

AUDIENCE PROFILE

NOVEMBER 06

A demographic study of the people who shape
the Thoroughbred breeding and racing industry.

^{T H E}Blood-Horse

bloodhorse.com



FROM MOTION PICTURE "DREAMER"
COURTESY OF DREAMWORKS PICTURES

The "Bible" of the Thoroughbred industry.



Decision-makers crave statistics, facts, input, and information. That's why the top decision-makers in the Thoroughbred industry are so deeply involved when reading *The Blood-Horse* each week.

From owners and breeders to trainers and track workers...Farm managers to farm workers...Veterinarians to bloodstock agents...Administrative staff to insurance agents...and TOBA members to general racing enthusiasts...*The Blood-Horse* reaches every facet of the Thoroughbred industry.

Quite simply, *The Blood-Horse* **is** the Thoroughbred industry. No other publication even comes close to delivering the unique audience of industry professionals that regularly read *The Blood-Horse*.

After reading this brochure, we think you will understand and appreciate why a typical issue of *The Blood-Horse* is, in essence, devoured by the industry's most influential participants. So when savvy advertisers want to reach the largest possible audience at the lowest possible price within the Thoroughbred industry, it comes as no surprise they turn to *The Blood-Horse*.

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Blood-Horse

**Our Strength...
Your Advantage!**

Over 90 years of service to the
Thoroughbred community.

1



ANNE M. EBERHARDT PHOTOS
UNLESS OTHERWISE NOTED

“*The Blood-Horse* is the finest publication out there. I have been a loyal subscriber for over 30 years and have never been disappointed. Keep up the great job of keeping us in the know.”

—Subscriber comment, 2006 Reader Survey

FOREWORD

The story began in 1916 when the *K.T.H.A. Bulletin* was launched to serve a small community of breeders. The *Bulletin* was renamed *The Blood-Horse*, taken to a weekly frequency in 1929, and expanded to serve a global audience.

We haven't missed an issue since.

With each new day of service to Thoroughbred owners and breeders, we are guided by the spirits of the many editors, researchers, marketers, and hard-working staffers who shaped our enterprise over the past 88 years. Voices from the past—with names like Cromwell, Estes, Hollingsworth, and Bowen—whisper constant reminders of our shared vision and singular purpose: *To serve Thoroughbred enthusiasts with integrity by sharing information dedicated to the enjoyment and welfare of the horse.*

The people of *The Blood-Horse* are committed to this vision. Deeply rooted in the past. Firmly focused on the future.



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***The Blood-Horse* is the oldest continually published Thoroughbred magazine in North America.**





Published by owners and breeders
for owners and breeders.

3



KEENE/AND-COOK COLLECTION

A REMARKABLE HISTORY

The *Blood-Horse* has grown from a circulation of some 6,000 in the mid-1960s to more than 23,000. Production of the magazine has moved from hot type and flatbed press to cold type and web offset press in the 70s, to the ultra-modern computer-to-plate method used today.

The Blood-Horse is published by an independent, “non-stock, not-for-profit” subsidiary of the Thoroughbred Owners and Breeders Association (TOBA).

Operations are governed by a five-member Board of Trustees, owners and breeders who volunteer their services.

The company pays no profits or dividends. It exists for the good of the Thoroughbred industry. Earnings are invested in product development and to advance key industry programs such as new owner recruitment, equine health care, and charitable endeavors.

So the proceeds from every advertising dollar you spend with *The Blood-Horse* are, in essence, returned to your Thoroughbred industry.

And that’s good for all of us.



4 *The Blood-Horse* delivers
the highest paid circulation*...



THE HIGHEST PAID CIRCULATION

23,577

The Blood-Horse



18,237

Thoroughbred Times®

In advertising, reaching the largest targeted audience significantly increases an advertiser's likelihood of success.

The Blood-Horse delivers the highest paid circulation in our industry—more than 23,000 paid subscribers—and more than any other Thoroughbred weekly.* If you advertise in the *The Blood-Horse*, your message reaches thousands more horsemen than the other national weekly. And more importantly, they are the right people: every member of the Thoroughbred Owners and Breeders Association (TOBA), plus significantly more horsemen in the major breeding states and the highest number of international subscribers in the business.

