

HTR Monthly Report

July / August 2005

Brought to you by –

Ken Massa

Handicapping Technology and Research

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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 address). The HTR Monthly Report is normally available by the 5th of each month.

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KM Software 2005

*Seminar 2005***HTR Seminar VI – July 2005 – Summary of Events**

We had an excellent turnout once again at the Gold Coast in Las Vegas on Wednesday July 13. More than 50 of us attended the annual event, which lasted from 11am until after 10pm. I started with 65 handouts and had just 3 left at the conclusion, so there were some visitors and friends joining us as well. The seminar takes place in the banquet convention hall directly across from the main Gold Coast tournament room so the area was buzzing with horseplayers all day as they came in to register. About 30 of our seminar attendees also entered the tournament (see results on page-4).

After a brief introduction and getting everyone situated, Tom Walters (“TomCat”) began the presentations. He started off by showing photos of our late friend Ben Okamoto. Ben, along with Ernie Logsdon and Tom Brohamer, were the original members of HTR. We will miss our old friend and TomCat remembered that Ben loved new angles, systems and spot plays and software updates. Ernie and I had gone to his grave the previous Sunday and left him copies of the new printouts and track program along with flowers – it was the most interesting looking display in the cemetery for sure!

Tom also went around the room and had everyone introduce themselves by name and hometown and their bbs nickname. Lots of first time attendees this year. Most of the regular discussion board contributors were present, including Tom Brown (“TBrown”) and Andy Grossman (“Huguenot”), both from New York, who were awarded special recognition prizes for their bbs posts and extra effort at attending the HTR seminar this year.

TomCat then gave us some practical advice on all aspects of horse betting including exotic formulations designed to catch the superfecta and trifecta with economical tickets. This is his 10th seminar with HTR and I am especially thankful for his efforts each year – and extend my gratitude for his tribute to Ben.

We took a break for lunch and then began the main portion of the seminar, applying HTR2 to real life handicapping. You can read the entire text of my presentation in this newsletter starting on page-6.

The final portion of my material was “tournament and longshot strategy” and after it was finished we launched right into our money contest. It featured eight blind races to handicap in about 15 minutes. Our winner was Val Webster from Maryland and she took home \$300 for tagging several long ones. Tommy Castillo and George Smith finished 2nd and 3rd and received consolation prizes.

We took a break and then started up the Access workshop. Mike Dee was up first and he showed us how to perform the challenging ‘query on query’ method of data mining. Prior to his presentation we had to spend quite a bit of time installing software and getting everyone situated – I’m thinking next year we might have a morning session to get the logistics out of the way and prepare the newcomers to Access. Donnie followed after dinner with some neat tricks that he and Mike had put together with trainer stats as well as a cool track modeler from the new exports. Showed us beautiful reports and text presentations of the HTR2 factors and data. He didn’t let up all night and we had great time at the end as the group shouted out various parameters for him to set in Access and color code for fast alerts on the spot.

We collected \$40 seminar fee from 46 of those in attendance. Your contribution was much appreciated. The money was divided between Tom, Mike, Donnie as well as Ernie and John Buls for their time and expenses at helping out. I spent my share at Kinko’s printing those handouts. Webmaster Rick (did not attend) also received a share as a gratuity for his efforts on our website prior to the event. We also took the Gold Coast staff with some gifts and the rest went to door prizes and our contest winner (\$300). HTR nor HDW do not profit from the seminar.

Thanks to you all for coming and for the feedback and nice comments. Always great to see old friends and make new ones. We are locked in again at the Gold Coast in 2006. Date will be July 12 next year, hope you can make it. *Seminar presentation text begins on page-5.*

*Tournament News***Gold Coast Tournament 2005**

We need to “put our money where our mouth is” and walk the talk after our annual seminar on Wednesday. The *Gold Coast Summer Showdown* took place Thursday thru Saturday and attracted over 550 entrants with a first prize around \$90,000. Again this year, the HTR tournament players utilized much of what we learned during the meeting to take down around \$40,000 in prize money – well done!

Below is a list of those from our group that cashed a check, a very impressive showing! The contest winner (“Ed Herman”) scored 33,230 points. Prize money was paid to 50th place.

<u>Name</u>	<u>Points.</u>	<u>Fin</u>	<u>@Winnings</u>
G. Smith (MA)	30,396	4	\$8900*
K. Massa (CA) + M & M Mayo (TX)	30,396	5	\$6700
G. Pagels (CA)	28,910	6	\$4500*
S. Kozarich (NV)	27,820	10	\$4500*
B. Hogarth (NV)	25,626	11	\$2300*
C. Marvin (OK)	24,576	14	\$2300
D. Craft (CA)	24,317	17	\$2300
W. Burquest (FL)	22,204	23	\$1100 + \$500
B. Stroum (NV)	21,700	30	\$1100
G. Brous (NV)	21,340	33	\$1100

Qualify for Free Entry (\$1000) into *World Series of Handicapping

Note: Wes Burquest won \$500 ‘Day Money’ for his single day score of over 16,000 points on Saturday – what a comeback – he had just 6,000 points from the previous two days, did not give up and nearly finished in the top-20 – determined effort Wes!

As I look over the full standings there are a number of HTR players in the top-100 that needed one more winner to cash in, these include →

M. DeRienzo - T. Walters - J. Buls, T. Castillo, K. Shiver, B. Stark and J. Buckley.

We all have our share of sob stories, near misses, plays not made, “woulda-coulda-shoulda”, boneheaded decisions and it is just part of the tournament experience that must be dealt with and learned from. EVERYONE pulls a “Murphy” or two at these contests. Best to utilize those errors as feedback and correction for the next time out rather than lament our lousy luck.

On the next page I’ll list the top 15 win payoffs from the contest. These are highest point producing races and naturally the moments when the scores for the winners were fattened.

