

**GRAYSON-JOCKEY CLUB
RESEARCH FOUNDATION, INC.**



ANNUAL REPORT

2006

Grayson-Jockey Club Research Foundation, Inc.

*Committed to the advancement of research
to enhance the safety and health of the horse*

TABLE OF CONTENTS

Officers and Directors	1
Review of Activities in 2006	2
Research Advisory Committee 2006	4
Research Projects Funded in 2006	6
Audited Financial Statements	11
Memberships and Donations	19

MEMBER CLASSIFICATION

Rokeby Circle	\$10,000 or more annually
Platinum Circle	\$7,500 or more annually
Gold Circle	\$5,000 or more annually
Silver Circle	\$2,000 or more annually
Patron	\$1,000 or more annually
Supporting Member	\$500 annually
Sustaining Member	\$200 annually
Annual Member	\$100 annually

BOARD OF DIRECTORS

Dell Hancock
Chairman

A. Gary Lavin, V.M.D.
Vice-Chairman

Josephine E. Abercrombie

Rick Arthur, D.V.M.

William M. Backer

Larry R. Bramlage, D.V.M.

Charlsie Cantey

William Condren

Aisling Cross

Adele B. Dilschneider

Donald Dizney

Bill Farish

John K. Goodman

Lucy Young Hamilton

Dell Hancock

Joseph W. Harper

John Hettinger

A. Gary Lavin, V.M.D.

Eugene Melnyk

Leverett Miller

John M.B. O'Connor

John C. Oxley

Ogden M. Phipps

Hiram C. Polk, M.D.

Geoffrey Russell

Joseph V. Shields, Jr.

John Hettinger
Chairman Emeritus

Jack Robbins, D.V.M.
Director Emeritus

OFFICERS & STAFF

Edward L. Bowen
President

Laura Barillaro
Treasurer

Nancy C. Kelly
*Vice President of
Development/Secretary*

Jenifer Van Deirse
*Assistant Director of
Development*

Rebecca R. McCloud
Operations Administrator

A. C. Asbury, D.V.M.
Veterinary Consultant

REVIEW OF ACTIVITIES IN 2006

During 2006, Grayson-Jockey Club Research Foundation (“the Foundation” or “GJCRF”), in affiliation with The Jockey Club, organized a meeting styled the Welfare and Safety of the Racehorse Summit (“the Summit”). The Summit involved more than 40 leaders in various aspects of the industry and was coordinated and underwritten by the Foundation and The Jockey Club. Keeneland Race Course was the host, and the meeting was held on October 16-17.

The idea which led to the Summit had been spawned as early as April of 2005 when the Foundation convened a group with the intent of helping assign research priorities for the future. The wide range of subjects in which parties were interested and The Jockey Club’s ability to create new information as guidelines broadened the scope of that effort. The Summit addressed the issues directly related to the Foundation’s mission of funding research and circulating information about research, while also including some of the other aspects of interest to The Jockey Club and the industry at large.

After a series of panel discussions and scientific presentations, participants broke into groups and were asked to define action plans and goals in specific areas. Standing committees were appointed to assure that the Summit produced results rather than only resulting in a discussion of ideas.

Among efforts to which these committees directed their attention after the Summit were:

Dr. Mary Scollay is recruiting race tracks to utilize a standard form for reporting injuries, filling a void the racing industry felt when Barbaro was injured in the 2006 Preakness and there was no satisfactory answer to the question, “How often do injuries happen?”;

Increase industry awareness of the growing body of scientific data that identifies use of high toe-grabs on front shoes of race horses as inadvertently increasing risk of injury;

Statistical analyses to determine if specific bloodlines are producing horses which exceed the norms in terms of soundness and durability, with the eventual plan to derive a Durability Index which breeders can utilize as a tool;

Developing plans for ongoing education of trainers and other licensees, to increase the industry’s use of knowledge gleaned in research, and working with commissions to maximize circulation of such knowledge;

Continuing scientific efforts to assist race track operators to provide and maintain racing surfaces which are uniform and thereby considered safer than tracks with variances of footing from one part of the oval to another.

During the fiscal year (January 1 –December 31, 2006), the Foundation provided \$926,917 to fund 20 research projects. This constituted a record allocation by the board of directors for any one year and increased the Foundation totals since 1983 to more than \$13 million to fund 210 projects at more than 30 universities. In addition to the slate of traditional research projects (see page 6), the Foundation funded the first Storm Cat Career Development Award. This grant of \$15,000 is specifically underwritten by Mrs. Lucy Young Hamilton, a Foundation board member, whose family farm,

	<p>Welfare & Safety of the Racehorse Summit</p> <p>Grayson-Jockey Club Research Foundation</p>	<p>Committees and their chairpersons are:</p>
	<p><i>Hoof Care and Shoeing:</i> Bill Casner</p>	<p><i>Racing Surfaces:</i> Dr. Wayne McIlwraith</p>
	<p><i>On-Track Injury Report:</i> Dr. Mary Scollay</p>	<p><i>Licensing:</i> Paul Bowlinger</p>
	<p><i>Racing Conditions:</i> Eual Wyatt</p>	<p><i>Durability of Thoroughbreds:</i> Edward L. Bowen</p>

REVIEW OF ACTIVITIES IN 2006, CONT.

Overbrook, is home to the international stallion Storm Cat.

The first Storm Cat Award was presented to Dr. Jonathan Cheetham of Cornell University to study the role of palate and strap muscles in the common disorder known as Dorsal Displacement of the Palate.

Also in 2006, the Equine Drug Research Institute ("EDRI"), organized in 2005 as a committee of Grayson-Jockey Club Research Foundation, expended \$1,243,991. The objective of the EDRI is developing and implementing a drug-testing program to discourage handlers of equine athletes from using substances prohibited by racing authorities, and thereby improving the overall health and welfare of the equine athlete. The EDRI's efforts center on support of Dr. Don Catlin's laboratory in California, where the world-renowned sports medicine researcher is developing tests for equine medications. Testing protocols, once developed by Dr. Catlin, will be provided free of charge to the various laboratories licensed by state racing commissions to conduct testing of race horses.

The year 2006 was the third in the four-year challenge grant program launched by the Oxley Foundation. This foundation pledged a maximum of \$250,000 a year for four years provided the Foundation match that amount in new income. In 2004, 2005, and 2006, GJCRF was successful in reaching this goal, staying on target to achieve the maximum \$2 million from the challenge over four years. The Oxley Foundation is a family organization including John C. Oxley, a member of the GJCRF. Mr. Oxley has been innovative in his support of the Foundation and contributed one percent of his winning purse when Monarchos won the Kentucky Derby in 2001.

Under direction of Nancy Kelly, vice president of development, and Jenifer Van Deirse, assistant director of development, the Foundation again held various fund-raising events, which raised \$363,979 in revenue. The affair staged in conjunction with the Belmont Stakes, known in past years as the Belmont Ball or the Belmont Celebration, was altered for 2006. Held at the Hard Rock Café's flagship New York location in the old Paramount Theatre, the Belmont Bash was conducted in affiliation with another charity, World Hunger Year. The Fab Faux, a Beatles tribute band, provided the entertainment.

Also during 2006, Elizabeth Locke Jewelry contributed a portion of revenues from a showing and sale at the Saratoga residence of Foundation chair Dell Hancock, and another new source of income was a grant from the Elastikon™ division of Johnson & Johnson Consumer Products to support a selected project from the planned funding slate of 2007.

The board of directors of Grayson-Jockey Club Research Foundation is advised by a 32-person Research Advisory Committee, chaired by board member Larry Bramlage, DVM. The advisory committee meets annually to evaluate in minute detail all the projects which researchers submit. This committee then recommends the best work to the board, which has the final approval on funding decisions, thus assuring donors that only top-quality science, with high relevance to the horse world is funded. Veterinary consultant, Woody Asbury, and operations administrator, Rebecca McCloud, track progress on all projects to achieve the Foundation's policy that all funded projects result in papers published in scientific journals.

RESEARCH ADVISORY COMMITTEE 2006

The Research Advisory Committee evaluates research proposals and advises the Foundation's Board of Directors on the basis of the needs of the industry and scientific quality of each project.

