To Charles and Myra Cain, who are the best company of all
and
to Jack Mann for setting the standard

1 The Gamble

ROGER KING, the chairman of King World Productions, is a player.

"Yeah, I gamble," he said. "Casinos, racetracks, stock market." King punctuated his list of favorite pastimes by stabbing at the air with a glowing cigarette, drawing smoky trails that wafted around his head in the humid summer night.

Like anyone in search of action, King will travel to find it. On this August evening in 2001 he was slouched on a green wooden park bench in one of America's historic gambling centers: Saratoga Springs, New York. But he wasn't at the races or playing cards.

Instead, King was at a place most people would have considered a strange sort of gambling hall: a Thoroughbred auction, across the road from Saratoga's fabled racetrack. The international horsey set has come to the Fasig-Tipton August select yearling sale since 1917, making it one of only three world-class Thoroughbred yearling sales on this side of the Atlantic. Traditionally, the two others have been held in July and September at Keeneland, a Thoroughbred racetrack and auction company in Lexington, Kentucky.

Before then—starting in 1898, when William Fasig and Edward Tipton met in New York City, shook hands, and founded the auction

house—the company had built its business primarily on trotting-horse sales in Manhattan's Madison Square Garden, Chicago, Cleveland, San Francisco, and Kentucky. But their office assistant, a former stable boy named Enoch James Tranter who took over the company after Fasig died and Tipton bailed out, knew a good business opportunity when he saw one. He wisely decided to follow the money trail from New York City to Saratoga every August, when everyone who was anyone went upstate for sport and gambling, just as today's Roger Kings do.

Officially, turn-of-the-century Saratoga was a spa town with curative waters. Very likely that was a chief attraction for the robber barons' wives, who, like most of Saratoga's citizens, were banned from one of the primary sources of the town's fame: the Club House casino. But even after antigambling reformers in the local establishment shuttered the casino for good in 1907, Saratoga's other main attraction, the racetrack, survived. So did Tranter's little Thoroughbred sale, which had harnessed the sportsmen's passion for racehorses and turned it into a fantastically profitable business. By the time Roger King got there in 2001, Fasig-Tipton Company was about to have its best run ever. During three consecutive evenings, with buyers like King to push it along, the 2001 auction would sell 162 yearlings for more than $62 million, or an average price of more than $385,000 a horse.

If the sale's history was any guide, at least one of those horses might turn out to be a Man o' War, who sold at Saratoga in 1918. Figuring out *which* one that was, paying for him, and then sending him to a trainer to see what you really had . . . that was what made Fasig-Tipton's circular two-story sale pavilion a gambling hall after all.

King is a man who doesn't really give a damn about history, unless it comes in the form of *Daily Racing Form* past-performance lines. On that summer night, slumped against the park bench's slatted back, chin thrust forward and eyes half closed, he looked like a bored pool-hall player waiting for something—a fistfight, a pick-up game—just to break the monotony.

That expression and his dissipated-frat-boy wardrobe—baggy khakis, an untucked green-and-white bamboo-print shirt, and new white tennis shoes—made the 59-year-old King seem out of place at a Thoroughbred auction, where most attendees conform studiously

to a *Town and Country* standard of elegance, heavily reliant on silk and linen. King may be from the paved-over pastureland of Asbury Park, New Jersey, but he commands the Turf set's respect by meeting its most important criterion: He has real money. King World Productions is the television-show syndicator that distributes such popular fare as *The Oprah Winfrey Show, Wheel of Fortune,* and *Jeopardy!* CBS bought the company for $2.5 billion in 1999, leaving King plenty of money to play with.

King's aggressiveness in Las Vegas and Atlantic City has made him what casino insiders call a whale, a player who routinely gambles $1 million a visit. He apparently is aggressive in other ways, too. The online site CasinoDealers.net once listed him as one of gaming's most obnoxious players, and not just because he is allegedly a bad tipper. In 1987, apparently overjoyed after winning a $20,000 bet at baccarat, King celebrated by picking the dealer up by the throat and holding him in midair until other players convinced him to put the man down. The dealer sued and won compensatory damages.

So far, none of his horse trainers has ever sued King for physical assault, but King's appetite for action puts a different kind of squeeze on them. A Hall of Fame trainer, the late Sonny Hine, once said of King after he had yanked 11 horses out of Hine's barn without warning, "When you're training his horses, he never bothers you. The only pressure was the pressure you put on yourself. You didn't want the horse to lose when you knew the owner had $30,000 or $40,000 bet on him."