We have factors such as the Wk and FC that cannot be ascertained by the public with traditional sources of information such as speed figures --- so what about the top-3 tournament finishers, they weren’t from HTR, how did they come up with those big ones? I don’t know the answer to that except to assume they were looking in the right place at the right time, particularly Belmont and Ellis Park on Saturday. Some longshots were indecipherable to us; they may have an angle or information we don’t know about. Robert and Mark Bertolucci who finished 2nd and 3rd are clever big price players with decades of tourney experience and have a knack for finding the bombs at the right time. They were one step of ahead of this time, but we are closing in, obviously.

Tournament News
Gold Coast Tournament 2005

Let's scrutinize the winners that mattered during the Gold Coast tournament and see what we can learn. Days mentioned are Thu (July 14); Fri (July 15); Sat (July 16).

<u>Day</u>	<u>Track-r#</u>	<u>WinM</u>	<u>HTR Factors</u>	<u>Analysis and Comment</u>
SAT	BEL 4	\$83.50	FC=80*	hard to find.
SAT	CRC 6	\$82.80		nothing; FTS, no clues
SAT	LS 8	\$61.00	\$, Fr1=1,+Jky;	doable
FRI	ELP 10	\$58.60	\$\$, Wk=93+, Fr1=2, +PED;	gotcha
SAT	BEL 8	\$55.00	\$\$, Wk=92+, +PED, +JKY=1, Fr2=1;	bingo
THU	HOL 2	\$47.60	Fr2=1;	very tough to figure
FRI	CRC 9	\$45.80	\$\$, Wk=1, Fr1=1, PAC=1, FC=1; HTR=1; !	
THU	HOL 8	\$42.00		Nothing w/ PL-5; \$ LSh with PL-2,4 **
FRI	ELP 5	\$41.20	Fr1=1, FC=1; FC=87+, K=4;	a lot to like
SAT	LS 1	\$38.60	K=3, Fr3=1, FC=80*	nice overlay
SAT	ELP 2	\$37.80	FC=80*;	very little to go on
SAT	ELP 11	\$37.20	\$\$, Fr1=2, Wk=83*, FC=84*;	healthy
SAT	BEL 1	\$33.80	\$\$, Wk=83*, CLA=1+;	another \$\$
SAT	ELP 10	\$31.60	\$, Trn=1, FC=83*;	a tough one
SAT	AP 10	\$29.20	\$\$, Wk=84*, TRn=400+, HTR=1,	nice one

** re: HOL-8 Thu - I recommend switching to PL-2 or 4 for a second look with maidens and most 2yr/3yr races as it will select the single "best" recent race. Young developing horses are bound to improve, might as well look at their best recent effort. PL-5 sometimes selects two lines and averages them and than can dilute the strength of the best effort.

Notes

ESh (Early Shock) and LSh (Late Shock) are discussed in the seminar notes herein. FC = "Form Cycle" rating also discussed later in this text.

No sign of MTH or LAD on the list, but they had their share of decent prices in the \$15-\$25 range as did HOL and AP. There were also a number of solid \$ and \$\$ plays that finished second at high odds and padded our points, many paying over \$15 to Place.

FYI: The contest is scored with a mythical \$200 WP bet. So a horse that pays \$20 and \$10 would add 3000 points to the total, for example. Players received 15 of these bets each day for 3-days. The payoffs are capped at \$42 for win and \$22 for Place, but they award a 10% full track odds to the points.

Seminar 2005

The remainder of this newsletter is an edited text of my seminar presentation and handouts.

Seminar Purpose Statement

There are about 50,000 races/year widely available for most horseplayers to bet through simulcast, OTB's, on-line, and offshore. In the 21st century world of data collection, this is a very small and finite amount of information to process. There are increasing numbers of horseplayers, researchers, programmers, db experts and syndicates that have access to all this information, just as we do.

There are also more menacing groups and individuals that want to extract a larger share of the cash through technology and robotics. *Crawlers, spiders, tote penetration robots* and OTB/offshore *dumping* and *piggybacking* are creating alarming distortions in the odds and pay-offs.

At least 25,000 of those race outcomes produce payoffs under \$8.00 to win (top 2 favorites win over 50% of all races). They are highly predictable and very few of those winners are statistical overlays. Another 15,000 of the yearly races have outcomes from \$8 to \$16 and have reasonable predictability, and a modest number of those outcomes are value in terms of their odds vs. probability of winning.

Those 40,000 races are the area of concentration for almost all researchers and data miners. Outcomes can be understood, spot plays and value lines developed, accurate probabilities and overlay assessment is straightforward. Disappointment is the norm in most cases as prices with straight and exotic pools deflate. Conventional approaches that worked in the past are sitting ducks to the high-tech target groups.

The predictable winners group can be profitable with rebates or as exotic keys. Research can uncover spot plays that work in the short run. Unfortunately there are lots of other determined horseplayers looking at the same data. I am amazed at the "critical mass" that depletes ROI so quickly as other researchers catch on and hammer the prices on the good things.

The good news for us is that the parimutuel system must contract with this overemphasis on logical horses. There are approximately 10,000 races (20%) that pay over \$16 and they are where the biggest opportunities are found. Payoffs can be generous, even outrageous when the sharpies are disoriented. We first have to identify these races and then hunt down the factors that find the live horses. That is our resolve at the seminar today.

Staying ahead of 'public' is no longer trying to beat up on \$2 bettors using daily newspapers, but a genuine battle of wits where the strong are determined to devour the weak with all the resources they can muster. With this new version of HTR2, we can put up a tenacious fight for that money and push the envelope of outcome prediction even with the most puzzling of results.