For the 2006 grants allocation, the Committee was comprised of the following persons who served the Foundation without compensation:

CHAIRMAN

Lawrence R. Bramlage, D.V.M., M.S.
*ACVS, Orthopedic Surgeon
Rood and Riddle Equine Hospital
Lexington KY*
GRADUATE - KANSAS STATE
UNIVERSITY

Terry L. Blanchard, D.V.M., Ph.D.
*DACT, Resident Veterinarian
Hill 'n' Dale Farm
Lexington KY*
GRADUATE - KANSAS STATE
UNIVERSITY

Stuart E. Brown, D.V.M.
*Partner
Hagyard-Davidson-McGee
Lexington KY*
GRADUATE - TUSKEGEE UNIVERSITY

John P. Caron, D.V.M.
*ACVS, Professor
Dept. Large Animal Clinical Sciences
Michigan State University*
GRADUATE - UNIVERSITY OF
SASKATCHEWAN, CANADA

Noah D. Cohen, V.M.D., Ph.D., D.A.C.V.I.M.
*Professor, College of Veterinary Medicine
Texas A&M University*
GRADUATE - UNIVERSITY OF
PENNSYLVANIA

Joseph P. Dowd, D.V.M., Ph.D.
*Race Track Practitioner
Southern California*
GRADUATE - UNIVERSITY OF
CALIFORNIA, DAVIS

Rolf Embertson, D.V.M.
*ACVS, Surgeon
Rood and Riddle Equine Hospital
Lexington KY*
GRADUATE - MICHIGAN STATE UNIVER-
SITY

Ben Franklin, D.V.M.
*Practitioner
Retired Partner, Teigland, Franklin, & Brokken
DVMs, PA.*
GRADUATE - AUBURN UNIVERSITY

Barrie D. Grant, D.V.M.
*DACVS, Co-Owner, San Luis Rey Equine Hospital
Bonsall CA*
GRADUATE - WASHINGTON STATE
UNIVERSITY

Edward C. "Pug" Hart, D.V.M.
*Equine practice, reproduction & performance
Millwood VA*
GRADUATE - TEXAS A&M
UNIVERSITY

Scott A. Hay, D.V.M.
*Racetrack Practice
Teigland, Franklin & Brokken
Ft. Lauderdale FL*
GRADUATE - KANSAS STATE
UNIVERSITY

Kenneth W. Hinchcliff, B.V.S.c., M.S., Ph.D.
*Diplomate ACVIM
Associate Professor
The Ohio State University*
GRADUATE - MELBOURNE (AUST)
UNIVERSITY

Stephen A. Hines, D.V.M., Ph.D.
*Associate Professor
Washington State University
Pullman WA*
GRADUATE - THE OHIO STATE
UNIVERSITY

Clifford M. Honnas, D.V.M.
*Professor
Department of Large Animal Med. & Surg.
Texas A&M University*
GRADUATE - COLORADO STATE
UNIVERSITY

RESEARCH ADVISORY COMMITTEE 2006, CONT.

David W. Horohov, Ph.D.
W.R. Mills Chair & Professor, Gluck Research Center
University of Kentucky
GRADUATE - UNIVERSITY OF
TENNESSEE

John P. Hurtgen, D.V.M., Ph.D., D.A.C.T.
Nandi Veterinary Associates, LLC
New Freedom PA
GRADUATE - UNIVERSITY OF
MINNESOTA

Charles J. Issel, A.A., A.B., D.V.M., Ph.D.
Wright-Markey Professor of Equine Infectious
Disease
University of Kentucky
GRADUATE - UNIVERSITY OF
CALIFORNIA, DAVIS

Ronald C. Jensen, D.V.M.
Veterinary Medical Director
California Horse Racing Board
Academic Appointant to CAHFS
University of California, Davis
GRADUATE - IOWA STATE UNIVERSITY

Christopher Kawcak, D.V.M., Ph.D.
Associate Professor
Colorado State University
GRADUATE - COLORADO STATE
UNIVERSITY

A. Gary Lavin, V.M.D.
Private Practitioner
Goshen KY
GRADUATE - UNIVERSITY OF
PENNSYLVANIA

Michelle M. LeBlanc, D.V.M. M.D.A.C.T.
Practitioner
Rood & Riddle Equine Hospital
Lexington KY
GRADUATE - MICHIGAN STATE
UNIVERSITY

D. Paul Lunn, D.V.M., Ph.D., D.A.C.V.M.
Professor & Dept. Head
Department of Clinical Sciences
Colorado State University
GRADUATE - UNIVERSITY OF
LIVERPOOL (ENG)

Robert J. MacKay, B.V.S.C., Ph.D.
DACVIM, Professor
Department of Large Animal Clinical Sciences
University of Florida
GRADUATE - MASSEY UNIVERSITY (NZ)

Nora Matthews, D.V.M., A.C.V.A.
Professor
College of Veterinary Medicine
Texas A&M University
GRADUATE - CORNELL UNIVERSITY

C. Wayne McIlwraith, B.V.S.C., Ph.D.
DACVS, Professor, Director
Orthopaedic Research Center
Colorado State University
GRADUATE - MASSEY UNIVERSITY (NZ)

Gary L. Norwood, D.V.M.
Race Track Practitioner
Metairie LA
GRADUATE - TEXAS A&M UNIVERSITY

Eric J. Parente, D.V.M., D.A.C.V.S.
New Bolton Center
University of Pennsylvania
Kennet Square PA
GRADUATE - CORNELL UNIVERSITY

Harold C. Schott, D.V.M., Ph.D.
DACVIM, Associate Professor
Department of Large Animal Clinical Sciences
Michigan State University
GRADUATE - THE OHIO STATE
UNIVERSITY

Kim A. Sprayberry, D.V.M.
Assistant Editor
American Veterinary Medical Association
Schaumburg IL
GRADUATE - UNIVERSITY OF
CALIFORNIA, DAVIS

Corinne R. Sweeney, D.V.M.
DAVIM, Professor of Medicine
School of Veterinary Medicine
University of Pennsylvania
GRADUATE - UNIVERSITY OF GEORGIA

Edward D. Voss, D.V.M., Ph.D.
Private Practice
Chandler AZ
GRADUATE - KANSAS STATE
UNIVERSITY

Consultant
A.C. Asbury, D.V.M.
DACT, Professor Emeritus
Department of Large Animal Clinical Sciences
University of Florida
GRADUATE - MICHIGAN STATE
UNIVERSITY

RESEARCH PROJECTS FUNDED IN 2006

Immunologic Keys to EHV-1

D. Paul Lunn, G. Soboll, Colorado State University.

In a previous GJCRF funded study, the key to working with Equine Herpes Virus-1 was identified as a powerful tool known as a tetramer, which allows rapid responses of immune functions. The investigators, teamed with well respected British scientists, plan to use these tetramers to define the EHV-1 virus to create a speedy identification of the disease in its early stages.

EHV-1 is potentially responsible for epidemic respiratory disease, abortion, neonatal foal death, and the currently stepped up nervous system inflammation. The development of the new tools for working with this virus is pointed toward improving vaccine efficacy.

Defining Effects of Furosemide on Race Horses

Kenneth W. Hinchcliff, A. J. Guthrie, P. Morley, R. A. Sams, Colorado State University, University of Pretoria.

EIPH (exercise induced pulmonary hemorrhage) has been managed by pre-treatment with furosemide (Lasix, Salix) since the middle 80s. A very high percentage of horses racing in North America are treated with the drug prior to any race. The problem has been estimated to cost the industry well over \$100 million annually, with \$35 million just for administration of the pre-race medication.

It has been assumed that furosemide is an effective means of reducing this hemorrhage. But there has never been a controlled experiment to define this concept. No owners or trainers have offered completely untreated horses to participate in such a trial. And, in view of the costs, it would be helpful to know if they are truly justified.

Now, enter the racing industry of South Africa, where furosemide has never been allowed. By teaming with them, we would be able to run a randomized, placebo controlled, masked trial to determine the efficacy and the effect on severity of pre-race furosemide. This is the same type of trial used in human medicine to determine drug efficacy. A major portion of the costs of the trial will be covered by the South Africans, who will use the resulting information to evaluate the benefits of starting a pre-race program of their own.

Using MRI to Characterize the Hind-leg Suspensory Ligament

Michael Schramme, North Carolina State University.

Inflammations of the suspensory ligament are difficult to diagnose, and have a poor prognosis for future performance. The usual ultrasonic exams are not very helpful. These investigators seek to improve the situation with Magnetic Resonance Imaging (MRI) examinations, documented with tissue samples. Using horses destined for euthanasia for other reasons, the suspensory will be examined by MRI, then removed after euthanasia and studied microscopically. The intention is to bring needed accuracy to a confusing problem.

