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KEENELAND HAS BEEN THE SCENE OF SOME
EXTRAORDINARY THOROUGHBRED DISPERSALS, FROM THE
EUGENE V. KLEIN DISPERSAL 30 YEARS AGO THAT FEATURED
THREE BREEDERS' CUP WINNERS TO THE MORE RECENT
RECORD-SETTING EDWARD P. EVANS SALE

By Judy L. Marchman

Champion Royal Delta lights up the bid board at the 2011 Palides Investment dispersal. She sold for \$8.5 million to Benjamin Leon's Besilu Stable.



Breeding stock dispersals
generate plenty of buzz.

Keeneland has played host to some of the industry's most historic and iconic bloodstock dispersals over its long and distinguished sales history: massive record-setters such as the 1988 Nelson Bunker Hunt and 2011 Edward P. Evans dispersals; the tremendous Eugene V. Klein dispersal of 1989 that included three champion racemares; and racing superstar Royal Delta's record price in 2011 as part of the Palides Investments dispersal, among other highlights.

But while the prospect of seeing major racehorses or prominent pedigrees go through the ring generates excitement for potential buyers and the public, the process itself is often bittersweet. Dispersals typically signal the end for a Thoroughbred operation. The reasons can be as varied as the people who own and breed racehorses: stock reductions, dissolving partnerships, bankruptcies or other financial issues, leaving the industry, estate planning, or death of the owner.



The 2016 Conquest Stables dispersal featured a number of high-priced racehorses.

"These are people who have often spent many years and worked long and hard in developing these pedigrees," said Geoffrey Russell, Keeneland's director of sales operations. But dispersals also present opportunities for these bloodlines to continue — and they do, reappearing in sales pedigrees and on racetracks through the years via many different breeders, sometimes coming full circle in serendipitous ways.

The dispersal difference

Dispersals can be partial or complete — for the latter, owners must offer their entire stock — and horses are typically sold without reserve. Because dispersals differ in size and scope, the Keeneland sales team evaluates each on a case-by-case basis to determine the best approach.

The number and type of horses and the timing and circumstances all



For Keeneland Director of Sales Operations Geoffrey Russell, dispersals come with challenges and rewards.

determine which sale or sales the horses will go in, how they are organized within a sale, and how the dispersal will be marketed. "It comes down to good communication and the relationships you have with the consignors and the owners/executors," Russell said.

An aspect of dispersals at Keeneland that has changed in recent years is the trend toward spreading the consignment throughout a sale versus selling all of a dispersal's horses over one or two days. This strategy benefits both buyers and sellers, said Russell. "For a large dispersal with horses at all levels of the market, it is certainly the way to go. You can better meet the market that the horses are aimed at."

As with any other sale, consignors work closely with Russell and his staff to ensure the best placement for dispersal horses. "Placement of horses is crucial to the success of each dispersal and is something that we work closely with Keeneland's sales team on," said Jill Gordon, client relations and sales manager at Claiborne Farm.

But dispersals can also present some challenges that regular consignments might not, such as a grouping of multiple horses from the same family.

"In offering stock hailing from one particular family, one challenge that can present itself is dealing with a concentrated group of stock with similar bloodlines that compete directly against one another at the sale," Gordon said. "Buyers are able to look at these offerings back to back, and as is always the nature of the beast, buyers generally tend to land on the same horse whether because of conformation, covering sire, etc.

"Ensuring that each horse is cataloged in a book in which they can shine and not be hindered by another

er member of that same family is crucial and is certainly one of the most important roles of the consignor.”

There are also the logistical challenges inherent in adding a dispersal on top of a sale’s regular consignment, something Lane’s End sales director Allaire Ryan dealt with in the Conquest Stables dispersal at the 2016 November sale. Conquest co-owner Ernie Semersky was leaving the racing and breeding industry for personal reasons, leading to the dispersal of the operation’s stock, including the racehorses, which made up the majority of the dispersal.

“The Conquest dispersal easily doubled our consignment from a logistics standpoint,” Ryan said. She worked closely with Keeneland to place the consignment throughout the sale, with the majority of the racehorses offered during the Monday and Tuesday sessions of the second week of the sale, typical racetrack dark days, in order to attract trainers. But that introduced another logistical challenge.