Seminar 2005

HTR Seminar XI
July 13, 2005
Gold Coast Hotel, Las Vegas

Brought to you by –

Ken Massa

Handicapping Technology and Research

- HTR Graduate School
- Concentrated Race Factors
- Distinctive Horse Identifiers
- Form Cycle Quantified / FC Rating
- Longshot / Tournament Rap
- What's New in HTR2

Seminar 2005

HTR Advanced Concepts

One mile for humans – or 1500 meters (Olympics) is the classic track distance requiring perfect symmetry and timing for four laps. Running a 4-minute mile is an incredible accomplishment. Take a look at how the typical runner will complete it →

```
Lap(1)    1:01
Lap(2)    1:00
Lap(3)    1:00
Lap(4)    0:59
-----
                4:00
```

This balanced approach to the 4-minute mile is typical and successful. But suppose I am now coaching the runner above and propose a new method for him. I advise him to open up early and sprint the first quarter to put distance on the field and the cruise home with slower laps late and actually accomplish a faster final (a.k.a. 'better speed figure'). With my strategy the runner will be able to 'rest' in lap 2-3 and still beat his usual time. Will it work?

```
Lap(1)    0:54
Lap(2)    1:03
Lap(3)    1:02
Lap(4)    1:00
-----
                3:59
```

If I show this approach to any track coach worth his salt he would toss a javelin at my head! The runner would be so exhausted after the first lap he would not likely be able to complete the race at all let alone run symmetrical fractions to complete the 4:00 mile.

Final time speed figures with horse races essentially quantify the finish time with the assumption above – that faster or slower pace times can be lent or borrowed and the end result is going to be essentially the same. However, the velocity approach is based on the premise that energy loss is far more severe when expended early. This concept is known as "unrecoverable energy loss" and is the foundation for many of the ratings found in HTR.

Assume both horses below ran at the same track with identical track and variant conditions.

```
HorseA  6.0f  45:00  110:00  (Fr3 25.00)  @Speed figure = 80
HorseB  6.0f  44:00  110:20  (Fr3 26.20)  @Speed figure = 77

Velocity fps ratings

HorseA   E/P 58.67   Fr3 52.50   A/P 56.61   @PER= 103.1
HorseB   E/P 60.00   Fr3 50.38   A/P 56.79   @PER= 104.8
```

The faster a horse is forced to run early in the race, the greater the depletion of available energy to complete the final fraction. A "two for one" ratio can be applied to estimate how the horse will respond when faced with a different pace scenario. Each tenth of a second the horse is forced to run faster at the pace-call will cost it two tenths in the final fraction. If the horse is allowed to run slower, each tenth saved in the early running will be available double late.

Seminar 2005
HTR Advanced Concepts 101

Assume both horses meet in a race that is run with a 44.0 second half-mile and they both attend the pace. What final time can we expect from both? Obviously the same for *HorseB* as it has already shown us that it can handle that pace and run the race in 110:20.

HorseA is forced to run a full second faster though. Using the two-for-one ratio estimate, *HorseA* will sacrifice two seconds in his final quarter, running it in 27.0 seconds. His final time estimate is $44.0 + 27.0 = 111.0$. He is soundly beaten by *HorseB*.

More likely, the pace will go in 45.0 seconds though. *HorseA* will probably run the same 110.00, but what about *HorseB*?

The slower pace will benefit *HorseB* and it will gain a full 2 seconds on its final fraction if allowed to go just 45.00 according to the two-for-one energy method. $45.00 + 24.20 = 109.20$!! Wow – that is an awesome gain for *HorseB* when allowed a modest pace to exert its underlying strength.

This contradicts almost every mainstream pace/speed handicapping approach. But it is not a new hypothesis and was originally proposed by Huey Mahl and others in the 1970's; but it was Sartin and his group that really took off with the idea and utilized it to successfully to beat the races. We took the baton from them in the mid-90's and have improved and applied it creatively since.

This is the underlying concept that defines HTR and has from the beginning. Not specifically the velocity energy idea, but the necessity to defy conventional approaches in order to make money.

After the year 2000 with technology and data become more available, sharp horseplayers began to awaken to early speed as a powerful tool, particularly in dirt races. Many of the clear advantages we took for granted in the 1990's began to erode. Examples:

- Quitting sprinter that stretches out to a two-turn route. Most handicappers assumed that if the horse couldn't make it 6.5f, how could it hold on at 8.5f? The answer was redistribution of energy that allowed the sprinter to go much slower for a half-mile (47.0 vs. 45.0 for instance) thus storing its reservoir of early energy for the final part of the race. This angle produced longshots galore for years but has tapered off some with awareness since 2000. Still a solid productive angle though.
- Dueling speedball gets easy lead. The front-runner finally gets a breather through the opening fractions and wires the field easily. Similar to *HorseB* above. This angle (obvious Fr1 superiority) has been decimated in terms of ROI and price production as almost all players are aware of it these days.
- Route to sprint or grass to dirt. Superiority with late speed velocity and reserves of stamina can be understood with the fps concept. If able to hold some position early, the late runner might enjoy passing all the tired ones. See more about Fr3 below.
- Late running sprinter enters a route. Doesn't it figure that if the horse is coming up short at 6.0f will stretch out and utilize that fast closing ability? Nonsense, they rarely win. This one was a big coup for velocity players who understood that the energy requirements for a sprint were entirely different than in the route. Sprint races typically have sudden fractions followed by rapid de-acceleration that favors a closer in the right spot. Route races have a slower and smoother transition between fractions that does not benefit a horse with one big move.
- Fr1 power. I estimate the "all races" ROI for Fr1 was above a 1.00 in 1996 when Ernie and I first discovered its huge potential. It has eroded about a penny per year off that return ever since. The important players in the pari-mutuel game adapt fast and will root out the money over time. We can still use Fr1 as a major tool, but it has been penetrated by others and lost some of its edge.

Seminar 2005
Concentrated Race Factors

- **Rule of 50**
- **HX and XF**
- **Q5 = 1**
- **Unknowns**
- **Chaos**

Successful horseplayers are acutely aware of the overall character of the race. While it is always an educated guess, these race identifiers give you a big edge without having to scan the entire race first. The Vi is a powerful ally, along with.....