Newer Concepts of Stallion Infertility

B.P. Chowdhary, T. Raudsepp, Dickson Varner, Texas A&M University.

Stallion fertility is governed by both environmental and genetic factors. The former have been studied extensively, but the genetic basis for reproductive failure in stallions has not been seriously examined.

These investigators will examine the genetic structure of the Y chromosome, the site of a number of genes that govern stallion fertility, to correlate certain specific genes with stallion fertility.

RESEARCH PROJECTS FUNDED IN 2006, CONT.

Rapid Diagnostic Test for Strep. equi (Strangles)

John Timoney, Sergey Artiushin, University of Kentucky.

Strangles continues to be highly prevalent in North America and causes serious disruption to training and movement of horses at racing stables. Delays in making a specific diagnosis are due to the need for specific culture results that may take several days to complete.

The investigators are developing a very rapid, color change method of identifying the specific Streptococcus that is associated with strangles. The basics have been identified. This grant seeks support to develop ways to attach the proteins of *S. equi* to magnetic beads, allowing binding with minute amounts of the antibody protein. The ability to make a specific diagnosis quickly will allow isolation and quarantine procedures to be activated almost immediately, preventing further spread of the infection.

These investigators have the background and experience to make this work. They also have a complete set of samples from strangles outbreaks to verify the accuracy of the test, without waiting for the next outbreak.

A Simple, Cost Effective Graft Method for Cartilage Repair

Lisa A. Fortier, Alan Nixon, J. B. Flaminio, Cornell University.

The group has extensive experience with bone marrow-derived stem cells in various repair scenarios. A significant amount of this work has been supported by GJCRF awards. This project will demonstrate the ability to speed cartilage repair using the patient's own tissues; namely stem cells from the bone marrow, and growth factors derived from the patient's blood. This allows repair without concern for immune rejection of the tissues, reactions to externally derived materials and foreign chemicals. It is also a cost effective approach.

The cases to be treated with this program are arthritis or degenerative joint disease. The graft is expected to produce new cartilage after 3 to 8 months.

This approach will test the ability of a novel graft composite that is entirely patient derived and easily assembled in the operating room. The techniques can be applied in any equine hospital with normal equipment. It will thus be available to a broad spectrum of horses at reasonable cost.

Gene Transfer of BMP-2 To Enhance Bone Healing

Dr. David Frisbie, Colorado State University.

This is one of several projects utilizing morphogenetic protein (in this case BMP-2) as a potential aid in healing of fractured long bones in horses. This one will evaluate whether use of accepted methods of improving bone healing in humans and other species are applicable to horses. This researcher proposes to apply what is learned to joint fusions as well as long-bone fractures.

Can Tendon Healing be Enhanced by Growth Factors?

Allison Stewart, University of Illinois.

Tendon injury is a common cause of lameness in performance horses, and generally has a very long healing time. The tissue resulting from natural healing will often be less functional than the original tendon tissue, thus restricting the use of the horse.

This study will explore a stem cell-based approach to tendon repair, using stem cells from different sources: bone marrow or tendon itself, and determining the optimal cell type and growth factors to aid tendon healing and the quality of tissue involved.

RESEARCH PROJECTS FUNDED IN 2006, CONT.

Better Diagnosis of Equine Viral Arteritis (EVA)

Udeni B.R. Balasuriya, Peter Timoney, University of Kentucky.

EVA is an economically important disease of horses worldwide. Stallions carrying the virus represent the major reservoir of the disease and are pivotal in the maintenance of the infection in horse populations. Outbreaks are characterized by massive numbers of abortions. Identifying the persistent carrier stallions is critical to controlling EVA.

Currently the diagnostic test of choice is a slow (3-4 days) process which must show a rise in the antibody level in response to exposure. The Gluck Center and the Kentucky Diagnostic Lab process about 12,000 tests annually at a significant cost and loss of time. This study would verify the use of a novel antibody-coated microsphere which could yield a rapid and accurate diagnosis of EVA antibodies.

Studies of the Equine Herpes 1 Virus Responsible for Neurologic Disease

George P.Allen, University of Kentucky.

In his current study on the nervous system form of Herpes Virus 1, Dr.Allen has defined a genetic mutation within a single gene of the equine herpes virus as responsible for the neurological disease. The aims of this continuation are to answer these three questions: 1) Does each new outbreak of the neurological form of the disease arise from a new mutation event, or is there a population of horses that carry the mutant virus strain in "latent" form? 2) What proportion of horses carry this variant virus in latent form? And 3), Do horses that recover from the neurologic disease become carriers that can spread the virus? Answers to these questions would set up control measures.

Effects of Compounding and Storage on Drug Stability

Mark Papich, North Carolina State University.

Compounded products are used in veterinary medicine to increase the ease of administration, improve palatability and often to decrease the cost of medication. Many drugs are not formulated for horses, and large amounts of some medications need to be crushed and administered by syringe, or in the horse's feed. Once combined, crushed or packed in capsules, the storage of the product becomes critical, as the drug may degrade, crystallize or in other ways lose potency.

This study will be used to guide veterinary practitioners, veterinary compounding pharmacies and horse owners about the potency and stability of compounded medications. Specific recommendations for use and storage of these compounded drugs will result from the trials with storage temperatures, various versions of water base, etc.

Studies on Causes of Early Pregnancy Loss

Keith J. Betteridge, M.A. Hayes, University of Guelph.

The developing embryo of the horse is involved in a very complex set of interactions at or around 16 days after fertilization. At this stage it is immobilized in the uterus, before the development of the placental tissues. This complex time, involving multiple protein interactions with the embryonic capsule, is a critical point where many early losses originate.

Dr. Betteridge, the acknowledged worldwide expert on embryonic and fetal development, seeks to define these interactions between embryo and uterus, in terms of protein reactions. The goal is better understanding of these complex processes that may lead to better management of the mares and an increased survival rate of embryos. Recent advances in technology for characterizing proteins and their genes are the basis for this investigation.

RESEARCH PROJECTS FUNDED IN 2006, CONT.

Airway Inflammation in Race Horses Due to Particulate Matter

N. Edward Robinson, Michigan State University.

The project will investigate one of the possible causes of airway inflammation, namely the concentration of coarse and fine dusts in racing stables. Three stables of differing designs and with differing management at Thistledown Racetrack are to be involved. Dust levels will be measured three times a day and at three times of the year to indicate areas that have consistently high levels. Then, the second phase will look at the dust levels in stable air and the presence of airway inflammation/ mucus, and a correlation between dust levels with airway mucus and inflammation. Finally the total daily particle exposure in horses with and without mucus accumulation sufficient to affect racing performance will be measured. These data will all be used to manage the particle load in racing horses with a goal of maintaining maximum health and performance.

To Alleviate Damage Caused to the Lung by the Presence of Blood

Dr. Frederik Derksen, Michigan State University.

This project recognizes that the exertion of racing causes many horses to experience bleeding into their lungs and, furthermore, recognizes that to date no effective means of preventing this phenomenon has been developed. The project zeroes in on the damage which blood in the lungs causes, specifically development of scar tissue which in turn causes bleeding to become more severe. The purpose of the study is to determine just how the presence of blood causes the scarring (pulmonary fibrosis), and further it will test the hypothesis that a medication called enalapril is capable of preventing the scarring.

Seeking Improved Treatment of Equine Placentitis

Dr. Margo Macpherson, University of Florida.

Loss of foals due to infection during pregnancy remains a major concern for the horse industry. Most infections occur in the placenta, and the development of an effective medication regimen to combat the problem is an important goal. The common strategy of using antibiotics and non-steroidal inflammatory drugs to improve survivability of foals from infected mares has not proven consistently effective. This project will test hypotheses relative to how placental infections reach and damage the foal and whether treatment with trimethoprim sulfamethoxazole in specific combinations will enhance survival of foals. The latter hypothesis is based on promising results of previous studies in Dr. Macpherson's laboratory.

A Collaborative Project Addressing Mysteries of Foal Pneumonia

Dr. Jose Vazquez-Boland, University of Bristol, United Kingdom.