In August 2001, King was looking for a few more horses for his West Coast racing stable. He shopped at Saratoga because it is one of the nation's best places to buy a "home run horse"—one that blooms into a champion with multimillion-dollar earnings and then goes to stud and makes millions more. It is the Thoroughbred sport's equivalent of hitting the lottery. If the owner can cash some tickets on the horse along the way, well, that's great, too, but the real gamble is a long-term one—that the colt he bought as a yearling at Saratoga will mature into an asset of immense value, perhaps returning millions in stud fees at the end of his glorious racing days.

Fillies also can be home run horses, particularly if they pass their talent on to their offspring, making those foals worth seven figures at an auction such as Fasig-Tipton Saratoga. But fillies are

less likely to win the Kentucky Derby, which has only produced three female winners in its 130-year history. They are not syndicated, as stallions are, a fact that naturally reduces their total value. And their 11-month pregnancy means the payoff from their foals comes only after a long wait, making them a longer-term risk than a stallion, who starts reaping stud fees almost immediately. A mare produces one foal a year, while a stallion can sire well over 100 foals annually. For all those reasons, people like King generally will risk more on colts than fillies at auction.

King almost passed up the 2001 Saratoga horse sale and left professional buying agent Buzz Chace, a middle-aged connoisseur of cigars and bloodstock, to do his bidding instead.

"But I told him, 'Roger, why don't you get on your plane and come have some fun?'" Chace said. "This man loves action."

The price of King's fun so far, as he took a break from the auction and sat outside smoking, had been $1.85 million. That was what he had bid, about 20 minutes earlier, for one of the first yearlings through the ring, a price that sent an electric thrill through the spectators, and the sellers, that filled the round pavilion.

When Lot Number 3—a tall, muscular colt called simply Hip 3 in sales lingo, due to the number temporarily pasted on each satiny flank—stepped into the pavilion, he drew a crowd of appreciative spectators in with him. Buyers and sellers jammed the aisles, while tourists peered through the glass doors and ringed the upstairs gallery. The bidding arena's red-cushioned seats quickly filled as multimillionaires of both the old- and new-money varieties took their places. From his position on the auctioneer's high stand, Fasig-Tipton's Walt Robertson could see that all the money was there for Hip 3. The world's wealthiest racehorse owners and their regular bidding agents stood out like sparkling jewels in the crowd, a sight to cheer the auctioneer's heart.

Word had gotten around in the course of the week that this colt might bring a million or two. To the average citizen looking down from the gallery that night, it wasn't obvious why. The horse was pretty enough, but he was, after all, a completely blank slate. Hip 3 was just a year old, months away from seeing his first saddle, but the knowledgeable market-watchers around the sale grounds already were estimating his potential auction value as equivalent to the combined purses of the Kentucky Derby and the Preakness Stakes—which he might possibly run in at age 3, if he was much more talented and fortunate than about 33,000 other horses born in 2000. On the face of it, a couple of million seemed a ridiculous price to pay for such an unproven commodity, however beautiful.

"Here's why," said one experienced auction-goer watching the ring from the spectators' gallery above it. He folded his auction catalog's pages back to display Hip 3's pedigree description for his date, a blond woman holding a red cocktail in a plastic cup. The catalog page was essentially a list of horses' names and the races they had won. The man planted a manicured forefinger under one of the names, offset from most of the others by the fact that it was printed in all upper-case letters and bold type. "He's a half-brother to Graeme Hall and this horse." He slid his finger up one line on the page to point out the name Harmony Lodge.

The woman he was addressing looked at the names blankly.

Her informant tried again. "It's a big deal," he said. "They've won big races. All the names on this page that are printed in bold are this colt's best relatives. And his sire is Unbridled's Song. He was a 2-year-old champion, he won a Breeders' Cup race, and people think he's going to make a good sire."

His date was nonplussed. "People *think* he'll be a good sire."

The chocolate-colored colt stood glistening in the ring below, rolling a nervous, white-rimmed eye at the bidders seated in expanding semicircular rows around him. Someone cast an opening bid of $200,000, and within minutes the light bulbs on the price board above the colt indicated $1.5 million.

"My God," the woman said, shaking her head and peering over the railing at the colt slowly circling below in the dyed green shavings of the auction ring. "I mean, Jesus, it's a *horse*."