Rule of 50

The “Rule of 50” is a powerful concept unique to HTR and completely unknown to the public. For the first time, the “rule of 50” has been quantified in HTR2 software (beginning with the July 2005 version) for fast identification. It is part of the export (HX4) and “robot” tester now. It also appears on screen in the header (see below). The implications are insightful for the horses involved.

When the fraction-3 velocity (Fr3) drops below the “red zone” or 50.00 fps in dirt races, the horse lacks any real class attributes such as stamina or the willingness to pass other horses. When all the horses in the race have dropped below the line of 50, the race takes on a different character and is no longer a textbook handicapping matter. If the entire field is incapable of mounting a late charge and they are all exhausted at the end, the announcer often describes the race with “the others are going up and down” or “the rest are of no consequence”! Horses in back half of the pack in a “rule of 50” event are basically running on quicksand as they meander and “hang” with no late response.

Let’s define a “rule of 50” race before discussing it further. The 50.00 fps is a nice round and easy to remember, but it actually serves the purpose well as it is easy to spot a race where multiple horses have dropped below the line. But the dividing line on dirt appears to be closer to 49.50 fps and on turf at 51.00. At 49.50 fps, the horse is running the final quarter in 26.67 seconds real time. Remember, all velocity numbers in HTR are adjusted for slow surfaces so the horse earns an accurate and realistic Fr3 rating in most cases. A thoroughbred that consistently struggles to complete its final quarters in under 27 seconds is demonstrating that it has no upside in terms of class or talent.

Rule of 50 race (Dirt)

1. All horses in a Dirt-race field have Fr3 ratings < 49.50 (minimum 4 runners w/ Fr3 to qualify).
2. All horses in a Turf-race field have Fr3 rating < 51.00 (min 4 for race to qualify)

The situation on Grass is far less common and the scrutiny for weakness in Fr3 would be more effective for individual horse. But encountering a Turf race “rule of 50” reveals a lackluster field.

Seminar 2005
Concentrated Race Factors

Rule of 50 / bullet points

- “Rule of 50” races place a premium on early speed. There is no “passing lane” when all the horses are tired at once. Horses unable to muster Fr3 > 49.5 are ‘hanging’ – ‘running in place’ and the race is usually over at the top of the stretch. Improved results with Fr1 and E/P.
- Most common among maiden claimers and cheaper distaff runners. Weak fields of maiden “rule of 50” runners can give a FTS genuine hope, particularly those with early speed.
- Late runners can win if they can generate momentum in Fr2 (*LShock* and $L_v = 1$) as all the others are falling apart, but this is not that common and be sure you get a good price.
- Any amount of race trouble or impediment will wipe out most of these horses immediately as there are no “big comebacks” with these types.
- The “rule of 50” race is often inexplicable in its outcome as it is merely in exercise in who can “run the least slow” today. See more about Fr3 later in this text.

The “rule of 50” instantly recognizes that all the horses are slow late, have little stamina, nor ability to pass. Some thoroughbreds can overcome this lack of genetic talent with an aggressive manner, blazing early speed and a lot of heart. But you won’t find them in a maiden claimer for long as they will beat up on a “rule of 50” field and move on to face winners. Cheap claimers under 10k, especially those with fillies will find many “rule of 50” races and lots of inexplicable outcomes.

Seminar 2005
Concentrated Race Factors

XF and HF

The appearance of an XF or HF horse in the field is an immediate eye opener. You are dealing with a horse, usually the favorite, that pushes the envelope to probable win rate over 40% in almost any data sample. In fact, the HF are the most statistically impacting sub-group I have ever tested with a sample size with minimum 10 plays per average race day (3650 races or more per year). Confidence is low with longshots in these races.

XF and HF bullet points

- The volatility rate is far lower in these races. Longshots have greatly decreased probability of winning and unless the odds are very generous, price plays should be passed.
- A front-runner attempting to take on an XF and HF will almost certainly fail. While the effort may kill the XF/HF as well, the longer shot rarely beat the nemesis. If you find a front running horse in one of these races that looks appealing, be sure the lead can be obtained easily and that the odds are worthy of a stab.
- Most HF's have contending early speed, but they are also S/P=1 which means they have strong kick as well. The other logical contenders in the race are in muddy water as they attempt to win by engaging the HF at some point. This leaves deep closers who stay out of the fray with the best opportunity to pick it up late. Either winning the race (very rare) when the HF fails, or picking up the 2-3 hole when the other logical contenders succumb in their bid to fight it out with the HF.
- The HX4 and the 'Robot' both contain filters for "NO XF/HF" in the race. You can set this filter to ignore races with an XF or HF in them (suggested for tournament players). The XF and HF also appear on the POST-TIME report.
- XF's are weaker plays, and in fact a bit vulnerable when they are not ranked K=1.
- HF results are difficult to increase without severely restricting the sample size to the lowest odds ranges, but that ruins the ROI. The HF win rate of 50% is the peak of horse race prediction with a large sample and the impact value is off the charts. But test them with the FC or Wk ratings for possible improvement.
- HF are excellent rebate plays with PLACE bets. No risk, no downside, lots of plays, constant cashing. Any HF or XF is solid bet to make the exacta (7 times out of 10).

Expect to lose when betting against an XF and HF; this will remind you to insist on generous odds for the horse you like, play the exotics small or pass the race. They don't win 100%, but they should get your attention every time and create lower expectations for the race producing a profitable outcome.

Seminar 2005
Concentrated Race Factors

Q5=1

The *Q5=1* identification has been slightly modified in scope for all aspects of HTR2. Now the definition is a race that features only ONE horse with QP = +6, +7, +8 AND all the other entrants have QP < +5. This creates a clear benefit for the presumptive lone early runner. (see *LoneSpeed*, EShock later in this text). This emphasizes a race in which a single horse will have an impact and garner the focus of all the other riders (usually watching its tail end). It is not meant to be a selection of the lone early speed but to create awareness that the front may be uncontested and the contest will be difficult to win from off the pace.