The bacterium *Rhodococcus equi* is a major cause of foal pneumonia, which some studies indicate affect as many as 9% of foals. The problem is aggravated by the lack of rapid diagnostic tests that can identify the early stages of infection and evaluate the degree of contamination on a given farm. The subject of *Rhodococcus equi* has been aggressively addressed by the Foundation in recent years, and this particular study represents an international cooperation which utilizes recently achieved knowledge in the field of microbial genomics. The goal intended is critical insight into the biology and ecology of the organism, information which can suggest intervention measures. Because of similarities between *R. equi* and the tuberculosis bacillus, this research conceivably could also have a positive impact on anti-tuberculous drug discovery. This is a collaborative project involving researchers in England, Ireland, Canada, and Japan.

RESEARCH PROJECTS FUNDED IN 2006, CONT.

Understanding the Foals' Immune Response to R. Equi

Dr. David Horohov, University of Kentucky.

This project is another addressing the serious problem of *Rhodococcus equi* as a cause of foal pneumonia, which overpowers the young horse's degree of protection from maternal antibodies. The project takes the approach of seeking to understand the immune response which foals develop as they age. If the immune response can be characterized, then the relative susceptibility or resistance in foals could be assessed.

Seeking a Supportive Intravenous Solution for Prolonged Treatment

Dr. Harold Schott II, Michigan State University.

Although intravenous (IV) fluid therapy is common, the focus on treatments used for some 20 years has been on rehydration, i.e., replacing fluids, rather than maintenance fluid therapy. Replacement fluids are sodium rich and provide no nutritional support to the animal. Thus, in the modern practice of keeping horses on IV for as long as 7-10 days (after colic surgery, for example), the use of replacement fluids may have undesired side effects. This project will evaluate the efficacy of an IV solution intended as a maintenance fluid to stabilize fluid and electrolyte balance in horses that must be deprived of food and water for extended times. A modified form of a maintenance fluid that was designed for human use will be utilized. Development of a practical maintenance fluid would create a significant improvement in the care of hospitalized horses.

A Speedier Test for a Disease Transmitted Among Horses and To Humans

Dr. Scott Weese, University of Guelph.

An organism known as MRSA (methicillin-resistant staphylococcus aureus) has become a major problem in human medicine; it is one of the most troublesome hospital-related infectious organisms and is associated with increased illness and deaths. MRSA infection is difficult to treat because it has a high level of microbial resistance. Recently, MRSA has been identified in horses, both as a cause of disease outbreaks and as an organism harbored in healthy carriers. It resides in the nasal passages. The carriers not only can infect other horses, but can spread the infection to people. The existence of carriers which are healthy hampers control of MRSA because carriers who are not sick cannot be easily identified. The current way of identifying MRSA is to culture nasal swabs. While effective, this procedure takes from three to seven days, a dangerously long time given the damage the disease can produce. This researcher proposes to seek a molecular test for MRSA which requires only a few hours and thus provide results the same day a nasal swab is taken. This type of test has not been evaluated in horses to date. The study will also examine the costs of the rapid detection to determine the practicality of implementing it on a wide scale in addition to utilizing it for smaller, contained populations.

Healing of Front Cannon Bone Fracture

Dr. Mark Markel, University of Wisconsin, Madison.

This project addresses fracture healing from a nuance compatible with, but not redundant to, the bone healing projects above. This researcher is addressing the problem, in long bones (cannon bone, etc.) especially, that screws and plates surgically implanted often become loosened. The weight-bearing requirements of the equine limb—far greater than the human, for example—along with the brittle nature of equine bone create particular challenges to the equine surgeon and to available tools. This researcher will examine use of bone morphogenetic proteins specifically on front cannon bones, comparing this approach with two other approaches: (1) the grafting of bone harvested from the sternum, and (2) effectiveness of currently available plates and screws.

INDEPENDENT AUDITORS' REPORT

The Board of Directors of the Grayson-Jockey Club Research Foundation:

We have audited the accompanying statements of financial position of the Grayson-Jockey Club Research Foundation (the "Foundation") as of December 31, 2006 and 2005, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal controls over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Foundation at December 31, 2006 and 2005, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Deloitte + Touche LLP

June 7, 2007

STATEMENTS OF FINANCIAL POSITION

December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 964,419	\$ 1,103,318
Investments at market	21,588,970	19,568,030
Contributions receivable	1,549,034	2,923,827
Other receivables	57,036	55,296
Prepaid expenses	12,756	6,440
Inventory	702	6,723
Fixed assets at cost, less accumulated depreciation	<u>2,151</u>	<u>750</u>
TOTAL ASSETS	\$ <u>24,175,068</u>	\$ <u>23,664,384</u>
 <u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES:		
Accounts payable and accrued liabilities	\$ <u>67,197</u>	\$ <u>63,651</u>
Total liabilities	<u>67,197</u>	<u>63,651</u>
NET ASSETS:		
Unrestricted	13,606,190	12,158,946
Temporarily restricted	1,548,564	2,803,693
Permanently restricted	<u>8,953,117</u>	<u>8,638,094</u>
Total net assets	<u>24,107,871</u>	<u>23,600,733</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>24,175,068</u>	\$ <u>23,664,384</u>

See notes to financial statements.

STATEMENT OF ACTIVITIES

for the year ended December 31, 2006

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
<u>REVENUES:</u>				
Contributions	\$ 173,463	\$ 259,050	\$ 74,529	\$ 507,042
Membership dues	377,619			377,619
Proceeds from fund raisers, net of direct benefit costs of \$472,625	363,979			363,979
Investment income	551,229	16,361		567,590
Net realized and unrealized gains on investments	1,214,943	15,650	240,494	1,471,087
Other	15,992			15,992
Net assets released from restrictions	1,546,190	(1,546,190)		-
Total revenues	<u>4,243,415</u>	<u>(1,255,129)</u>	<u>315,023</u>	<u>3,303,309</u>
<u>EXPENDITURES:</u>				
Grants	926,917			926,917
Grants - EDRI	1,243,991			1,243,991
Investment fees	56,945			56,945
Professional fees	372,722			372,722
Travel and meetings	66,988			66,988
General and administrative expenses	128,608			128,608
Total expenditures	<u>2,796,171</u>	<u>-</u>	<u>-</u>	<u>2,796,171</u>
CHANGE IN NET ASSETS	<u>1,447,244</u>	<u>(1,255,129)</u>	<u>315,023</u>	<u>507,138</u>
NET ASSETS, BEGINNING OF YEAR	<u>12,158,946</u>	<u>2,803,693</u>	<u>8,638,094</u>	<u>23,600,733</u>
NET ASSETS, END OF YEAR	<u>\$ 13,606,190</u>	<u>\$ 1,548,564</u>	<u>\$ 8,953,117</u>	<u>\$ 24,107,871</u>

See notes to financial statements.

STATEMENT OF ACTIVITIES

for the year ended December 31, 2005

	<u>UNRESTRICTED</u>	TEMPORARILY <u>RESTRICTED</u>	PERMANENTLY <u>RESTRICTED</u>	<u>TOTAL</u>
<u>REVENUES:</u>				
Contributions	\$ 483,717	\$ 2,383,892		\$ 2,867,609
Membership dues	237,744			237,744
Proceeds from fund raisers, net of direct benefit costs of \$553,390	291,523			291,523
Investment income	319,604	797		320,401
Net realized and unrealized gains (losses) on investments	707,558	(236)	\$ 240,601	947,923
Other	19,551			19,551
Net assets released from restrictions	179,731	(179,731)		-
Total revenues	<u>2,239,428</u>	<u>2,204,722</u>	<u>240,601</u>	<u>4,684,751</u>
<u>EXPENDITURES:</u>				
Grants	895,948			895,948
Investment fees	56,690			56,690
Professional fees	375,422			375,422
Travel and meetings	67,919			67,919
General and administrative expenses	121,656			121,656
Total expenditures	<u>1,517,635</u>	<u>-</u>	<u>-</u>	<u>1,517,635</u>
CHANGE IN NET ASSETS	<u>721,793</u>	<u>2,204,722</u>	<u>240,601</u>	<u>3,167,116</u>
NET ASSETS, BEGINNING OF YEAR	<u>11,437,153</u>	<u>598,971</u>	<u>8,397,493</u>	<u>20,433,617</u>
NET ASSETS, END OF YEAR	<u>\$ 12,158,946</u>	<u>\$ 2,803,693</u>	<u>\$ 8,638,094</u>	<u>\$ 23,600,733</u>

See notes to financial statements.