The Blood-Horse dominates international paid circulation with more than 1,200 subscribers outside the United States, many paying as much as \$394 for an international airmail subscription.

So when investing your advertising dollars, remember that only one weekly Thoroughbred racing magazine delivers the largest circulation and the most targeted audience at the lowest price: *The Blood-Horse*.

*Source: BPA Publication Circulation Statements for the 6-month period ending 6/30/2006. *The Blood-Horse* average total qualified circulation: 23,577; *Thoroughbred Times* average total qualified circulation: 18,237.

...and the most dedicated readers in the industry.

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SUBSCRIBER ACTIVITY

The average subscriber to *The Blood-Horse* spends 103.03 minutes a week reading *The Blood-Horse*.

Over one-third of our readers spend two hours or more reading *The Blood-Horse*. Three out of four respondents reported buying a product or service, cutting out an article or advertisement, or taking some other action as a result of reading *The Blood-Horse*.

Our readers have such a relationship with the magazine that 59% save every issue for future reference.

Our subscribers also spend more than four times the U.S. average on mail and phone orders for consumer goods and services. Over two-thirds have made a purchase by mail or telephone, spending an average of \$611—a total of more than \$10 million in purchases.

Advertising is a key element in bringing readers key purchase information.

Actions taken as a result of reading *The Blood-Horse*

Cut out an article/ advertisement	53.8%
Requested information on product or service	25.6%
Requested a catalog/ brochure	23.8%
Bought/ordered product or service	28.0%

What is done with copies of *The Blood-Horse* after reading

Save for reference	59.0%
Pass along to someone	35.2%
Clip/copy articles	24.5%
Place in a public area	11.9%
Other	3.2%
Any of these	75.2%

Number of times read or look into *The Blood-Horse*

3



The Blood-Horse delivers an exclusive market...

A PRIME AUDIENCE

The *Blood-Horse* delivers an exclusive market. 71.4% of our subscribers indicate they do not read the *Thoroughbred Times*® regularly (three out of four issues). If you're not presently advertising in *The Blood-Horse*, you're not reaching a prime audience who spends \$1.3 billion annually on equine products, services, and bloodstock.

Nearly 93% of *The Blood-Horse* subscribers read 4 out of 4 issues of the magazine.

Respondents were asked, "Which of the following publications do you read regularly, that is, at least three out of every four issues?"

THE BLOOD-HORSE	98.5%
<i>Thoroughbred Times</i>	28.6%
<i>Daily Racing Form</i>	27.2%
<i>Mid-Atlantic Thoroughbred</i>	10.2%
<i>Equus</i>	9.7%
<i>The Horse</i>	8.7%
<i>Florida Horse</i>	6.8%
<i>Chronicle of the Horse</i>	5.3%
<i>Horse Illustrated</i>	5.3%
<i>Horsemen's Journal</i>	4.4%
<i>Horse and Rider</i>	4.1%
<i>Thoroughbred of California</i>	4.1%
<i>Western Horseman</i>	3.9%
<i>Illinois Racing News</i>	2.4%
<i>Quarter Horse Racing Journal</i>	2.7%
<i>Practical Horseman</i>	3.2%
<i>Louisiana Horse</i>	2.2%
<i>Texas Thoroughbred</i>	3.6%
<i>Dressage Today</i>	1.7%
<i>Polo</i>	0.7%
<i>The Homestretch (Oklahoma)</i>	0.5%
<i>Canadian Thoroughbred</i>	0.2%
<i>None of these</i>	20.1%



INDUSTRY INVOLVEMENT

More than half of our subscribers describe themselves as owners. A large majority of subscribers have a financial interest in Thoroughbred racing, averaging over \$700,000 in racing and breeding stock with 76.1% of those subscribers owning broodmares. These are active participants in the sport—people who purchase products and services and who make the vital decisions about purchasing bloodstock.