Bullet points regarding Q5=1

- Dirt Sprints: the pressure on the front-runner will be less severe and perhaps will allow one horse to get the lead on its own. However, the other riders are usually aware of this and will press their mounts to keep up early to avoid a soft trip for the front speed. This can play out with interesting outcomes.
- Route dirt races with a Q5=1 are highly favorable to the front-runner.
- The Q5=1 has less value with turf routes for quality horses. Control of the front is usually relinquished and no one wants it. Yet Q5=1 can be effective with a grass route if the loner is allowed 24:00-48:00-112:00 *perfect* early pace. A very slow early pace does not favor the front speed, but catapults those with powerful late runs. Take a price in all cases to pull it off, but the good news is that the public often lets a solid front-runner go off at favorable odds on turf. Inspect the Fr3 numbers in the grass race with Q5=1, look for weakness with the favorites.
- Lone Speed (*LSp*), identified specifically now on some HTR2 screens, are front-running types that are best suited to take advantage of the Q5=1 (see "Lone Speed" later in this text for more).

The Q5=1 is not a spot play or automatic bet situation. It is an alert that let's you know an important aspect to the race regarding pace pressure.

Seminar 2005
Concentrated Race Factors

Unknowns (i)

Unknowns – “stranger danger” – indecipherable horses are a critical race awareness factor for every HTR subscriber. These are the horses and races that confound even the most expert of conventional and speed handicappers and are definitely the place to look for wild endings. Unknowns are identified as the following entrants =

- FTS first time starters making their debut lifetime start or first start on the surface.
- Horses with layoffs greater than 180 days.
- Foreign shippers with no North American racing history.
- Lightly raced runners (second and third time starters) likely to improve from initial poor tries.

The number of unknowns (*Unk*) entered in each race is now available in many aspects of HTR, including the main header to all screens when applicable. The letter “i” precedes the PP (post position) if the horse qualifies. Unk=0 indicates all the horses have recent races at today’s distance and surface. Unk=1 is the classic single “stranger danger” identification alert in non-maiden races. Unk=2 or more, is typically a maiden race with FTS, but are often seen with grass races where there may be several layoff types or shippers from overseas. But any race can come together with a surprising number of unknowns entered and awareness is important.

- Unknowns are frequently overlays in the betting. The public tends to dismiss them, as they don’t fit favorably into standard handicapping approaches.
- Unknowns are often tossed out by the public while making exotic wagers and payoffs can be much higher than expected when they score or finish ITM.
- Unknowns are unreliable using analysis with paceline selection, velocity numbers, speed ratings, etc., that attempt to quantify and compare them with the other horses that have obvious recent figures and clear form patterns.
- Factors that can reveal unknowns in HTR are trainer, jockey, PED and Wk. Trainer statistics are most effective with these horses because the patterns are usually definitive regarding the trainer’s methodology and patience.
- While unknowns are usually at a disadvantage in terms of race acclimation, they have an interesting positive in that they are probably physically sound/healed in almost all cases.
- The more unknown entrants in the race, the more likely the race will end up as “chaos” (see next page).
- Clear correlation between the unknowns and Vi rating (low) and the rate of longshot winners.
- Unknowns that are low odds are suspicious; they are usually well meant FTS or layoff types making a dramatic class drop. Classy foreign invaders are usually not a secret and get bet.
- Key factors in HTR for tagging the unknown winners are Wk, PED and (new) FTI, JKY switch and TRN rating/specific stats. As group you can run stats on these horses with the export (HX4) and robot. The FTI (first timer [percentile] index) rating will be discussed later in this text and is a major power play for HTR users and pedigree analysis.

Seminar 2005
Concentrated Race Factors

Chaos Races

“Chaos” races are distinguished by sheer unpredictability. Common phrases used by handicappers to describe these races:

“wide open”

“grab bag”

“impossible – a mess”

“can’t make heads or tails of this field....”

That is music to our ears! The more puzzling and complicated a race is for others, the more we should embrace it. The majority of handicappers are in control with pace-speed-class methods but they have no meaning in a “chaos” race. Chaos races are defined in HTR with all of the following →

- $V_i < 30$
- Field Size > 7
- ML Favorite must be 5/2 or higher.
- K=1 must be rated 105 or less.
- One or more Unknowns in the race.
- No Q5=1, XF, HF or Unk=0 races are accepted.

OR

- $V_i < 30$
- Field Size > 6
- ML Favorite must be 5/2 or higher
- K=1 must be rated 108 or less
- 5 or more unknowns in the race
- No Q5=1, XF, HF

I have underlined the key parameter in each case. First, HTR2 checks for any standout horses and filters out any race with high K values or clusters of obvious contenders. Then it checks the V_i and field size to ensure a competitive race (< 30 , but most chaos races are < 26). Unknowns are counted, if there are five or more unknowns, the race typically qualifies for “chaos”. The low top K means there is bunching of contenders in the top 5-7 (rated > 90).

Chaos races have the following characteristics →

- High rates of longshot winners. Higher average win mutuels. Head shaking outcomes.
- Exotic explosions. Spread deep to hit.
- Favorites and low priced horses in deep water, although some heavily bet runners in a “chaos” race are suspicious insider plays. Betting heavily in these races is very risky.
- Traditional handicapping methods, particularly the ones emphasizing final time speed figures put the figure player at a severe disadvantage with “chaos” races. Class comparisons are useless. Past-performance and form-cycle analysis -- impotent – these horses have no recent or reliable running lines. K-rating should be put on the bench and looked at skeptically.
- Trainer statistics are all important and extremes in the stats decisive. Pedigree is also critical, same with workout rating.

The next section discusses tools and methods to find “live” unknowns.

Seminar 2005
Distinctive Horse Factors

It is one thing to identify a race full of unknowns or “chaos”; it is surely another matter to find “live” contenders among them. Let’s deal with each type ‘unknown’ starting with the *FT*’s (debut FTS, first time on grass, first try on dirt).