STATEMENTS OF CASH FLOWS

for the years ended December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 507,138	\$ 3,167,116
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	880	2,285
Net realized and unrealized gains on investments	(1,471,087)	(947,923)
Changes in assets and liabilities:		
Contributions receivable	1,374,793	(1,392,552)
Other receivables	(1,740)	1,443
Prepaid expenses	(6,316)	17,505
Inventory	6,021	(6,723)
Accounts payable and accrued liabilities	3,546	(383,111)
Net cash provided by operating activities	<u>413,235</u>	<u>458,040</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to fixed assets	(2,281)	-
Proceeds from sales of securities	16,881,483	12,778,662
Purchases of securities	<u>(17,431,336)</u>	<u>(13,156,682)</u>
Net cash used in investing activities	<u>(552,134)</u>	<u>(378,020)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(138,899)	80,020
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,103,318</u>	<u>1,023,298</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 964,419</u>	<u>\$ 1,103,318</u>

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

as of and for the years ended December 31, 2006 and 2005

1. ORGANIZATION

On August 3, 1989, Grayson Foundation merged with the Jockey Club Research Foundation to create the Grayson-Jockey Club Research Foundation (the "Foundation"). The purpose of this organization is to further research and education in the equine industry. The Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

2. SIGNIFICANT ACCOUNTING POLICIES

- a) The accounts of the Foundation are maintained on the basis of unrestricted, temporarily restricted and permanently restricted net assets. Unrestricted net assets are available to support research programs approved by the Board of Directors (the "Board") and to fund general operations. Temporarily restricted assets relate to donations that have been either pledged but not yet received and/or subject to donor restrictions. Permanently restricted net assets are subject to donor restrictions and require that the principal and related gains and losses remain invested in perpetuity and the income earned therefrom be available for expenditure.
- b) Cash equivalents consist of short term, highly liquid investments, which have original maturities of three months or less.
- c) Investments are carried at fair value based on quoted market prices.
- d) Fixed assets are comprised of office and computer equipment. Depreciation is calculated using the straight-line method over the estimated useful life of the assets ranging from three to five years.
- e) Contributions are recorded at fair value when an unconditional promise to give is made by the donor. Grants are recorded in the period that the funds are disbursed.
- f) The management and staff of the Foundation are employees of The Jockey Club, and their related salaries and fringe benefits are billed to the Foundation pursuant to agreements between the parties. These costs totaled \$324,931 and \$314,189 in 2006 and 2005, respectively and are included in Professional fees in the Statements of Activities. Additionally, certain administrative services (e.g., accounting and certain office space) are provided by The Jockey Club. These other administrative services are not reflected in the accompanying financial statements since such amounts would not be material.
- g) The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS, CONT.

3. FUNCTIONAL CLASSIFICATION OF EXPENSES

For the years ended December 31, 2006 and 2005, the Foundation incurred \$2,796,171 and \$1,517,635 in expenses, respectively, as reported in the accompanying Statements of Activities. Those expenses by their functional classifications are as follows:

	2006			
	Program Services	Fundraising Services	Management & General	Total
Grants	\$ 926,917			\$ 926,917
Grants - EDRI	1,243,991			1,243,991
Fundraising events		\$ 5,726		5,726
Investment fees			\$ 56,945	56,945
Professional fees	78,338	231,336	63,048	372,722
Travel and meetings	41,229	23,452	2,307	66,988
Printing	4,005	35,244	800	40,049
Other	17,346	30,704	34,783	82,833
	\$ 2,311,826	\$ 326,462	\$ 157,883	\$ 2,796,171

	2005			
	Program Services	Fundraising Services	Management & General	Total
Grants	\$ 895,948			\$ 895,948
Fundraising events		\$ 10,956		10,956
Investment fees			\$ 56,690	56,690
Professional fees	76,962	224,548	73,912	375,422
Travel and meetings	41,185	23,958	2,776	67,919
Printing	3,698	32,539	739	36,976
Other	688	23,602	49,434	73,724
	\$ 1,018,481	\$ 315,603	\$ 183,551	\$ 1,517,635

NOTES TO FINANCIAL STATEMENTS, CONT.

4. CONTRIBUTIONS RECEIVABLE

Contributions receivable consist of the following at December 31, 2006 and 2005:

	<u>2006</u>	<u>2005</u>
Due within 1 year	\$ 1,449,500	\$ 1,746,941
Due within 2 years	108,334	1,369,571
	<u>1,557,834</u>	<u>3,116,512</u>
Present value discount	(8,800)	(192,685)
Contributions receivable	<u>\$ 1,549,034</u>	<u>\$ 2,923,827</u>

The Foundation received pledges for contributions to be paid over a specified period for two initiatives. The first initiative, the Oxley Challenge, began in 2004 and under this initiative, The Oxley Foundation agreed to match all pledges, up to one million dollars, through December 31, 2009 with its annual matching contribution not to exceed \$250,000 in any calendar year. At December 31, 2006 and 2005, the Foundation recorded a contribution receivable, net of present value discount, for the Oxley Challenge of \$772,263 and \$1,227,057, respectively.

The second initiative, the Equine Drug Research Institute ("EDRI"), began in 2004 and is a program being administered by the Foundation with the objective of developing and implementing a drug-testing program to discourage owners of equine athletes from using substances prohibited by racing authorities and thereby improving the overall health and welfare of the equine athlete. At December 31, 2006 and 2005, the Foundation recorded a contribution receivable, net of present value discount, for this initiative of \$743,575 and \$1,667,312, respectively, and includes a pledge of \$100,000 and \$300,000 from The Jockey Club at December 31, 2006 and 2005, respectively.

5. INVESTMENTS

Investments consist of the following at December 31, 2006 and 2005:

	<u>2006</u>		<u>2005</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Common stocks	\$ 5,079,719	\$ 4,523,018	\$ 6,504,437	\$ 5,010,676
Corporate bonds	2,152,235	2,161,654	2,125,688	2,151,706
U.S. government securities	4,091,915	4,099,445	2,884,791	2,909,307
Mutual funds	10,265,101	8,320,534	8,053,114	6,869,575
	<u>\$ 21,588,970</u>	<u>\$ 19,104,651</u>	<u>\$ 19,568,030</u>	<u>\$ 16,941,264</u>

Interest and dividend earnings on these investments were \$557,654 in 2006 and \$315,663 in 2005. Net realized and unrealized gains from investments reported in the accompanying Statements of Activities totaled \$1,471,087 and \$947,923 in 2006 and 2005, respectively.

* * * * *

ROKEBY CIRCLE 2006

(all membership levels as of December 31, 2006)

Henrietta K. Alexander
Mr. & Mrs. Joseph Allen
Ashford/Coolmore
William Backer
Ramona Seeligson Bass
Bessemer Trust
Gary Biszantz
Brooks Bower
Breeders' Cup Ltd.
Alex G. Campbell
Paula & Bandel Carano
Mr. & Mrs. William Casner
Charles Cella
Alice Chandler
Michael Chouffi
Churchill Downs
Claiborne Farm
William Condren
Mr. & Mrs. Dennis Dammerman
Darley America
Del Mar Thoroughbred Club
Adele B. Dilschneider
Mrs. F. Eugene Dixon
Donald R. Dizney
Dogwood Stable
C. Steven Duncker
Elizabeth Locke Jewels
Mr. & Mrs. Bill Farish
Mr. & Mrs. Will Farish
William Stamps Farish Fund
Mr. & Mrs. Tracy Farmer
Fasig-Tipton Company
Hugh Fitzsimons
Florida Thoroughbred
Charities
Fort Dodge Animal Health
Gainesway Farm
Dr. Susan Galandiuk
Mrs. Martha Gerry
Greg Goodman
John K. Goodman
Helen K. Groves
Lucy Young Hamilton
Dell Hancock
Seth W. Hancock
Joseph W. Harper