When it comes to making breeding decisions, *The Blood-Horse* reaches the lion's share of the market.

...people with a powerful participation in the industry.

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Subscribers to *The Blood-Horse* represent the core of the Thoroughbred industry. Over 39% of subscribers have been involved in the Thoroughbred industry for 20 years or longer, the average: 18.4 years. Included among the 23,000-plus subscribers is every member of the Thoroughbred Owners and Breeders Association (TOBA), approximately 3,000 strong.

The Blood-Horse subscribers are deeply involved participants in the Thoroughbred industry, owning noteworthy numbers of breeding stock and racehorses.

In addition, our subscribers spend nearly \$1 billion annually on new bloodstock purchases. Their serious purchasing power combined with their annual purchases at public auction and private sales significantly impact the industry. Are you getting your share of this market?

No other industry publication can offer you this winning trifecta: superior circulation, proven purchasing power of readership, and lowest ad prices. You will only find it when you advertise in *The Blood-Horse*.

Bloodstock Purchases (total annual expenditures)	
Yearlings	\$250,482,549
Broodmares	\$124,728,174
Weanlings	\$213,766,290
Two-year-olds	\$149,652,638
Older Horses in Training	\$162,427,638
Total Bloodstock Purchases	\$901,057,289

Primary Involvement	
Owner	54.1%
Breeder	39.6%
Farm Manager	9.0%
Trainer	6.1%
Farm Worker	4.6%
Veterinarian	4.6%
Bloodstock Agent	4.1%
Administrative Staff	2.4%
Insurance Agent	0.7%
Other	16.5%

Average Investment in Thoroughbred Racing & Breeding Stock	
Subscribers	\$713,580
TOBA Members	\$1,134,000

Type of Thoroughbreds Owned (respondents with a financial interest)	
Horses in Training	79.5%
Broodmares	76.7%
Yearlings	62.2%
Weanlings	43.0%
Stallions	21.7%



8 Subscribers to *The Blood-Horse* drive the Thoroughbred industry...

STELLAR DEMOGRAPHICS

Subscribers to *The Blood-Horse* report an average net worth of \$2,781,370 and an average annual income of \$241,320. That represents a lot of buying power.

Subscribers to *The Blood-Horse* invest in a wide variety of assets from stocks, bonds, and other types of securities to real estate, art, antiques, and fine jewelry. Of course, a prime investment for a majority of subscribers is the Thoroughbred industry.

Subscribers to *The Blood-Horse* are informed consumers who demand thorough information before they make a purchase decision. It is no surprise that, in the Thoroughbred industry, two of every three advertising pages are placed in *The Blood-Horse*—a 90-year tradition renewing itself every day.

Farms and Ranches	
Average Size (acres)	300.5
Owns	35.5%
Leases	2.6%
Manages	3.2%

Subscriber Demographics	
Average age	55.2 years
Sex	63.8% male
Average household income	\$241,320
Average household net worth	\$2,781,370

Investments/Real Estate	
Average net worth	\$2,781,370
Total value of investments	\$1,227,170
Average market value of primary home	\$679,710
Arts, antiques, and fine jewelry (Annual average investment)	\$12,090
Investment real estate	14.6%
Vacation/weekend home	14.1%
Farm	11.7%
Retirement real estate	1.9%
Time-share	5.8%
Any of these	34.0%

Education	
Any college	83.3%
Undergraduate degree or more	60.8%
Postgraduate study	31.9%
Postgraduate study with degree	28.6%



...and represent high-powered market shapers.

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A SMART INVESTMENT

The *Blood-Horse* covers a niche industry and has tightly focused editorial coverage. This allows *The Blood-Horse* to deliver a very specific audience to advertisers. It should come as no surprise that advertisements in *The Blood-Horse* are read with fervor; they supplement the editorial product by providing more information to our readers.

Helping our advertisers market their products is one of our most important tasks. And we take this job very seriously. Care is given to help advertisers use our magazine in the most effective way.