Perhaps no other group of horses confounds and upsets the traditional handicapper more than *FT*’s. They obviously cannot be assessed with any performance evaluation methods and are generally not over-bet or over-used in the exotics.

Critical Factors for *FT* assessment.

- FTI (First Time Index rating). This is a major advance in HTR2 and a powerful new pedigree rating for *FT*’s only. The FTI ranges from 10-99 and is based on the Sire and the Broodmare Sire combined potency for live runners making their debut or first start on a new surface. The FTI number is the percentile rank of all pedigrees in this context. One important aspect is the comparative use of the number. For example; a ‘55’ rating may look average in tough 2yr Msw at BEL with several other entrants rated above ‘60’; but the ‘55’ is great in a Florida bred Mcl at CRC if the other FTS are rated below ‘40’. Each circuit will have its benchmarks. Excellent for longshots and when combined with the Wk rating.

The FTI is entirely unique to HTR and is based on my research and algorithms and is not publicly available from general breeding statistic sources.

- Workout rating. Any unknown entrant with top Wk rating or rated > 83 is dangerous and worth extra scrutiny. Wk ratings are lower with 2yr in the first half of the year; a rating between 77 – 81 can be enlightening with the babies. Works best when combined with trainer or pedigree strength, but that tends to lower the odds.
- Trainer stats and Trainer rating (TRN) can be a key factor with these horses. Often the trainer stats with *FT*’s are extremely bad and those horses should be avoided unless the FTI or Wk rating reveals otherwise and the odds are high. When a top jock is assigned though, the odds will plummet. Horses rated low with the TRN rating rarely show good stats with *FT*’s.
- Pedigree rating. The PED will be pumped automatically by a strong FTI number, but the overall PED’s are worth a comparative look as well.
- HTR-Consensus and K rank. *FT*’s rated toward the top of the K or HTR ranks have statistically improved chances, but usually not high odds.

Layoff > 180

While layoff horses are at a disadvantage in terms of recency and acclimation, they more than make up for it with generous odds and are usually dismissed by the public. Key factors --->

- Trainer stats. Often extremely poor but top trainers usually excel with layoff runners.
- Workout rating – a very positive sign for a returning horse that may have been injured and healed.
- Grass horses are far less susceptible to layoff issues and are excellent bets at long odds.
- Early speed. Late runners on dirt are dreadful when returning from long layoffs.

Use the robot item “Layoff 181+” for routine assessment.

Seminar 2005
Distinctive Horse Factors

Second and Third Time Starters

Horses making their second or third lifetime start (age 4 or less) are excellent overlay possibilities. They are marked as (i) unknown when they have run poorly in their initial efforts as these are the ones most often overlooked, but the comments below apply to any horse with one or two lifetime efforts. Think of them as first time starters with experience. Lots of studies on these horses reveal the following ----

- Virtually 100% of them will improve from their initial efforts, no matter how good or bad it was rated. The average is about 5 points improvement on the PER scale by the 3rd, 4th or 5th start, but this is an average with a large variance and many of them improve 10 points or more immediately; others run another dud and are dropped further in class (maiden claimers).
- Do not use speed or performance figures to compare the 2nd and 3rd-time starters that ran badly as those races are a complete throw out. The public will normally pass quick negative judgment and second and third starters that have run poorly are dismissed on the toteboard almost without exception. Give them another chance if you see any positive clues and high odds.
- The PED and Wk are key factors along with the Trainer rating and stats for “2nd start” and “3rd start”, but equally important is noting various changes that can cause dramatic effect such as bo (bx is unheard of with these), L1 (even L2), and jockey changes. A change in trainer for such a lightly raced horse is unusual and not a positive sign.
- Any hint of early speed from the debut or early effort is critical, particularly if the horse broke slowly and was rushed into a duel or fast fractions. Young horses with blazing speed are the eventually prolific winners of the future. Any novice thoroughbred capable of running 58.50 fps or more (HTR adjusted rating) for Fr1 will almost certainly run a competitive race soon. Note the word “capable”, meaning that if they ran close to this in the debut with trouble or if changes such as blinkers ON are occurring, they may cross over the powerful 60.00 fps in the near future.
- Trouble is very common among the (i) 2nd and 3rd starters and they must be forgiven completely - write the poor debut race(s) off to experience. If any pedigree, workout or early speed clues are present, the horse is an excellent bet to improve.

Foreign Shippers

On the PGM and KM screens, foreign shippers are marked with an “F” next to their layoff (LAY column) days if they last raced outside North America. They also receive the (i) for unknown. It is expensive and time consuming to import a racehorse from overseas, so they are typically classier grass runners or stakes potential types. Top trainers do well with them and the odds do not lie. If there is one common thread among the successful foreign runners it is that they are well bet and the MLO is also under 5/1. Layoffs rarely matter with European grass runners as they are used to long gaps in race activity. Yet knowing all this, many players get burned because they simply overlooked these horses because they don't have figures from local races.

What's this horse doing in here?

The (i)'s are the forgotten horses. We need to ask a question each time an (i) is encountered - skipping this might cost a pick-4, a superfecta slam, or maybe a tournament: “what is this horse doing in here? Normally the answer is: “they are giving him a race” or “acclimating a FTS”, but the odds are very generous with the (i)'s and if one of the key factors promote them, they need to be considered. Statistically, as a group, the (i)'s do poorly and most are obviously out for exercise. The trainer stats, a lousy FT or PED rating and dull works reveal this in most cases. But those that have a clue to a possible live run will reward you handsomely when they win or run ITM as the public is usually ‘out to lunch’ on them.

Seminar 2005
Distinctive Horse Factors

Lone Speed

The "Lone Speed" are designated "LSp" on various screens in HTR2. The item is available in the HX4 export. You can plug them into the 'robot' with the following parameters →

- Q5=1 (race filters)
- RS = "F" or "E" or "P"
- QP > +5
- FR1 = 1

The LSp are in a favorable position to take advantage of a field devoid of speed. My tests have shown near flat bet profits on older claimers, sprint or route, turf and dirt. The RS = "P" is included as they do very well, but are relatively rare. Maidens are not quite as strong. These horses are outstanding bets with high odds, especially when in tandem with a strong Wk rating.