Hettinger Foundation
Hubbard Foundation
The Jockey Club
Johnson & Johnson Consumer Products
Company
Annie Jones
Keeneland Association
Keeneland Foundation
Kentucky Thoroughbred Association
Lane's End Farm
Betsy Lavin
Mrs. Robert Lewis
Jane du Pont Lunger Residual Charitable
Trust
Mr. & Mrs. Michael Matz
William & Carole McAlpin
Mr. & Mrs. Eugene Melnyk
Robert E. Meyerhoff
Mrs. J. Maxwell Moran
Northern Trust
Oak Tree Racing Association
Mr. & Mrs. John M. B. O'Connor
Mr. & Mrs. Paul Oreffice
Audrey Otto
Overbrook Farm
Mr. & Mrs. John Oxley
The Oxley Foundation
Mr. & Mrs. Ogden M. Phipps
Stephen E. Poe
Dr. Hiram C. Polk, Jr.
Carl Pollard
Rood & Riddle Equine Hospital
Richard Santulli
Mr. & Mrs. Barry K. Schwartz
Scientific Games
Shawnee Farm
Mr. & Mrs. Joseph V. Shields, Jr.
Mace Siegel
George Steinbrenner
The Tucker Foundation (Mr. & Mrs. S. K.
Johnston, Jr.)
Thoroughbred Owners & Breeders
Association
Virginia Guest Valentine
Charlotte C. Weber
Woodbine Entertainment

PLATINUM CIRCLE 2006

Tampa Bay Downs

GOLD CIRCLE 2006

American Association of Equine
Practitioners
William Backer
Edward L. Bowen
Byars Equine Advisory LLC

Charlsie Cantey
David Foley
Cynthia Grenfell
Ian Hight
John Paul Pucek

SILVER CIRCLE 2006

Duncan Alexander
American Livestock Insurance Co.
Calder Race Course
David Crupi
Kenneth Dunn

Susan L. Keiser
Robin H. Lightner
Lightner Sams Foundation
Mohegan Sun

PATRON MEMBERS 2006

John Achenbach
Dr. Rick Arthur
Beatrice Cassou
Patricia L. Chapman
Mrs. Walter Courtenay
Sandy Dubose
Equine Medical Associates PSC
Glen Hill Farm
Harold Greenberg
Joan Hadley
Clay Hancock
William B. Harrigan
George I.E. Harris
Mrs. Gilbert W. Humphrey

Nancy Laurie
Leonard Lavin
Louisa Lenehan
Bruce Lunsford
Mr. & Mrs. Alan Marzelli
Monica & Hermen Greenberg
Foundation
Muirfield Insurance
Philip T. O'Hara
Mr. & Mrs. Guy Snowden
Beverly R. Steinman
Mr. & Mrs. Harold Via, Jr.
Woodfield Springs Plantation

SUPPORTING MEMBERS 2006

Dr. & Mrs. A. C. Asbury
Madeline Auerbach
Michael Baum
Ben Berger

Mr. & Mrs. Darrell Brown
Margaret Carspecken
Centennial Farms Management
Company

SUPPORTING MEMBERS 2006, CONT.

Chanceland Farm, Inc
Mrs. James E. Clay
Robert E. Courtney
Crestfield Farm, LLC
Dean M. DeLuke
Linda Christine Elliott
W. C. Freeman
E. T. Gerry, Jr.
Dr. Susan Holcombe
Howard Kaskel
Bertram N. Linder
Robert T. Manfuso
Jacqueline Mars
R. Alex Rankin

Deborah Rush
Sakatoga Stable
Robin Scully
Frank St. Charles
Stonereath Farm
Tapeta Footings
William B. Thompson
Upson Downs Farm
Van Varner
Wheelock Whitney
Thomas Wilmot, Jr.
Arnold Zetcher
Gary L. Zwerling

SUSTAINING MEMBERS 2006

Mr. & Mrs. Keith Adams
Mr. & Mrs. Clifford Barry
Randall Bassett
Mr. & Mrs. Barry Becker
James G. Bell
Dr. Alicia Bertone
Ronald Brown
Magdalen O. Bryant
Bill Burton
M. Gregory Chouffi
Mrs. J. P. Costelloe
Donna L. Dominiak
Benjamin W. Dulany
Dr. Claire Latimer Embertson
Dr. Rolf Embertson
Dr. Richard Estes
Robert Fabbricatore
Dr. & Mrs. Luke Fallon
Peter Fuller
Philip Gibson
C. Kenneth Grayson
Richard L. Hamilton
Mr. & Mrs. Gibbs Herbruck
Gardner Hieronymus
Dr. W. T. Hill
Russell B. Jones, Jr.
Kyle Kehner
William Kroh
Dr. David T. Lamb
Dr. Wayne McIlwraith

Michael McLaughlin
Mrs. G. W. Merck
Harry Meyerhoff
Mark Mitchell
Mark Mulhall
John A. Nerud
Joe Browne Nicholson
Nicholson Insurance Agency
Mr. & Mrs. James O'Grady
Old Carhue Stud
Garrett O'Rourke
Bud Paul II
Craig Peretz
Patricia C. Reavy
Mr. & Mrs. William G. Reck
Dana L. Rocheford
Mrs. Leonard P. Sasso
Edgar Scott, Jr.
John Sherman
Silver Springs Stud Farm
Judson L. Streicher
James B. Tafel
Anne F. Thorington
Michael K. Tivnan
Michael Veitch
Susan Vitro
Dr. Glen C. Warren
Bennett Bell Williams

ANNUAL MEMBERS 2006

Rick Abbott
Dr. Julie Alford
Donna Alles
Al Marah Arabians
Mr. & Mrs. Mike Anderson
Rusty Arnold
Helen Ayer
Edward Baier
Ms. Bryan Baldwin
Bathen Thoroughbreds LLC
Stacy V. Bearse
Katrina H. Becker
Holly Bennett
Blackburn Farm
Allison Booth
Alfred H. Brand
Elizabeth Ann Brown
Thomas Caminiti
Gilbert G. Campbell
Dr. B. R. Cannon
Peter J. Canzone Sr.
William A. Carl
Robert C. Cartwright
Catesby W. Clay
Robert Claycomb
Dr. W. C. Coats, Jr.
Mr. & Mrs. John Condon
Lauren Covey
Wendy Davis
Shawna Dietrich
John Doerr
Donna K. Donaghy
Mr. & Mrs. Peter Douglas
Tria Pell Dove
R. Bruce Duchossois
Dr. Jennifer Durenberger
Robert Eastman
Mr. & Mrs. Barry Ebert
Sal R. Elia
Mr. & Mrs. H. J. Elkins
Christopher L. Elser
Dr. Paul Enoch
John T. Evans
Dr. Edward H. Fallon
Fasig-Tipton Company Inc.
Richard M. Feldman
Dr. Charles P. Fina
Dennis Fiorello
Dr. Merritt L. Fowler

Dr. Phillip T. Fowler
Dr. Ben Franklin, Jr.
Mr. & Mrs. James E. Friess
Judith Gans
Mary Gerry
Mr. & Mrs. John Glenney
Joseph L. Goodman
Curtis C. Green
Eileen Mackey Hackman
Ed Halpern
Frank Hamilton
Michael Harris
Bourke C. Harvey
Mr. & Mrs. Philip Hauswald
Dr. Laine W. Hills
Thomas S. Hinkle
Suzette Alger Howard
Illinois Thoroughbred Breeders &
Owners Foundation
Indian Spring Investments Inc.
Mrs. C. Oliver Iselin
Bettina L. Jenney
Neil Jennings
Martin Jensen
Dr. Ronald C. Jensen
Douglas H. Joyce
Dorothy M. Kearney
Patrick Kehoe
Joe King
Carol Kozlowski
Salvatore LaGreca
Keith & Neva Letourneau
Charles Lloyd IV
Dr. Charles W. Logan
Candice Lovinger
Mr. & Mrs. Albert Luedtke
Braxton Jones Lynch
Preston Madden
Don Martin
Charles Mather III
John McDaniel
Mr. & Mrs. R. Shannon McDonald
Kevin V. McGarry
David McGlothlin
Mr. & Mrs. Kieran McLaughlin
Larry J. Melancon
Frances Merryman
Mrs. Dudley L. Millikin, Jr.
Elizabeth S. Millikin

ANNUAL MEMBERS 2006, CONT.