But the most important role played by advertising in *The Blood-Horse* is the commerce generated by the promotional messages. In fact, advertising in *The Blood-Horse* is one of the most efficient advertising buys in the media world because it is delivered to every serious player in the business, whether a breeder, owner, trainer, veterinarian, or bloodstock agent.

When your ad dollars matter, *The Blood-Horse* is clearly the smart choice.



The numbers tell the tale....

Types of Products/Services Purchased	Percentage of Subscribers	Average Annual Expenditure Per Subscriber	Total Annual Dollars Spent by Subscribers to <i>The Blood-Horse</i>
Barn Supplies	15.3%	\$5,610	\$19,711,447
Bedding	15.2%	\$4,969	\$17,434,044
Bloodstock Agent	2.9%	\$6,057	\$4,063,841
Boarding	21.0%	\$19,530	\$94,639,963
Dewormers	15.5%	\$721	\$2,574,372
Equine Insurance	34.9%	\$14,773	\$118,626,880
Farm Equipment	8.7%	\$19,616	\$39,417,210
Farm Improvements	32.8%	\$49,567	\$374,387,478
Farrier Services	18.4%	\$5,017	\$21,285,825
Feed & Grain	19.9%	\$12,468	\$57,090,344
Financial/Accounting Services	12.6%	\$2,028	\$5,891,688
Grooming Products	14.3%	\$1,136	\$3,744,847
Hay	17.2%	\$6,438	\$25,501,218
Hoof Care Products & Shoeing Services	17.0%	\$3,305	\$12,926,447
Horse Health Products	13.2%	\$2,980	\$9,052,580
Horse Transportation (By Air)	3.9%	\$9,768	\$8,766,378
Horse Transportation (By Land)	36.4%	\$5,245	\$43,947,914
Legal Services	3.2%	\$5,758	\$4,179,328
Nutritional Products (Supplements, etc.)	13.4%	\$1,081	\$3,326,274
Pest/Fly Control	10.2%	\$1,317	\$3,089,207
Pharmaceuticals	12.8%	\$6,794	\$20,081,349
Stud Fees	20.6%	\$30,712	\$145,579,472
Tack & Equipment	15.8%	\$1,864	\$6,769,555
Training Equipment & Services	19.9%	\$49,908	\$228,529,973
Veterinary Services	21.8%	\$15,046	\$75,613,636



PURCHASING POWER

\$ 1.3 billion...that's a lot of purchasing power! But when you consider *The Blood-Horse* reaches the major players in the Thoroughbred industry, such a large and impressive figure is actually very easy to understand.

With an average net worth of \$2.78 million, *Blood-Horse* subscribers make key purchasing decisions on equipment, supplies and services, including equine insurance, feed and grain, nutritional supplements, hoof care products, shoeing services, trucks, trailers, transportation, pharmaceuticals, veterinary services, and much more.

Consider, too, that *Blood-Horse* subscribers own well over 150,000 horses collectively, and you will see why their annual expenditures for equine-related goods and services add up quickly.

With \$1.3 billion to be spent in the next year, your marketing plan should definitely include *The Blood-Horse* to be successful.

Subscribers to *The Blood-Horse* will spend \$1.3 billion on equine goods/services this year.





The Blood-Horse delivers more coverage where it counts...

MORE SUBSCRIBERS IN KEY STATES

CALIFORNIA
452
MORE SUBSCRIBERS

TEXAS
200
MORE SUBSCRIBERS

KENTUCKY
1,428
MORE SUBSCRIBERS

NEW YORK
157
MORE SUBSCRIBERS

FLORIDA
602
MORE SUBSCRIBERS

*Jockey Club registration records for the crop of 2001. **Source: BPA Worldwide Publication Circulation Statements for the 6-month period ending 06/30/06. State totals from the analyzed issues: The Blood-Horse 05/27/06 issue: Kentucky, 2948; Florida, 2106; California, 2087; New

York, 1570; Texas, 1251; Thoroughbred Times 05/27/06 issue: Kentucky, 1520; Florida, 1504; California, 1635; New York, 1413; Texas, 1051. ***Source: Blood-Horse Publications evaluation based on BPA Worldwide Publication Statements for six-month period ending 06/30/06.