King bids like he dresses, which is to say with a theatrical carelessness that bucks the ancient discretion and formality of offering a million dollars to Fasig-Tipton Company's tuxedoed auctioneer. His $1.5 million bid finished off a couple of other gentlemen, who

signaled they were closing their wallets with the traditional subtle frown and quick head-shake. That left one other rival, seated two rows behind King and Chace: Satish Sanan, a bespectacled 53-year-old native of the Punjab who got into Thoroughbreds after making about $44 million when part of his computer consulting company, IMR Global, went public in the summer of 1997—just in time for the select yearling sales.

Sanan hired Hall of Fame trainer D. Wayne Lukas, who had already won three Kentucky Derbies and was known for spending clients' money freely to acquire potential Derby candidates. He plunged into the market with a fervor that raised eyebrows and got people talking from Kentucky's breeding farms to California's racetracks to England's hallowed training grounds. His goal, he said right from the beginning, was to "win classic races around the world," including the Kentucky Derby and England's famed Epsom Derby. Much of the Thoroughbred world was skeptical.

"He's a turkey fattened for plucking," one bloodstock agent said in 1997 as Sanan, with Lukas by his side, signed for the most expensive horse at the Keeneland September yearling sale that year, a $2.3 million colt by the great sire Mr. Prospector.

Four years later, Sanan had by his own estimation spent more than $100 million on bloodstock. Some things had changed. He had fired Lukas, whose habit of ignoring his business-minded client's bidding limits had been irksome. He had settled in to a palatial 760-acre farm and training center in central Florida, which he named Padua Stables. He had not won either Derby yet, but he was still in the game, even after the technology stock flame-out caused him to skip a few sales and auction some of his own horses in 1999. He had a team of expert advisers, including two of Lukas's former assistants, and his proven ability to pay a million or two for a horse they liked meant Sanan was still a major force in the elite Thoroughbred market.

Sanan, a short, plump man, had the air of a former high-school computer-club president. Next to his daughter, a stiletto-heeled twentysomething in a clingy summer dress with a cashmere wrap draped around her shoulders, Sanan, in his somber black jacket and drab gray shirt, looked like a quail roosting beside a peacock. He seemed an unlikely challenger to the steamrolling King. But Sanan, a longtime gambler who had put himself through college with his winnings, had built a reputation as a fearless bidder who liked to bet on his own judgment, and not just at the races. When he wasn't bidding, he enjoyed placing over-under wagers with sellers on what their yearlings would bring. Sanan also liked action, but he was not flamboyant about it.

Four years after his flashy auction debut, the 2001-model Sanan was more selective and careful, bidding on just a few highly desirable yearlings at only a handful of sales a year. Sanan came to Saratoga looking for a few good horses, and the Unbridled's Song colt was one he was willing to pay a lot for.

Sanan and King, each now settling in against a serious challenge, hammered at each other, rapidly exchanging $50,000 raises in a series of silent, nearly invisible nods. As the price climbed to $1.75 million, many spectators still hadn't been able to spot the two bidders, and a rustle and murmur went through the pavilion as people craned to identify them.

King seemed to have won, though you wouldn't have known it by looking at him. Like everyone else, he and Chace sat motionless, eyes dull and faces blank, as if they happened to be sitting next to each other at a lunch counter. What they were doing was listening, waiting for Sanan to answer King's $1.75 million bid.

Robertson, sitting bolt upright in the auctioneer's stand with his left hand extended toward King and the gavel raised in his right, looked inquiringly at Sanan and kept up his patter. But Sanan was silent. Robertson fell silent, too, and gave his gavel a warning flick upward. Before he could bring it down again, Sanan suddenly nodded his head: $1.8 million.

The surprised crowd let out a gasp. Sanan beamed, but King was disgusted. He stood up quickly, shooed his bid-spotter away in exasperation, and stalked up the aisle, past Sanan's seat, and out of the pavilion.

"He'll be back," Fasig-Tipton announcer Terence Collier coolly informed the bemused crowd, who through the glass doors could see King unconcernedly lighting up a cigarette.

"Did you like that move with the cigarette?" King said later. "I was trying to slow them down. There was a lot of billionaires in that room."

King puffed and chatted with a few astonished spectators gathered outside, while inside the pavilion auctioneer Robertson kept up a meaningless gabble, a sort of verbal holding pattern, designed to let King know the bidding was still on.