Kerry T. Millikin
Michael Mitchell
Elizabeth Mooney
Dr. James P. Morehead
Patricia Moseley
Mrs. Alastair Muirhead
Mr. & Mrs. Allen Nadel
Mr. & Mrs. Doug Oberhelman
Frederik Papert
Dave Parnell
Mr. & Mrs. William Patterson
Jean Perin
Michele Peters
Bruce Phillips
Mr. & Mrs. John R. Pingree
Marilla Powell
V. Lyn Powell
Alan Quartucci
Betty J. Raines
W. Kenan Rand, Jr.
Donald N. Reeves
Barbara Rehbein
Dr. Kristian S. Rhein
Althea Richards
Maggie Rikard
Walt Robertson
Christopher Scherf

Hilmer C. Schmidt
Julie Scofield
Fred Seitz
Millard R. Seldin
Dr. Frederick C. Shiery
Robert Sparks
Michael F. Squillante
Dr. Elizabeth K. Stanley, VMD
Dr. Daniel C. Stearns
Michael A. Stilb
James E. Stoller
Patrick Swingle
Mark Taylor
Dr. Robert M. Tugel
Robert M. Vance
Nan Walden
Richard Walden
George Waggoner
Cheryl A. Weeks
Max Weintraub
Margaret A. Weygand
Lydia Willits-Bartholomew
Mr. & Mrs. George Wintersteen
H. Bud Wolf
Louis E. Wolfson
Lisa Q. Wood
William W. Wright

At the end of 2006, membership stood at 344, compared to 319 at the end of 2005. Names and addresses of members are maintained in the Foundation's offices at 821 Corporate Drive, Lexington, KY.

SECRETARIAT MEMORIAL FUND 2006

Pamela A. Bell
Byars Equine Advisory LLC
Michael Chouffi

Linda Christine Elliott
Donna Haluscak

SPECIAL GIFTS & CONTRIBUTIONS 2006

Academy for Learning in Retirement of
Saratoga Springs
Dr. Julie Alford
John E. Anthony
Julia Baird Baker
Bryan Baldwin
Craig Bandoroff
Laura Barillaro
Malcolm Barr

Reynolds Bell, Jr.
Patricia Birk
John Bitzer
Gary Bizantz
Richard A. N. Bonnycastle
Frank A. Bonsal
Edward L. Bowen
John J. Brunetti, Jr.
Mr. & Mrs. Michael Burns

SPECIAL GIFTS & CONTRIBUTIONS 2006, CONT.

Anne Buser
Cambus-Kenneth Farm LLC
Mr. & Mrs. Rodion Cantacuzene
Robert C. Cartwright
Celebration Farm
Cheney & Northrop, D.V.M.
Mr. & Mrs. D. Hayes Clement
Mr. & Mrs. Buck Close
Kyle W. Cooper
Paul Corliss
Mr. & Mrs. Irving Cowan
Darley Stud Management LLC
Mr. & Mrs. Joseph G. Davies
Mr. & Mrs. Jon Davis
Susan Donaldson
Wendy Donoghue
James M. Durlacher
Phillip Dutton Eventing LLC
Sal R. Elia
William Entenmann
Robert S. Evans
Edward G. Fernico
Daniel Fick
Mr. & Mrs. Bertram Firestone
Jonelle Fisher
Roberta Fitch
Kerry B. Fitzpatrick
Eleanor Forbes
Mr. & Mrs. James E. Friess
Mr. & Mrs. Frank Gardner
Alice C. Gedro
Ann Getchell
John B. Goodman
Cynthia Grenfell
Dr. A. L. Hallowell
Donna Haluscsak
Dr. Llewellyn H. Hamilton III
Lucy Young Hamilton
Dell Hancock
Michael W. Hanna
Joseph A. Hirsch
Carol Holden
Mr. & Mrs. Steven Holland
Jane E. Howard
Sam Huff
Mr. & Mrs. Richard W. Ireland
Mr. & Mrs. Roy Jackson
Peggy K. Janney
Mr. & Mrs. Stuart Janney III

Bettina Jenney
Barbara Lee Jensen
Debbie Johnson
Kathy Johnston
Mr. & Mrs. Thomas Jones
Mr. & Mrs. Ronald J. Juvonen
Dorothy M. Kearney
Richard W. Kelso
Kentucky Association of Equine
Practitioners
Kentucky Thoroughbred Association Inc.
William Landes
Lane's End Farm
Laurel Park
Nancy Laurie
Mr. & Mrs. Leon Lieberman
Lightner Sams Foundation of
Wyoming Inc.
Pamela Lovinger
Earle I. Mack
Patrick H. MacKay
Jacqueline Mars
Hugo Matson
Mr. & Mrs. Michael R. Matz
Ronald McAnally
Wade McDevitt
Shannan K. Meehan
Mr. & Mrs. MacKenzie Miller
Moran Family Charitable Foundation
Mr. & Mrs. Michael Moran
Zelma Morrison
Mark Mulhall
Robert A. Naify
John A. Nerud
New Jersey Thoroughbred Horsemen's
Association Inc.
Mr. & Mrs. James O'Grady
Mr. & Mrs. Paul F. Orefice
Garrett O'Rourke
Louis Ottrando
David Ouimet
Dr. & Mrs. Scott E. Palmer
Frederic Papert
James B. Parella
Pennsylvania National Horse Show
Foundation
V. Lyn Powell
Marilla Powell
Deborah Quirk

SPECIAL GIFTS & CONTRIBUTIONS 2006, CONT.

Betty Raines	Leslie Thomas
Henry T. Rathbun	Anne F. Thorington
Althea Richards	Thoroughbred Charities of America
Reuben Richards	Thoroughbred Times
Rood & Riddle Equine Hospital	Ralph J. Tramantano
Roseland Farm Stable	Mr. & Mrs. Richard J. Ulbrich
Ronald Salerno	Robert M. Vance
Richard Santulli	D. G. Van Clief, Jr.
Cynthia Scheffer	John Veitch
Theiline P. Scheumann	Vinery Ltd.
Lloyd A. Schwartz	Mark Warner
Shelly Sears	Sally Warner
Mr. & Mrs. Jonathan Sheppard	Charlotte C. Weber
Mace Siegel	Kathryn Webers
Stephen Silva	Max Weintraub
Mark Simon	Veronica Welsh
Samuel Slater	Richard G. Wells
Mr. & Mrs. A. J. C. Smith	Eugene Weymouth
James D. Spry	Sandra Whitley
Deborah Stanitski	Wheelock Whitney
Judson L. Streicher	Dr. William B. Wilmot
Teigland, Franklin & Brokken DVMs, P.A.	Kelly Wilson
Mr. & Mrs. Peter Tenbeau	Eric Wirth
The Blood-Horse	Mr. & Mrs. Jack A. Wolf
The Blood-Horse Charitable Foundation	Henry A. Zeitlin
The Clark Group	Steve Zorn
The Dobson Foundation Inc.	Gary Zwerling

EVENT PARTICIPANTS & SPONSORS 2006

Sheri Abbruzzese	Denise Becker
Harriet Ackerman	Theresa Behrendt
Joanne Adams	Gail Beitz
Akindale Farm	James G. Bell
Carol Alexander	Reynolds Bell
Elizabeth Alexander	Wende Bell
Helen Alexander	Bessemer Trust
Mary Alonzo	Maryann Bezjian
Anstu Stable	Alexandra Bishop
Mr. & Mrs. Joseph Aulisi	The Blood-Horse
Joyce Austin	Jill Bonacio
Nicki Bacon	Julie Bonacio
Suzee Bailey	Laura Bonacio
Shawna Bannon	Dennis Brida
Deborah Barthold	Mr. & Mrs. Chester Broman
Ramona Seeligson Bass	Virginia Brownyard
Lidia Bazar	Brushwood Stable

EVENT PARTICIPANTS & SPONSORS 2006, CONT.