“Normally we assign hip numbers based by name, but with so many racehorses [most of the names began with Conquest], Lane’s End would have had far too many back-to-back horses through the ring, so we did a unique stabling for them based on the dam’s name to help them manage their numbers,” Russell said.

Record-setters

Over the years, Keeneland has hosted a who’s who list of dispersals. As Russell noted, these events come with a bittersweet tinge at seeing a breeder’s life’s work, in essence, come up for sale. At the same time, dispersals showcase horses, particularly prime bloodstock and breeding prospects, that might otherwise not come up at auction. And buyers respond, which has led to some fairly incredible sales results.



Nelson Bunker Hunt, right, with John Gaines, dispersed a one-time record 580 horses, including champion Dahlia, inset.

For Russell, a standout moment centers on one horse in particular: Royal Delta. Off a victory in the 2011 Breeders’ Cup Ladies’ Classic, the daughter of Empire Maker went through the ring that November as part of the complete dispersal of the late Saud bin Khaled’s Palides Investments. The future three-time champion brought \$8.5 million from Benjamin Leon’s Besilu Stables, a sum that still ranks in the top 10 for Keeneland sales prices.

“We all remember Royal Delta being sold,” Russell recalled. “It was not a large dispersal, but she was a queen. It was very exciting to watch.”

One of Keeneland’s most significant dispersals is the Nelson Bunker Hunt sale in 1988. Due to bankruptcy, Hunt sold his entire Thoroughbred holdings — 580 horses, the largest dispersal in history at the time — over two days at the January sale. They grossed \$46,912,800, also a record. Among the offerings was the great race-mare Dahlia. Then an 18-year-old brood-mare, she brought \$1.1 million from Allen Paulson, who would go on to breed the

stakes winners Dahlia’s Dreamer and Llandaff from her.

The Eugene V. Klein dispersal a year later was notable for seeing three champion racemares go through the ring — Open Mind (\$4.6 million), Winning Colors (\$4.1 million), and Lady’s Secret (\$3.8 million) — plus 1988 Breeders’ Cup Juvenile winner Is It True (\$1 million).

Breaking the record for number sold was the John Franks dispersal, which was spread out over the 1990 September and November and 1991 January sales at Keeneland. A still-record total of 659 horses went through the ring for \$9,539,100. More recent significant dispersals include Overbrook Farm, in which Eaton Sales handled 205 horses at the 2009 September and November and 2010 January sales for a gross of \$38,606,000. It was the second-highest grossing dispersal behind Hunt’s.

Only a couple of years later, however, the complete dispersal of Virginia breeder Edward P. Evans’ stock shattered the Hunt



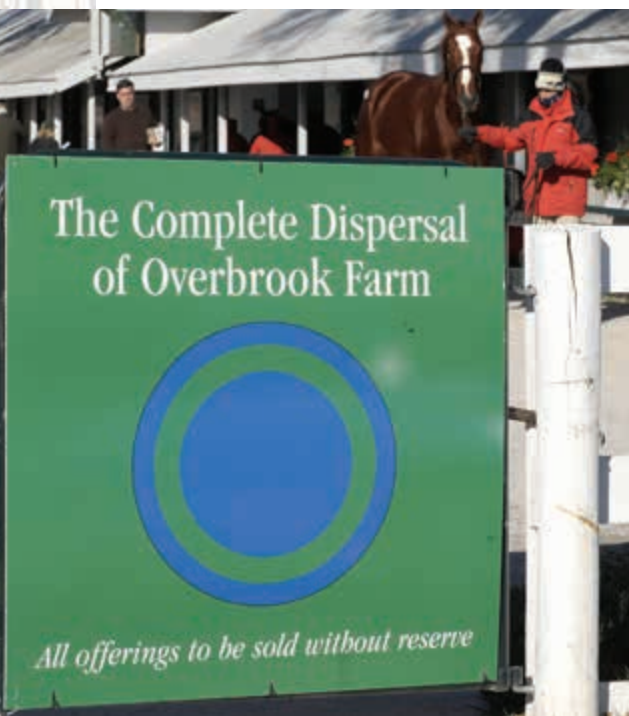
Dispersals have afforded buyers the chance to buy champion female racehorses, including, from left Open Mind, Kentucky Derby heroine Winning Colors, and Royal Delta, who repeated as winner of the Breeders' Cup Ladies' Classic in 2012 after Benjamin Leon had secured her the previous year.

