most of the test information you read in this newsletter are run with PL-5.

Too Many (\$)’s?

Many of you commented that the number of dollar-sign horses seems to have increased significantly from previous versions of HTR2. This is true, I expanded the parameters to include the Wk rating prominently. Tightening the parameters is obviously the solution to cutting down the number of these horses. I'm not in favor of anything that takes away a clue to a possible *bomb* though. The \$ and \$\$ are not automatic bets by any means, they are just a flag that grabs our attention. Future tests with the Wk will probably enable me to cut back, but that rating is very predictive of long prices and for the time being it's better to retain them prolifically in our analysis and not miss anything big.

The Tester includes the \$ and \$\$ results. Don't be misled by poor results with Win% or ROI as there are often multiple dollar-sign horses in the same race which obscures the power. The purpose of the \$ and \$\$ is to flag "live" runners at high odds. Observation and experience is more valuable than raw test results. For example, a \$\$ runner finishes 3rd at 50/1 and the trifecta pays \$300 as the favorites run 1-2. We can't quantify this easily in a test result, but the extra money in your pocket confirms the value of the \$\$ alert.

*HTR2 Software***Major Upgrade for March HTR2 Version**Accurate Post-Times for your Local Time Zone

A great new feature added this month is the insertion of a time-zone option that allows you select your current time zone and reset all the post-times throughout the program to your local time. The opening screen has a new button with a picture of a clock. Click it and set your current time zone (be sure to change it again after daylight savings time). The selected zone will be saved when you leave the program. Now the post-times listed in the header for all the screens will be accurate for all tracks in your local time. If you travel with your laptop and want to use HTR2, you can reset the time zone wherever you are to get the post-time listing into local time. Works great for tournament travelers.

In two cases the post-times are turned into military time (i.e. 2:30pm = 14:30). One is the DIAMOND button which displays race information for all tracks but sorts the entire day in post-time order. The Export HX4 also sends the tPOST field in military time format "00:00". The military format is used for easy sorting. Thanks to Ron Tiller from HDW for providing this availability.

Level / Pars Update

After much frustration with attempting to quantify race conditions everywhere, I have decided to abandon the idea of perfecting levels and pars and moved on to a more progressive concept for race strength prediction. Please see page-11.

Longshots (SPADE) Screen Refurbished

The SPADE screen extracts all the horses for the day that have been labeled potential longshots with the dollar sign (see page-9) and sorts by track and race number. I reformatted the screen to include the workout rating in a prominent spot on the sheet. Various symbols are used to mark positive situations. Here is short list of the key items ==>

- V_i in braces { } are those below 30.
- K with a (*) are those ranked 1-4.
- E_v or L_v rank in [] indicates a strong backup factor is present such as Fr2=1;VEL=1,2; shock speed.
- Layoff (LAY) in braces { } are horses that have been laid up 6-months or more.
- Workout rating (Wk) with a (+) are those 83 and higher.
- Post-time in regular AM/PM format adjusted for your time zone appears on the far right.

Odds and Ends

- The Tester was updated and a bug fixed, see page 11.
- Added more track *fast-buttons* (8 total) on top for easy selection of popular tracks; i.e. [AQU] [GP]
- Wk rating added to most past-performance headers along with the \$ and \$\$ longshot alerts.

Export HX4

Field 100-101; changed header to nPFIG and rPFIG. These are the Cramer projected 'sheet' figure and its ranking. This is a good one for those you using the form-cycle analysis from FIG2.

Field 134-135; nEXA and nTRI. Exacta and Trifecta prices from the exported race.

Field 126; tPOST, exports the local post-time (per the optional time zone setting) in military format "00:00". This is a great addition for those that create their own reports in Access.

Field 14; nEPR = EPR (see page 11). Similar concept to estimate the quality of the race. All other export functions (HX1, 2, 3, 5, 6, MSA) retain the nPAR field heading, but the nPAR will now be the EPR rating. I saw no need to change all the other HX's for one field label change.