Early Shock

We first discussed this type of horse at our Lexington 2003 seminar. I have added Fr2=1 as part of the parameter and that will reduce their numbers, but make them more compelling →

1. RS= "F" or "E" only
2. QP > +5
3. Fr1=1
4. Fr2=1 (automatically E/P= 1)
5. Layoff 1-30

Abbreviated *ESh* throughout HTR2. These front-runners impact the race regardless of their individual results, which are very mixed when tested in an "all burger". Query them with individual tracks and separate by dist/surf for an excellent gauge of early bias. Along with the LSp, these runners are the most obvious and determined front speed; if they aren't winning, the track is probably anti-speed biased. The ESh is not limited to the Q5=1 and may have competition on the front end. But they can also be combined ESh and LSp together if the Q5=1.

Late Shock

Abbreviated *LSh* throughout HTR2. Requires the top Fr3 and Fr2 which automatically makes them top L/P or Lv and usually the top S/P=1. Interesting that the "P" is the best bet statistically, although rare. The layoff 1-30 is necessary to ensure a primed runner. These horses can qualify in a "rule of 50" event and may be a good bet at a price as they would seem to have the most momentum, but it is tough to get them home when the Fr3 is so paltry. Turf to dirt angle is often picked up with *LSh* as horses moving from the grass tend to have dominating late velocity ratings if turf PL's are chosen (not PL-4).

1. RS = "P", "S", "R"
2. Fr2= 1
3. Fr3= 1
4. Layoff 1-30

Results are generally mixed when tested as an "all burger" as are most late speed factors. These would appear to be the most impacting late runners we can uncover, if they can't win at the track/dist/surf, the track is probably favoring early speed. Momentum is the key with late runners, but a price is required to bet; they tend to be embraced by the public. They are 'must use' in the tri and super lower levels.

IMPORTANT -- all the above automatically are tagged with a "\$" in the various screens. A few screens such as the KM and POST-TIME (*Diamond* button) report them individually.

Seminar 2005
Distinctive Horse Factors

Fr3 Critical Thinking

Almost all thoroughbreds are capable of running 46.0 seconds or less for a half mile on a fast dirt track. The separation of class comes with Fr3.

Below 50.00 fps

Horses that have proven they cannot run Fr3 above 50.00 feet-per-second are the cheapest claimers, maidens and fillies and unfortunately have no upward possibility class wise and are basically incapable of passing or make late moves. Winning is by default, usually by taking the lead by the midpoint of the race or inheriting the front when the rest of the field falls apart.

Entrants that cannot exceed 49.50 do not have any significant separation from horses with lower Fr3 ratings and they are all in the same (slow) boat race. No point in handicapping with Fr3 or any late speed factor if all the horses are below the red line → “Rule of 50”.

With “Rule of 50” races, it does not matter how bad the Fr3 is of the early speed runners. Bet them anyway if they are long prices, but this is not common.

Trainers and clockers are absolutely aware of this (inability to hold speed late) and it is rare that a quality runner is placed in a maiden claimer for its debut by accident. While they are not computing the specific Fr3 ratings from the youngster’s workouts, they can tell visually and with the stopwatch that the horse cannot sustain and tires rapidly beyond 4 or 5 furlongs.

Improving Fr3 ratings, especially among young horses, can be a sure sign of improving quality if the numbers are exceeding 50.00 fps. You can view this on the FPS screen.

Declining Fr3 numbers, if not caused by faster than normal pace scenarios is a serious concern. Horses that are freshened can often turn this around with a solid work pattern.

I find it ironic, head shaking and mostly funny that we create serious ratings for these horses that fall into the “rule of 50” category. Speed figures, average pace, or any overall performance measure seems almost absurd when dealing with horses that are struggling to standup at the end of the race. Class measurement seems equally ridiculous – these horses have no “class” at all by any reasonable definition. The slightest race burden or trip impediment will cause them to quit on the spot. Accept what they are and bet accordingly with out high expectations.

*Seminar 2005***Form Cycle / Speed Rating Boost**

Speed figures (final time ratings) are at once the most compelling, engrossing handicapping element and the most disappointing by far in terms of results. Since the 1970's when Beyer made public his methods, the win rate for top speed figure horses, using any mechanical method of comparison, the win rate falls between 24-28% and that includes ties. Top figure horses produced a flat bet profit before 1980, but the good times eroded quickly in the 1980's and the ROI was dead (below 0.85) by the 1990 after several publications offered inexpensive quality figures for every running line.

Sharp handicappers entering the 1990's recognized the over-betting taking place with speed figs, but that didn't stop anyone from utilizing them in a more esoteric manner. Led by the 'sheets' figs and their passionate followers an entire school of thought emerged that favored pattern recognition over pure comparison. Form-cycle analysis (and any claims of success) is nearly impossible to quantify, yet good results from users and winning patterns are undeniable and fascinating.

At HTR, we have never embraced speed figures as a central portion of the program. That's because none of the mechanically tested methods we applied fared very well. Other factors either had higher win percentages (without ties) or far better ROI and value impact. The C90 rating (best Cramer speed last 90 days) was the main final time rating available in the software, but no one would claim it was anything spectacular. The PER and A/P, which are also based on pace and rate overall race effort, have proven a better choice for inspecting performance lines and comparing ability race-by-race.

Although we have a number of excellent screens in HTR2 designed for past-performance scrutiny of figures, they can be time consuming and cannot be tested directly. Our priority has always been rapid analysis of quantified concepts to enable verifiable follow up and testing.

So this year I embarked on a project and quite a challenge to formulate a rating that combined speed figure comparison with form-cycle analysis. The new **FC** rating was designed to be a Cramer speed figure "on steroids". Rather than try to improve the figure through some sort of filtering, it gets its strength from analyzing the pattern that surrounds it. It has a goal of attempting to find horses that may be better than looked and can exceed their odds.