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record. Lane's End handled the dispersal for its longtime associate. The dispersal was primarily spread across the 2011 September and November sales with one offering at the 2012 January sale, and at the end, 221 horses went through the ring to gross \$62,364,000. The total remains a Keeneland and North American record for highest-grossing Thoroughbred dispersal at public auction.

The Evans dispersal also stands as a prime example of the excitement that can be generated around a dispersal. "Once a dispersal is announced, the reaction is unbelievably favorable," Russell said. "It is a huge draw for us because it attracts a deeper pool of buyers."

And the fact that buyers know they are bidding live against other buyers rather than a reserve can amp up the competitive factor and encourage freer bidding, often leading to higher prices.

"The Evans dispersal was surreal. It didn't feel like real life," Lane's End's Ryan said. "We had people lined up at the consignment to



The Overbrook Farm dispersal included Honest Pursuit, a price highlight.

ask questions about the horses. It was unlike anything you normally see. It's like people knew this was a once-in-a-lifetime opportunity."

The legacy

Russell noted that because Evans had been so thorough in his estate planning, specifying in his will which sales his horses would go to, "we knew exactly when and what to do because he had already told us."

Keeneland worked with Lane's End as well as with Chris Baker, who was farm manager for Evans' Spring Hill Farm in Casanova, Virginia, at the time, to coordinate and market the dispersal. Keeneland created videos about the horses and a leather-bound catalog to send to a targeted list of buyers. "Keeneland did a first-class job of getting the word out," said Baker, now chief operating officer at Three Chimneys Farm. "There was no lack of awareness. And we had an ally in Lane's End throughout the whole process."

"Personally, [the dispersal] was a validation of the significance of what Mr. Evans was doing in Virginia with his breeding operation," he continued. "The horses were so well received at the dispersal based on how they sold, but to see the families go

on and be productive gives me a great deal of satisfaction."

And in a nice bit of serendipity, Baker has been able to maintain a connection to some of the Evans horses, thanks to a connection with Besilu Stables owner Benjamin Leon. Besilu was a major purchaser at the dispersal, acquiring seven horses for \$11.75 million, including Quiet Giant, later the dam of 2017 Horse of the Year Gun Runner; Quiet Dance, dam of Quiet Giant and the stallion Saint Liam; and Quiet Dance's weanling filly who would become grade I stakes-placed winner Miss Besilu. When Baker went to WinStar Farm after



Dispersals attract international buyers such as Alain Wertheimer, who signed the ticket for Honest Pursuit.



BLOODHORSE

The late Edward P. Evans assembled world-class pedigrees, and the dispersal of his horses shattered all records.

✱ *“Once an auction is announced, the reaction is unbelievably favorable.”*

—Keeneland’s Geoffrey Russell

the dispersal, so did the Besilu horses, and when Baker moved to Three Chimneys, again so did the Besilu horses after Three Chimneys chairman Gonalo Borges Torrealba acquired a majority interest and later bought Leon out.

“It’s the kind of thing you can’t make up,” Baker said. “It’s been satisfying for me and my family, especially seeing Gun Runner win the Breeders’ Cup. I had great thoughts of Mr. Evans on that day. It was a great legacy and gift he gave me.”