*Software Upgrade***Levels and Pars ---> Estimated Performance and Strength Ratings**

EPR = Estimated Performance Rating (now found in all HTR2 race headers)

SOR = Strength of Race rating (listed in all past-performance lines)

It has become a nightmare to quantify every class level in North America with a comparable number. Purse inflation due to slots and state-breeding incentives combined with competitive creativity in writing race conditions make it difficult to accurately classify race types these days. Why go to all that trouble anyway when we are well-aware that "horses do not run against pars, they run against each other"; every race is unique. I chose an alternative which debuts in HTR2 this month.

I decided to abandon the notion of static pars and levels and go with a dynamic rating that can prove more valuable when handicapping an individual field of horses. The EPR will appear in the header for every report found in HTR2 (replaces "Level"). This is a projection of the winning performance rating (PER) for a given field of horses. The number is based on scanning the recent performances of the horses in the race and estimating improvement or decline and overall ability.

After a race is over we want to classify the strength of the field for the past-performance line when a horse returns to race again. The SOR takes the place of the pars in the pp's to give the handicapper a clear history of the quality and strength of previous raced against. Below are examples of where you find this in HTR2 pp screens

088 3yF M20 88 = is the 'race strength' for this maiden claimer for 3yr fillies
105 4up C35s 105 was the SOR rating for this \$35,000 claimer for state-breds

All the SOR ratings are similar to the previous pars and are in the typical Quirin-style figure format. The SOR appears in every past-performance line and is an instant evaluator as to the quality of the past races. The [PPQ] screen also displays race shape ratings as follows =

SS = the early pace and finish were both slow
SA = slow pace, average finish
AA = average pace and finish
AF = average pace, strong finish
FA = strong early pace and normal finish, strong race for pacesetters
FF = strong early and late, highly rated race

Here are some issues surrounding the EPR and SOR ratings ==>

- Races with the exact same written conditions can easily have different EPR or SOR ratings which depend on the quality of the field, not a contrived "par" from a class chart. Some fields are stronger than others - remember that the EPR is an estimate of what a specific field of horses will run today.
- When handicapping a field of older horses, review the past PER ratings for each horse in the pp's and compare to the EPR. If a runner has never been able to surpass the EPR in its last 10 starts, it is unlikely do so again today and cannot win without severe meltdown. However, younger horses (under age-4) can improve a few points on their best PER and may be able to run to the EPR today. Check for positive changes such as equipment, workouts, trainer and jock switches. Lightly raced young horses are always destined for improvement at some point.
- The ACL (Average Competition Level) is based on the SOR now and should be a more accurate reflection of actual class and competition faced.
- When handicapping a maiden race become aware of the challenge facing FTS if the experienced runners have already run close to the EPR. But if the previously raced horses have weak PER ratings that are far below the EPR, then a well-meant FTS should be able to beat them.

*Research with HTR2***Using the Tester for Longshot and Tournament Research**

The Tester has been upgraded with a new column and a minor bug fix. There are several tools and techniques to use if you are researching longshots or getting ready for a tournament. Take time to learn the benchmarks that point out longshot productivity.

The bug was in the 'Tournament Rating' and would only occur if the Vi range option was set and resulted in ridiculous figures over the maximum rating of 99. It has been fixed and the Tournament Rating will typically display a number between 35-85.

The Tournament Rating assesses the production of longshot hits (win and place) and the ability of HTR factors to identify them. Higher priced horses are given slightly more credit in the formula than those under \$30. The Tournament Rating is found at the bottom of the Tester output. Review the chart below.

Tournament Rating	Meaning
00 - 40	Very shallow for any prices
41 - 49	Below average rate of longshot winners
50 - 59	Average range - longshot hit rate is normal
60 - 69	Above average number of longshot hits
70 - 99	Powerful sample of longshots, prices galore

Any combination of Test filters can be selected to obtain a tournament rating. My suggestion is to keep your sample size fairly broad for individual racetracks though - such as 'Fast Dirt Sprints' or 'Turf Routes'. Separating the data too much will result in small unreliable outcomes. If the test sample results in less than 10 races, the Tournament Rating is not reliable.

