



*Bringing Experienced Owners Together - Joining Forces to Buy Better Horses - Campaigning for Change*

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THE BLOG**

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# The Good, the Bad & the Ugly of Syndication – How Does Your Manager Measure Up?

*“Anyone who has been involved in syndication for quite a while will have experienced some of the problems and pitfalls. Assess your syndicate manager carefully before you sign up to become an owner.”*

**O**wning racehorses is by definition expensive. The majority of owners need to link up with others to share the costs, spread the risks and maximise the enjoyment of participating in our wonderful sport. At their best, syndicates can be exhilarating and enjoyable. At their worst, they can be a nightmare. Anyone who has been involved for a lengthy period of time in syndicates will have experienced some of the problems and pitfalls that the Owners for Owners team is determined to avoid:

- **Excessive management costs:** in some syndicates this is well over 50% of the total cost. The majority of the money is going on the syndicate manager and / or their staff. In Owners for Owners, we have removed virtually all of that cost.
- **Mark-ups on purchase price:** it is not at all uncommon to find that the initial purchase price of the horse has been doubled on syndication. That represents pure profit to the syndicate manager. In Owners for Owners, we only charge the direct costs of purchase.
- **Little cost transparency:** most partnerships present annual accounts under broad headings. In Owners for Owners you can see a detailed spreadsheet of all expenditure by request. Every single cost item is covered. There are no hidden or extra charges.
- **Few stable visits:** it can be easier getting into Colditz than into some trainers' yards. Despite the promise of "regular stable visits", it can be very hard to see your horse regularly and observe its development. Our trainers all have a genuine policy of open access, and really welcome owners to their yards.
- **Conflicts of interest:** alas, some horses turn out not to be racehorses. It is essential that horses unlikely to perform to an acceptable standard are moved on as quickly as possible. Some trainers and syndicate managers hold on to the horses for too long, because it is in their financial interests to do so, rather than the interests of the syndicate members.
- **No goals or plans:** the best trainers have clear objectives for every horse in their yard, no matter how lowly. The aim is to get the best out of each horse, not just a win at any cost. We always agree this with our trainers and update the plan on a regular basis.
- **Too many members:** it can be hard to enjoy racehorse ownership in very large syndicates and racing clubs. In Owners for Owners the range is between 4 and 10 owners per horse, with the majority being six or fewer. In that way everyone gets to know each other and feels close to the yard and the horse.
- **The useless "fun horse":** on occasions, agents and trainers find themselves left with a horse they cannot sell. It is soon repackaged as a "fun horse for a syndicate". As far as Owners for Owners is concerned, we only buy horses with real potential, to a well-defined specification. In low-level races, fun comes from winning, in our book; not following a useless horse at all-weather tracks or over summer jumping.

We have adopted a very different approach; one that puts the owners first, and draws on a top class team while minimising costs. Owners for Owners will appeal to experienced owners who have found that the larger syndicates fail to deliver sufficient enjoyment for the money invested. If this resonates with you, please contact Jon Hughes on 01451-850780.