Impulsively, King flicked the cigarette aside, strode purposefully back into the pavilion, and sat down, crossing his arms indignantly. "Five," he said loudly.

The price board immediately clicked to $1.85 million. There was another rustle as the crowd turned now to look at Sanan.

Sanan, unwilling to give in but reluctant to go much farther against King, decided to try a new tactic. He left his seat and approached King, asking him quietly if he would like to call it a draw and go in as partners on the colt.

"I don't need a fucking partner," King answered, theatrically waving Sanan away without looking at him. "I own *Wheel of Fortune*."

Sanan shook his head good-naturedly and returned to his seat, where he declined to bid again. As the crowd erupted into applause and cheers, the victorious King stood up, exultantly pumping both fists in the air like a heavyweight champ. Chace, meanwhile, handled the mundane business of signing the auction receipt, and a groom led Hip 3 out of the ring.

"Buzz, you got a tough man," Sanan said as Chace left the pavilion and headed out back, where the horses waited on deck and he could light up a cigar before his next round of bidding.

"I've got a tough man, all right," Chace said. "He was ready to go a little farther."

King sauntered out of the pavilion for a smoke, too. In effect, he had just placed a $1.85 million bet that the Unbridled's Song colt, by reason of inherent athleticism or propitious genetic balance, would become a superior racehorse. Even if he was right, he wouldn't see the payoff for a couple of years. Barring any mishaps and setbacks of the kind that often seem to plague young athletes, the colt would probably start his racing career in about a year. In the meantime he would learn everything from the feel of a rider to how to break from the starting gate. And once he started, it could be several more months, or possibly another year, before his real potential—if he had any—would become clear. If King and Chace were right, and if they were lucky, Hip 3 could become the nex Secretariat, a champion that could win the Triple Crown and gen erate untold millions in breeding fees and syndication value.

All of that, if it was there at all, was years in the future. Wha mattered immediately to King, now slumped on the park bencl outside and drawing on his cigarette with an almost postcoital air o contentment, was that he had already won. He had beaten a room ful of billionaires at the bidding game and had paid the night's high est price for a horse.

Sanan, meanwhile, had turned the catalog page. He'd lost tha hand to King, but there would be more to play in the sale's remainin two days. The stakes would be higher for a son of 1977 Triple Crow winner Seattle Slew that Sanan liked even better than Hip 3.

Out back in Barn 8 West, one of a cluster of identical wooden rec tangles that ranged behind the pavilion, the owner of Blackbur Farm had a special interest in the outcome of King versus Sanar Whichever way the gavel eventually fell, the people who had bre and raised Hip 3 already knew this: They had struck it rich wit this horse.

The Unbridled's Song colt was still a risky quantity, a youn Thoroughbred whose running ability was entirely unknown an who, like all horses, was subject to any number of potential phys cal problems, mental distractions, and simple lack of talent. Bu that was now Mr. King's worry. The people who had been worryin about the colt for the last year—namely, his breeder, Joe Greele and his selling agent, Michael Barnett—were cashing out.

The biggest payoff went to Greeley, who would actually receiv the check. But Greeley's happy position was evident only in th small smile he wore as he stood under the spreading branches c an elm tree outside Barn 8. As Hip 3 came back from the auctio ring to the dimly lit shedrow, Greeley and Barnett were quiet accepting handshakes from other sellers who, behind their grii ning congrats, had already mentally calculated the exact trajecto of their colleagues' home run.

Greeley would have paid a $30,000 stud fee to breed his mai Win Crafty Lady to Unbridled's Song in the first place, and it woul

have cost him, on average, $12,000 to feed and care for the resulting foal from birth to the yearling season. Greeley then would have paid Barnett, his consigning agent, a total of about $2,400, or $40 a day for two months, to get the yearling ready for sale, a process that includes special feeding programs to promote growth, daily grooming to bring a bloom to the coat, and frequent hand-walking to get the colt fit and muscular. Greeley would also pay both Barnett and the Fasig-Tipton auction house 5 percent of the final sale price. So, from a total outlay of about $44,400 over two years—from the colt's conception to his sale—Greeley theoretically had made a $1,620,600 profit, after paying Fasig-Tipton and Barnett their commissions.