Claiborne Farm also benefited from the Evans sale, purchasing the mare Quiet Now, a winning daughter of Quiet Dance. She



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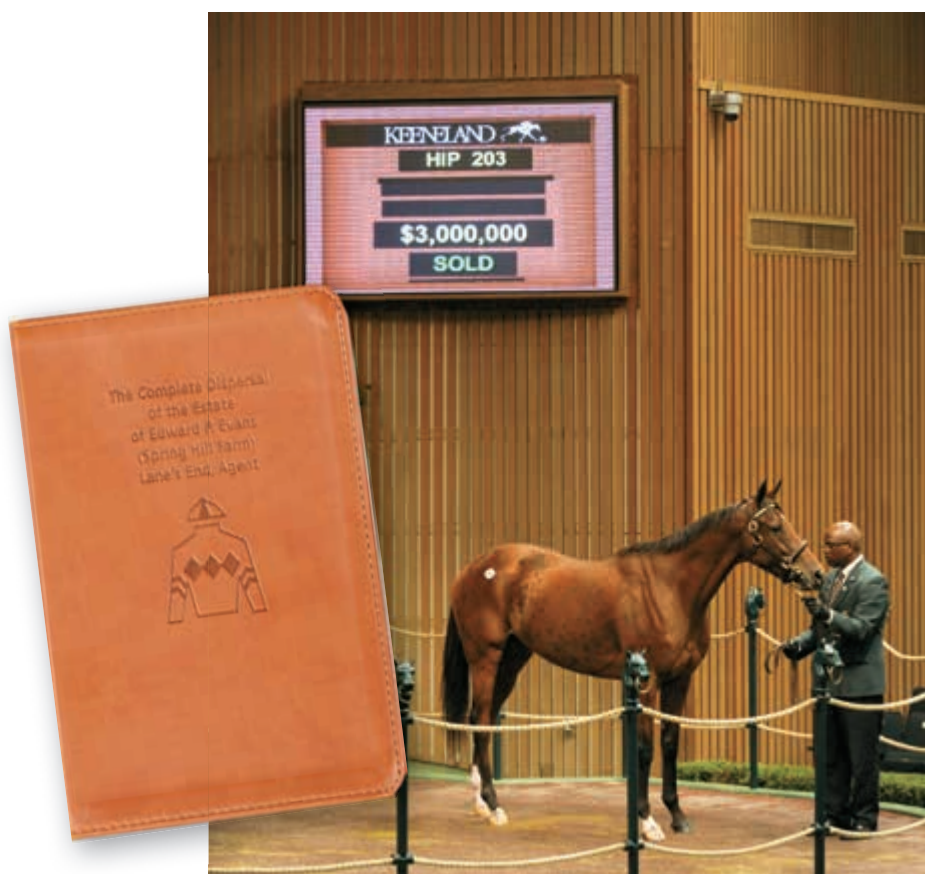
went on to produce multiple graded stakes winner and millionaire Lull, who now resides in the Claiborne broodmare band. “She will welcome her first foal by Quality Road [whose dam, Kobla, was also part of the Evans dispersal] in 2020, beginning yet another new chapter and hopefully adding to her own legacy through her progeny,” Gordon said.

As a consignor, Claiborne had also had plenty of experience handling dispersals, often for longtime partners and clients. In 1998, Claiborne dispersed 34 horses it had in partnership with Nicole Perry Gorman for gross sales of \$21 million.

In January 2008, Claiborne handled the dispersal for the late Cynthia Phipps. While the dispersal was small with only 14 horses, the quality was high as to be expected with Phipps horses, with homebred grade I winner Versailles Treaty and four of her daughters selling. More recently, at the 2018 November sale, Claiborne handled the dispersal for longtime client Edward A. Cox Jr., who had passed away that March. The dispersal was part of Cox’s estate planning. Twenty horses sold for \$3,669,000, including the broodmare Treasure Trail, a Pulpit half sister to Zenyatta, for \$725,000.

“To relieve the burden on his family, he thought it was a good idea to go ahead and clean up his horse interests,” said Claiborne president Walker Hancock. “I feel there is a greater sense of responsibility and pressure when dealing with dispersals or reductions. The clients have been so good to you over the years that you want to ensure they get the prices they deserve for the stock they are selling.”

So while bloodstock dispersals might be inherently bittersweet in nature, they also offer hope by continuing the legacies of renowned owners and breeders and the pedigrees they developed. “As the saying goes,” Gordon said, “as one chapter closes, another begins — and that certainly is the case with dispersals.” **KM**



The Evans dispersal featured Quiet Giant, who would later produce Horse of the Year Gun Runner.



Grade 1 stakes-placed Miss Besilu also emerged from the Evans dispersal.