The %w column addition

The new column is found on the far right of the output for all the factors and labeled "%w". This indicates the percentage of the winners that paid over \$15 to win in that sample. The median percentage of winners that pay \$15+ from all races is 23%. The table below will help you to benchmark the rating --

%w	Meaning
00	None of the winners paid over \$15 for this factor.
01 - 19	Below average, not many prices.
20 - 25	Normal range for \$15 and up payoffs for the winners.
26 - 33	Above the expected number - prices are coming in.
34 - 99	Gobs of high priced winners getting home.

Keep in mind that the %w column tells you only the percentage of winners that paid over \$15. The factor being looked at may have produced a poor win% or ROI despite having a high rate of longshot winners. The ROI is the best guide to determining potency overall. The %w can assist in your understanding factors or situations that typically result in longshot payoffs though.

If you are looking to do some pre-tournament preparation, test the individual tracks involved in general categories. Write down the Tournament Ratings on a sheet of paper or type them into a spreadsheet. Sort the best and the worst and you will have solid information to formulate a game plan. After discovering the top situations, review the factors that seem to be prominent for producing the longshots.

The Wk, \$ and \$\$, PED, TRN and JKY categories can be tricky to figure as they often have more than one tallied horse per race. For example, it is possible that 6 horses in one race have a workout rating 80+. The effective win percentage and ROI can be difficult to judge as only one horse can win at a time.

Late News – Tournaments / HTR People in the News

Congratulations to Mike Mayo for finishing 3rd in the *Turfvivor* tournament at Gulfstream Park on Feb 29! He is the first to qualify from HTR for the 2005 NHC next January.

The date of our annual seminar was confirmed by the Gold Coast hotel for Wed July 14. As most of you know, the Coast Casinos (*Orleans, Gold Coast, SunCoast and Barbary Coast*) was acquired by the Boyd Group (*Stardust, Sams Town, etc*). There is no indication that this will change either our meeting situation or the tournament, but we'll stay alert. Details of the seminar itinerary are in progress and will be printed in the newsletter each month now.

Looking forward to seeing many of you at the Orleans Championship tournament from March 25-28 in Las Vegas. I'll be arriving in the evening on Wed the 24th and hope you'll meet in the lounge behind the racebook that evening; please come by if you want to chat and have a drink with your fellow HTR players. We have thoroughly discussed the strategies for winning the Orleans' tournaments in several past issues of this newsletter, usually March/April or Sept/Oct.

Notice on HTR postal mailing address. On Jan 31, 2004 the HTR postal mailbox in Los Alamitos was terminated after 10 years. The trickle of business through snail-mail had dropped to virtually zero in the last 18 months. If you need to send something in the mail that cannot be transmitted via fax or email, please contact me for my home address. Payments via check for HTR subscriptions are sent to Handicappers Data Warehouse in Georgetown, KY.

HTR is a service of –

KM Software

Voicemail: 714-366-1HTR

Fax: 714-693-3399

Email: kmssoft@earthlink.net

Free HTR website (software updates): www.homebased2.com/km

HTR Monthly Report is an on-line newsletter and is normally completed at the end of each month, then placed on the HTR member (download) web site. This is not a free publication. Monthly members of HTR can view the newsletter for no charge on-line, Adobe Reader software (free) required. If you are not an HTR download customer, or prefer a printed version mailed to you, a newsletter subscription is available for a \$79/year. Comments and suggestions are always welcome.

Products and services from KM Software

HTR Unlimited Download:	\$119/mo includes the on-line edition of this newsletter.
HTR Monthly Report newsletter:	\$79 for a one year subscription mailed 1 st class.
HTR Software	FREE, requires download subscription for use. Download the latest copy of HTR software from our web site.

KM Software has been a licensed business in California since 1993.