The colt's seven-minute appearance in the auction ring had yielded far less for Barnett, but his $92,500 cut was ample. The publicity was also important. Barnett's Blackburn Farm consignment was making its debut at the Saratoga sale, and the colt's $1.85 million price undoubtedly would send inquiries burning down the telephone lines to Blackburn's office in tiny Spring Station, Kentucky. A price like that spoke for itself, and you got the idea that would be a relief to the quiet Barnett, a tall man with slightly graying dark hair and the bearing of a gentleman farmer rather than a slick marketer.

"We're small and we'd kind of like to stay small," he said.

But such a sale could help draw important clients with exceptionally well-bred stock. And buyers, too, who would sense from King's outlay that this Barnett fellow, new at Saratoga, had the goods to offer.

Despite the magnitude of their success, there was no high-fiving at the Blackburn Farm barn. Instead, Greeley and Barnett were musing about why this particular colt, whom Barnett described as "nice," should suddenly be worth almost $2 million.

"I really thought Unbridled's Song was one of the best horses I ever saw run," Greeley said by way of explaining why he had decided to breed his good mare to an unproven stallion.

"The thing I liked is that, if you go back through the generations and put it all on paper, there's a whole lot of inbreeding, especially from the In Reality family," Barnett added studiously, waggling his index finger over the catalog page, where abbreviated family trees for Win Crafty Lady and Unbridled's Song converged to a single

point, the $1.85 million colt, now contentedly dozing in his dim, straw-bedded stall.

The In Reality family does have formidable appeal, because that famous stallion's relatives have provided one of the sport's most consistent sources of successful racehorses. Greeley's $1.85 million colt was indeed related to In Reality, though the legendary name appeared five generations back on his sire's side and—thanks to the artful inbreeding Barnett alluded to—four generations distant on his dam's side, as well. Too far back to fit on the catalog page, but, in the mystical processes of genetics that fuel countless horsemen's dreams, the In Reality influence undeniably was present, double-dosed, in Hip 3's chromosomes.

Barnett reeled off the famous equine names sprinkled through the colt's pedigree, counting back through the generations and explaining the esthetic appeal and genetic power of inbreeding to In Reality's female family and to another great sire, Raise a Native.

"It's all about quality horses," he said earnestly. "I think when you go back and look at the pedigree . . ."

Barnett's explanation trailed off into a pause, and then he looked up from the catalog page, lowering his voice apologetically. "Well, I don't know. Really, it's a crapshoot. You take a shot with a sire."

Back on his park bench, nearing the end of his cigarette, an experienced craps player concurred.

"Sure, it's a crapshoot," King said with a shrug. "It's *all* a crapshoot. Buzz picks out the horses for me, and he loved this one."

He ground his cigarette out on the end of the bench and stood up, turning toward the pool of light over an outdoor bar. A man at one of the white-clothed tables raised his arm to wave King over.

"But it's fun to do," King said, pushing his hands into the pockets of his khakis and turning to head for his drink. "It's a game."

Thoroughbred racing is a game, but for many it is also big business, as Enoch Tranter realized in 1917 when he packed the Fasig-Tipton trunks and first headed upstate in pursuit of sporting families like the Vanderbilts and Whitneys.

Such families did not make their fortunes in racing, and they generally kept stables as a hobby rather than a business; their

dreams were about historic victories in glorious races, not about maintaining a profitable bottom line at the barn. From the sport's earliest days in America, the nation's wealthy have been willing to gamble large sums of money in pursuit of what racetrackers call the big horse—a racehorse that can write his name in the sporting annals and in the history of the breed itself through his progeny.

The quest to identify and acquire such horses has created numerous spin-off businesses, feeding tens of thousands of other horsemen, agents, veterinarians, and advisers (some legitimate and some quacks), making a number of them millionaires in their own right. Within the last century, the search also has transformed Thoroughbred breeding from a gentleman's hobby to a global agricultural industry now worth nearly $1 billion annually. And it has changed the horse itself from a mere animal into a commercial product that is designed specifically for the marketplace and that is, under the right circumstances, potentially worth tens of millions of dollars.

"Potential" is the operative word at a yearling auction, where the horses are unbroken and the buyers, however expert they may be, can only judge each horse by his pedigree, looks, and walk. "Potential," with its whisper of potency and promise to be fulfilled on the racetrack and then through breeding, is the addictive element for a buyer at auction, the thing that makes him raise his hand to keep in the bidding game, even once he has passed his limit.