Nearly two-thirds of all American Thoroughbreds are bred in Kentucky, Florida, California, Texas, and New York.*

And in those five key states, *The Blood-Horse* reaches 40% more paid subscribers than the *Thoroughbred Times*®.**

In total, that is an impressive 2,839 more subscribers in those states alone.

Our overall circulation is an impressive 29.2% greater across the board.***



...and is the only publication that reaches every member of the TOBA.

The Average TOBA member by the numbers

\$8,252,860	average net worth
\$1,412,500	value of ownership interest in Thoroughbred racing or breeding stock
\$1,327,270	market value of primary residence
\$546,510	annual income
\$203,818	amount spent on equine-related services in past 12 months
\$58,920	amount spent on equine-related products in past 12 months
133.8	size of farm or ranch, in acres
20.3	number of years with a financial interest in the Thoroughbred industry
3.9	miles of fencing
1	the number of places you can reach all of these amazing people

THE EXCLUSIVE TOBA AUDIENCE

The members of the Thoroughbred Owners and Breeders Association are no ordinary group. They represent the most influential and key decision-makers of the Thoroughbred industry and serve as the most powerful association in North America dedicated solely to promoting the interests of Thoroughbred owners and breeders.

And you can only reach each and every one of them when you advertise in *The Blood-Horse*.





Our award-winning Web site...

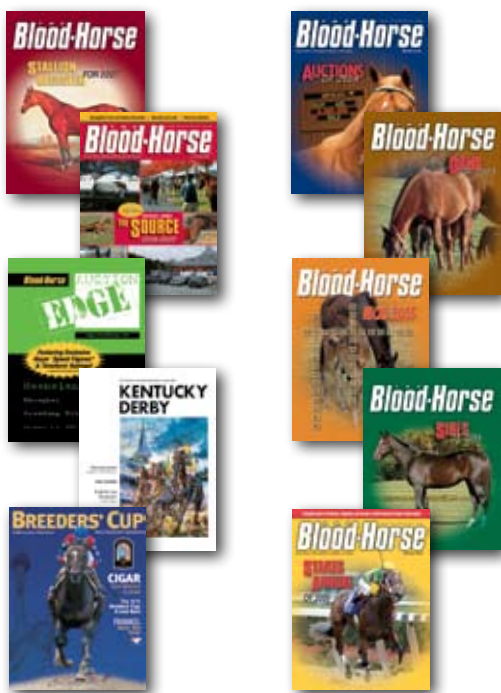
BLOODHORSE.COM

Today's rapidly changing Internet is transforming the way we work, shop, live, and learn—and providing new opportunities for us to better serve our readers. Bloodhorse.com—celebrating its 10th anniversary—was voted the #1 horse industry Web site in 2002 and 2005 by the American Horse Publications Association, and previously was selected as a Top Seven Equestrian Web site by *Forbes* magazine.

It comes as no surprise then that Bloodhorse.com is the preferred choice of industry professionals and racing enthusiasts alike for up-to-the-minute racing news and information—and so much more. From award-winning, comprehensive editorial to fan-favorite Breeders' Cup and Triple Crown Mania channels and our engaging Bloodhorse.com "Talkin' Horses" weekly feature, there is something for everyone and no one does it better.

Bloodhorse.com is proud of its superior standing within the Thoroughbred industry community and we're working quietly behind the scenes every day to update and improve the in-depth information contained on the site. In addition, our online *The Blood-Horse Source* and StallionRegister.com Web sites provide important industry information that you simply can't find any place else. StallionRegister.com, an online Thoroughbred directory of over 2,500 stallions, is the industry's one-stop resource for making breeding decisions.

Outstanding features on Bloodhorse.com include the most up-to-date and well-read online news service in the Thoroughbred industry, daily updated national sire lists, weekly updated state sire lists, and a free weekly newsletter. Clearly, Bloodhorse.com is the industry's home base for racing and breeding news and information.