Buttonwood Farm
Terry Calkins
Alexander G. Campbell, Jr.
Mr. & Mrs. W. Cothran Campbell
Cantor Index/Gaming/Joe Asher
Janet Carley
Sue Cassidy
Marianne Castle
Bernadette Castro
Certilman, Balin, Adler & Hyman
Dr. & Mrs. Mark Cheney
Richard Cirillo
Claiborne Farm
Claude McGaughey Racing Stable
Blythe Clay
Mr. & Mrs. Buck Close
Patty Cocca
Judy Cocce
Carol Conte
Dennis Cooper
James Corbett
Mr. & Mrs. Joseph Cornacchia
Joyce Cornell
Courtland Farm
Constance Crane
Ron Dahle
Daily Racing Form
George Davis
Kelly Davis
Del Mar Thoroughbred Club
Michael DelGiudice
Deloitte & Touche LLP
Patricia Demento
Warren Dempsey
Brent Diamond
Nancy DiCresce
Cathryn Doyle
Chris Dragone
Michael Dubb
Mr. & Mrs. C. Steven Duncker
Equibase Company
equineline.com
Mr. & Mrs. William S. Farish, Jr.
Carol Farmer
Fasig-Tipton Company
Amy Favreau
Mary Ferguson
Bobbee Ferrer
Meeka Fields

Mary Day Fitzgibbon
Flaxman Holdings Ltd.
Alan Foreman
Elizabeth Fort
Mr. & Mrs. Moustapha Fostock
Bonita Frankel
Mr. & Mrs. Robert Frieze
Ft. Dodge Animal Health
Mary Rose Gallagher
France Galop
Gainesway Farm
Martha F. Gerry
Getnick & Getnick
Diana Gilbert
Giuliani Partners
Jill Goodman
Kathleen Gosier
Carmela Grandy
Helen Groves
Jacquie Hamersmith
Lucy Young Hamilton
Deborah Hancock
Dell Hancock
Mr. & Mrs. Hal Handel
Carrie Hansen
Patty Hasbrouck
Mary Hauswald
Jud Hawver
Mr. & Mrs. David Haydon
Charles E. Hayward
Linda Healy
Mike Hess
Betty Hettinger
Corinna Hettinger
Sally Hill
Kyle Hinding
John Hindman
Hobeau Farm
Hob Knob Farm
Anna Hogan
Gloria Horowitz
Cinda Hough
Hudson River Farms
Sally Humphrey
Carol Hunt
Mary Ianello
InCompass Solutions Inc.
Lauren Iselin
Japan Racing Association

EVENT PARTICIPANTS & SPONSORS 2006, CONT.

Fernanado Jara Abrego
Kathy Johnson
Annie Jones
Gary Jones
Marie Jones
Jeannette Jordan
Arlene Josef
Harriet Kalejs
Robin Kappler
Becky Kasselmann
Keeneland Association
Mr. & Mrs. John Kelly
Jon S. Kelly
Nancy C. Kelly
Pat Kelly
John Kemf
Kentucky Thoroughbred Association/
Kentucky Owners & Breeders
Association
Daunice Keslar
Keyspan
June Kimmel
Mr. & Mrs. Martin Kinsella
Kirkwood Stable
Jack Knowlton
Patricia Kolodzinski
Trudy Kozoil
Elizabeth LaCorte
Katie Lamb
Lane's End Farm
Elizabeth Lavin
Lazy F Ranch
Marylouise Ledduck
Mary Alice Lee
Julien Leparoux
Adam Levine
Maureen Lewi
Beverly Lewis
Mr. & Mrs. Jack Liebau
Cathy Lindberg
Robin Litfin
Live Oak Stud
Elizabeth Locke
Vicki Mack
Nancy Mackall
Catherine Maguire
Dave Mahan
Robert Manfuso
Marvin Marks
Mary Martin
Marylou Whitney Stables
Mr. & Mrs. Alan Marzelli
Michele Massiano
DiDi Matz
Tanya McCann
Chris McCarron
Jayne McCarthy
Chris McErlean
Mary Ann McGinn
Timothy McGinn
Helen McLatchy
Letty McLaughlin
Janice McNair
Richard Meister
Noel Melhado
Melnyk Racing Stables
John Meriwether
Lynn Meyer
Alix Michel
Carmella Migliore
Mill House
Pam Minneaux
Kathleen Monaco
Margo Monaghan
Patricia Moore
Tina Mott
Mohammed Moubarek
Mariah Munnis
Maria Murphy
Megan Murphy
Nikki Murphy
Jacqueline Murray
National Thoroughbred Racing
Association
Audrey Nelson
NetJets
New York City Off Track Betting
New York Racing Association
New York State Thoroughbred Breeding
& Development Fund
New York Thoroughbred Horsemen's
Association
Kyran Nigro
Melissa Nigro
Mr. & Mrs. Kenny Noe
Monica Oberting
Oak Tree Racing Association
Dr. & Mrs. Lynwood O'Cain

EVENT PARTICIPANTS & SPONSORS 2006, CONT.

David Occhialini
Mr. & Mrs. John M. B. O'Connor
Mr. & Mrs. Dennis O'Kain
Jimmy Olson
Mr. & Mrs. Paul Oreffice
Overbrook Farm
Debbie Oxley
Mr. & Mrs. John C. Oxley
Anne Palamountain
Delores Parillo
Zachary Passaretti
Virginia Payson
Peachtree Racing
Claudia Pesino
Mr. & Mrs. Anthony Petruzzelli
Sylvia Phillips
Daisy Phipps
Tracy Pletcher
Lorraine Power-Tharp
Liliana Prado
Deborah Quinn
Norma Quinn
Amy Raimo
Michael Rankowitz
Frances Ray
Margaret Reed
Reilly & Me
Michele Riggi
Rood & Riddle Equine Hospital
Rochelle Rivin
Judith Rosato
Margie Rotchford
Diana Ryan
Bernard Sams
Anne Sawyer
Robert Scharbach
Mr. & Mrs. Peter Schiff
Mr. & Mrs. Barry Schwartz
Mr. & Mrs. Martin Schwartz
Scientific Games
Betsy Senior
Ronnie Diane Serlin
Linda Sharkey
Shawnee Farm
Mr. & Mrs. Joseph V. Shields, Jr.
Mace Siegel
Sybil Sigel
Sigmund Sommer Trust
Natalie Sillery

Susan Simons
Toni Slotkin
Elizabeth Smith
Lynn Smith
Holly Sofarelli
Gloria Stasior
Delbert Staley
George Steinbrenner
Barbara Stevenson
Joelle R. Stone
Louise Straney
George Strawbridge
Sterling Suffolk Downs
Margaret Stribley
Sheila Striffler
Fred Stutzman
Mr. & Mrs. Stuart Subotnick
Mary Sullivan
Jenny Swindel
Taylor Made Farm
Frank Tedesco
The Jockey Club
The Jockey Club Foundation
The Jockey Club Information
Systems Inc.
Lew Titterton
Mike Tobin
Laddie Toney
Linda Toohey
Lisa Torani
Triple Crown Productions
Mr. & Mrs. Daniel P. Tully
United/Puett Electrical Starting Gate
Elizabeth Valando
Al Valentine
Virginia Guest Valentine
Hillary Van Alstyne
Jenifer Van Deirse
Van Varner
Mr. & Mrs. Kirk Vaux
Janis Vederose
Mr. & Mrs. John Velazquez
Frank Vessels
Thomas Voss
Elaine Vukelic
Bryan Walls
Walmac Farm
Denise Walsh
Donna Ward

EVENT PARTICIPANTS & SPONSORS 2006, CONT.

Kara Waters
WeatherWatch Farm
Charlotte Weber
Mr. & Mrs. Barry Weisbord
Mike Weiss
Marylou Whitney
Bennett Bell Williams
Joseph Wilson
June Tess Wilson

William Wittman
Jan Woods
Jill Wright
Yarbrough & Rabenstein
Jeanne Yarter
You Bet/United Tote
Beverly Yunch
Marie Zinter
Lorette Zoitos

Tax Status of Grayson-Jockey Club Research Foundation, Inc.

Grayson-Jockey Club Research Foundation is exempt from Federal income tax under section 501 (c) (3) of the Internal Revenue Code of 1986 (the "Code") as an organization operated exclusively for educational and scientific purposes. Contributions made to the Foundation are deductible by donors in computing their taxable income in the manner and to the extent provided by section 170 of the Code. Bequests, legacies, devises or transfers are deductible in computing the value of the taxable estate of a decedent for Federal estate tax purposes in the manner and to the extent provided by section 2055 of the Code. Gifts of property are deductible in computing taxable gifts for Federal gift tax purposes in the manner and to the extent provided by section 2522 of the Code. Provisions to approximately the same effect appear in the tax laws of most states.



GRAYSON-JOCKEY CLUB RESEARCH FOUNDATION, INC.

821 CORPORATE DRIVE, LEXINGTON, KY 40503
PH: 859/224-2850; FAX: 859/224-2853

40 EAST 52ND STREET, NEW YORK, NY 10022
PH: 212/371-5970; FAX: 212/371-6123

WWW.GRAYSON-JOCKEYCLUB.ORG
EMAIL: CONTACTUS@GRAYSON-JOCKEYCLUB.ORG