

GOVERNMENT LAW CENTER OF ALBANY LAW SCHOOL
GOVERNMENT LAW ONLINE

**THE MORNING LINE AT THE DERBY
PART DEUX**

APRIL 29, 2004



80 New Scotland Avenue
Albany, NY 12208
www.als.edu

GOVERNMENT LAW ONLINE publications are available at www.governmentlaw.org

THE MORNING LINE AT THE DERBY PART DEUX

**Bennett Liebman, Esq.
Coordinator/Staff Attorney
Racing and Gaming Law Program**

APRIL 29, 2004

These materials are copyright by Albany Law School (ALS) on behalf of its Government Law Center or ALS licensors and may not be reproduced in whole or in part in or on any media or used for any purpose without the express, prior written permission of Albany Law School or the licensor. Neither Albany Law School, the Government Law Center or any licensor is engaged in providing legal advice by making these materials available and the materials should, therefore, not be taken as providing legal advice.

All readers or users of these materials are further advised that the statutes, regulations and case law discussed or referred to in these materials are subject to and can change at any time and that these materials may not, in any event, be applicable to a specific situation under consideration. The information provided in these materials is for informational purposes only and is not intended to be, nor should it be considered to be, a substitute for legal advice rendered by a competent licensed attorney or other qualified professional. If you have any questions regarding the application of any information provided in these materials to a particular situation, you should consult a qualified attorney or seek advice from the government entity or agency responsible for administering the law applicable to the particular situation in question.

The Morning Line at the Derby (Part Deux)

Two years ago, we noted that the morning line for the Derby was extraordinarily inaccurate. It was based on a takeout of 28%, when in fact, the Kentucky win takeout is basically 17% - 16% takeout plus adding approximately 1% for breakage. See <http://www2.als.edu/glc/wagering/derbymorningline.html>. While things have improved on the Kentucky Derby morning line front in 2004, the takeout percentage used for the morning line is still off. Please somebody needs to buy Churchill linemaker Mike Battaglia a calculator or some form of Internet access to the morning line accessory at the portion of the Del Mar (www.dmtc.com) website dealing with wagering tools.

With an effective 17% takeout rate, the respective percentages of the bets on horses represented by the morning line should work out to a percent line of approximately 120.5. (For example a horse at odds of 3-1 has a 1 in 4 chance of winning and would represent 25 points of the per cent line number.) The morning line percentages for this year's Derby add up to 128.365. This would represent an effective takeout rate of 22.1%.

It's not that consequences of an inaccurate morning line are that drastic. Arguably, it could make for some additional wagering on the basis that the majority of horses will go off at odds in excess of their morning line odds. This could conceivably convince some people that a horse is an overlay – a good bet – since its actual odds are in excess of its perceived value based on its morning line odds.

The point, however, is broader than this. The Derby is America's signature race. For many Americans, this is their sole encounter with the sport of horse racing. It behooves racing to make the morning line for the Kentucky Derby as accurate as possible. This is the race that introduces Americans to the sport of racing. Why are we introducing Americans to racing through a most imprecise morning line? Too many Americans are already tuned out to racing. We don't have to give them another reason to renounce racing.

The irony is that morning line problem is simple to correct. Just move the favorite The Cliff's Edge from 4-1 to 5-1 and second-choice Smarty Jones from 9-2 to 6-1. This lowers the point line from 128.665 to 121.137 which equates to an effective takeout rate of 17.36% which may still be slightly high but is certainly within the realm of reasonable limits.

There simply is no reason for the Kentucky Derby to have a morning line that is inaccurate.