ADDITIONAL ADVERTISING OPPORTUNITIES

In addition to *The Blood-Horse* magazine and companion Web site Bloodhorse.com, Blood-Horse Publications offers you a variety of advertising venues throughout the year including *The Blood-Horse Stallion Register* and StallionRegister.com, *The Blood-Horse Source*, *The Blood-Horse Auction Edge*, the *Official Kentucky Derby Souvenir Magazine*, the *Official Breeders' Cup World Championships Souvenir Magazine*, *Keeneland Magazine* and *The Blood-Horse Professional Package* (*Auctions, Dams, Nicks, Sires, Stakes Annual*). Please inquire for rates/schedules.

**We offer exclusive advertising opportunities
for any advertising budget.**

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“Excellent daily portal site for the Thoroughbred racing industry. An incredible amount of indispensable information that has become vital to many people within the business.”

—Judge's comments, AHP Awards; Bloodhorse.com awarded "First Place" in New Media/Electronic Publications category

SUBSCRIBER FEEDBACK

"Thanks for putting out a great publication and Web site. Keep up the good work."

"Of all the publications I receive, The Blood-Horse is by far my favorite."

"I truly enjoy The Blood-Horse and its supplemental publications. I read every issue cover to cover... I'd be lost without my Blood-Horse as an information source."

"The Blood-Horse is a valuable tool in the daily assessment of racing activity."

"I am a passionate fan of Thoroughbred racing and The Blood-Horse and Bloodhorse.com are my most important means of tracking events on a worldwide basis."

"I have really enjoyed The Blood-Horse since 1972. I can't imagine not having it. I have saved most copies for 34 years."

"I consider The Blood-Horse 'the Bible' for me. It is beautiful, informative and essential to my business."

Source: 2006 Blood-Horse Reader Survey conducted by The Matrix Group.

In their own words, read what our subscribers have to say about us.

METHODOLOGY

The information in this audience profile summarizes a survey conducted by Lexington, Ky.-based independent research firm, The Matrix Group, Inc. A seven-page questionnaire was sent to 2,000 randomly selected U.S. subscribers to *The Blood-Horse* magazine in March 2006.

The questionnaire queried subscribers about how they use *The Blood-Horse* and its various features and targeted questions to specific areas of interest such as:

Subscribers' roles and history of involvement in the Thoroughbred industry:

- Household information (demographics)
- Farm/ranch information
- Purchase involvement
- Sources of information about the Thoroughbred industry
- Investments
- Other equine involvement and activities
- Computer and Internet usage
- Online, mail, and telephone ordering habits
- Home ownership

The packet mailed to subscribers included a letter from Editor-in-Chief Ray Paulick outlining the purpose of the survey. As an incentive, a \$1 donation was given to the respondent's choice of equine charities including the Grayson-Jockey Club Foundation, Race for Education, or Thoroughbred Retirement Foundation, for each completed survey.

Of the 2,000 questionnaires mailed, 412 were returned—a response rate of 20.6%.

The returned questionnaires were processed by The Matrix Group, Inc., and the tabulated results were presented to *The Blood-Horse* in June 2006. The information in this audience profile is derived from The Matrix Group's 212-page final report.

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^{T H E}Blood-Horse

Our Strength... Your Advantage!

SUBSCRIBERS AT A GLANCE

- The average household income is: \$241,320
- The average net worth: \$2,781,370
- Gender: 63.8% male/36.2% female
- Average age: 55.2
- Subscribers cummulatively own nearly 44,000 broodmares and over 51,000 horses in training.
- Each spends an average of \$124,483 annually on horse products and services.
- Average number of years involved in the Thoroughbred industry: 18
- Education: 83.3% attended college, have a college degree, or postgraduate degree.
- 54% are horse owners with an average of 10.9 head each.
- Total estimated value of ownership interest in Thoroughbred breeding and/or racing stock: \$713,580. Cumulative value of racing stock owned: \$8 billion.



The Blood-Horse is published by



Publishers since 1916