The scale used is similar to the Wk rating, about 70-90 for most horses. At the point of 80-85, as with the Wk, horses start to show improved results.

- Many races are voided by HTR2 (blank FC column) due to unknowns, insufficient data, etc.
- Weak FC ratings (below 80) do not appear indicative. This is disappointing, but further testing and feedback will verify further.
- Longshots with strong FC (80 or more) require extra scrutiny and may be better than look.
- FC rating is found in the 'robot' with two filters and a readout, and a full spectrum is found in the HX4 export (nFC, rFC). Readout is found on the Program Screen (PGM), KM and TLC.

One sure sign that a new rating is working is that the entire 1-9 ranks of the K show improved results. That is definitely the case with the FC as some of the lower ranked K get the best results with it. Test with MLO > 5/1 have also been positive and you can do this yourself in the 'robot' now.

The FC rating seems to perform similar to the Wk, which means it is an excellent predictive factor for all types of horses. Try it in combination with other items including the velocity factors. With favorites and low odds types, we want to see a strong FC rating 85+ before plunging.

Longshot / Tournament Session

10 Important Reminders for Finding Live Longshots and Beating the Competition

Longshot Definition = \$16.25 Win and above as this is the perfect 80/20 ratio from all races.

1. Print the (new) POST-TIME report for the tracks in play the night before the contest. It contains a wealth of prep and organizational information in post-time order. You can edit the sheet on screen before printing if there are blocks of time or some tracks you don't need. Be sure to set the Time Zone correctly from the load screen wherever you are.
2. Concentrate on low VI < 30 and locate "chaos" and races full of "unknowns".
3. Unknowns (i) are the most devastating method to smack the competition as they are hard to find with standard handicapping methods and can't be assessed with speed figures.
4. Workout rating is the absolute king of the "bombs" in HTR. Rated 90+ are "gimme" if a price. But look for anything > 83 to run a "live" race if the horse has been *freshened* (LAY 30-90). Most potential price plays will show the \$ or \$\$ if the Wk is strong.
5. Use the new FTI rating to find difficult FT horses along with the overall PED with (i)'s.
6. Fr1 longshots are always out there. Look for soft spots such as Q5=1 or RULE50. To get biggest prices you'll have to look at dirt routes and grass races, but the win rate drops.
7. Late speed factors such as Fr3, Lv or L/P, LSh (late shock) are excellent in wide-open grass races to find prices. Tough to get them home on dirt, but they can pay big.
8. HTR =1 is the single most productive longshot factor in HTR2 aside from K=1,2 (rare). But these tend to find medium prices only (\$16-\$25).
9. FC =1 and FC > 80 are excellent sources of longshots. The new rating is gaining favor among HTR tournament players.
10. Class rating and TRN rating have good impact values with MLO 6/1+.

Use the robot and set the Tote to 7/1 (must have Chart) or higher to find factors and spot plays that produce good impact values with horses in this range.

The 'robot' GET MY PLAYS is an outstanding tool for fishing out live longshot spot plays. Set the MLO or KLINE to 6 or 8/1 and higher.

What's New in HTR2 – July 2005 Update

Results and Charts

- Result Charts [Chart] are now presented in a text box. You can edit or print the charts now.
- While on the PPQ, FPS or FIG2 screen, press the “C” key to pop up the chart for the past-performance line you are reviewing. Neat feature! You must have the chart available in the current folder for the running line you want to study.
- The KM Screen (far right) will show final tote odds of all horses and top-4 finishers along with the superfecta price if the chart is available with the results. The ATR w/ [ODDS] continues to function on this screen if the ATR is running and set for HTR odds export.

Screens

The [KM] screen has undergone a complete refurbishing - see page-20. The TLC and PGM screen have added the new items below.

New Factors

1. Unknowns: Letter “i” listed to the left of the horse’s post-position on most screens indicates the horse is an “unknown” or “inexplicable” entrant – cannot be handicapped with standard approaches and include FTS, layoff > 180, foreign shippers, first time surface, and lightly raced types that are certain to improve from an early bad race(s). “Chaos” races are those with multiple (i)’s or an extremely complex, wide-open event. ‘Chaos’ displayed in race header.
2. FTI (shown with “FT” column) will display on the PGM and KM in place of the “ST” (breeding state) column if there is a first time starter (debut), first time grass or first time dirt runner entered. The FTI rating ranges from 10-99 as a percentile rank and represents the pedigree effective strength compared to all other ‘first time’ pedigrees in North America. Highly effective for first timer assessment and comparison in races full of FTS. Also shown on TLC section II.
3. FC (form cycle based on Cramer speed figures) combines comparative final time speed rating methods and form-cycle pattern assessment similar to the Wk rating. The rating matches the Wk in range, 60-90 for most horses with 80-90 as the effective range. As with the WK rating, the negative ratings do not appear indicative so consider only the positive for now. Blanks in the FC column indicate horses or races that could not be rated for various reasons. FC columns appear on PGM, KM and TLC and in the ‘robot’.

Export and Robot

Two brand new exports (HXV and HXT) and an update to the HX4. Please read the appropriate file specs and PDF files we are making available. Full details are contained in those publications on-line.

Late News / HTR Names in the News

The HTR Summer Challenge On-Line Tournament will take place starting Friday August 26 and run through Sept 5 (Labor Day). A 'donation' to webmaster Rick of \$25/entry with the winner getting a free shot at the Orleans October tourney (\$500 value) + cash prizes for other finishers. Additional details to be posted on the HTR Discussion Board soon.

Newsletter gets back on track again in September with the usual publication time at the beginning of the month.

You'll find new PDF reports on our website.

[HTR Quick User Guide](#), details all the key screen items in the new HTR2.

[HXV](#) – Use of the new HXV (velocity pp's export)

[HXT](#) – Use of the new HXT (Track Profile) export.

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