Potential is like the nicotine in a cigarette, but it's also like the smoke: ephemeral, hard to measure, and subject to change with the wind. Of course, no one knows for sure whether an individual horse will fulfill his potential or not, which is why even the breeders who create the horses have founded their catechism on a hopeful, rather than an authoritative, axiom: "Breed the best to the best and hope for the best."

But there are distinct patterns and predictors that can make one horse a better risk than another, and, just as bettors pore over past performances in the *Daily Racing Form* before placing their wagers, buyers like King and Sanan employ experts—trainers, veterinarians lugging X-ray machines and endoscopes, and pedigree analysts shuffling reams of computer-generated statistics—to help them assess which horse to buy. This team of experts and the information they generate ideally improve a bidder's chances of picking a winner in the auction ring, just as you would expect to improve your poker game if you had five professional players sitting behind you at the table and telling you what to do.

The outcome of the Thoroughbred game, like any other gamble, can go either way. Racing's 300-year history in North America is littered with tales of fake jewels and hard luck, but it is also studded with "against the odds" stories of apparent duds or cheap horses that turned out to be champions. Those dreams keep many owners going, but the reality is much bleaker. About 33,000 Thoroughbred foals are born each year in North America; in 2001 there were 70,942 active runners of all ages at the racetrack, and they earned an average of just $16,159. Seventeen percent of them earned less than $1,000, and 9 percent earned nothing at all.

Only 3 percent of the horses that made it to the starting gate were good enough to win in stakes company, the upper echelon of racing, in 2001. Fewer than that are talented enough to win Grade 1 races, contests such as the Kentucky Derby, which are the pinnacle of achievement. Those elite horses, representing about 2 percent of all starters, are well worth having, not the least because those few bright talents will earn almost a quarter of the $1.2 billion available in North American purses each year.

The Derby is open only to 3-year-olds, and of course only one horse out of each year's crop of foals can win it. Three, at the most, can win the races that make up the Triple Crown: the Derby, the Preakness, and the Belmont Stakes. A horse that can sweep all three, a difficult feat that has not been achieved since 1978, when Affirmed did it, is among the rarest of all creatures. Only 11 have ever succeeded since Sir Barton in 1919, and there is more than historic glory awaiting the next Triple Crown winner: He will also receive a $5 million bonus sponsored by the Visa credit-card company.

The odds of making it to any winner's circle, let alone the one at Churchill Downs on the first Saturday in May, are daunting. But the impulse to try drives thousands of eager racehorse owners to horse sales every year, and it has yielded some spectacular individual stories of both success and failure.

The costly flops are legion. Norway—a $3 million son of the sport's current great sire, Storm Cat, and the famous mare

Weekend Surprise—was a half-brother to 1992 Horse of the Year A.P. Indy and 1990 Preakness Stakes winner Summer Squall. He never won a race and earned just $2,734 for his owners.

Another Storm Cat son, Tasmanian Tiger, fared even worse. Closely related to a champion filly named Storm Song, he brought $6.8 million at a yearling auction in 1999. Two years later, his owners gave up on him after he won just a single obscure race in his first few starts. They sold him to Hong Kong, an equine hinterland populated by outcasts from America and Europe. Tasmanian Tiger had made just three starts, and might have come around eventually, but he must have disappointed his owners, Coolmore Stud, very badly in his short time at the races: Despite his sparkling pedigree, they gelded him before putting him on the plane. Alongside Tasmanian Tiger for the flight was another well-bred and expensive disaster from the Coolmore stable, a $5.5 million colt named Diaghilev, who won twice but then tailed off badly and was beaten by 11 lengths in his final start in England.

Seattle Slew, on the other hand, cost just $17,500 and became racing's only undefeated Triple Crown winner when he won it in 1977. The financial rewards kept coming even after he stopped running. He became one of the Thoroughbred world's most influential sires, reaping millions in stud fees for his owners. In 1998, a $17,000 yearling, this one a colt named Real Quiet, won the Kentucky Derby, proving again that you don't have to pay a fortune to win the world's greatest horse race.

But that same summer, the Japanese entrepreneur Fusao Sekiguchi proved the opposite point was also true when he spent $4 million to buy what turned out to be the 2000 Kentucky Derby winner, Fusaichi Pegasus. After the Derby, Sekiguchi quickly sold Fusaichi Pegasus to Coolmore Stud for a record syndication value of $60 million. But so far, the matings of Mr. Prospector with Angel Fever, which have produced three yearlings and one weanling to sell at auction for an average price of $1.5 million, have only yielded one Fusaichi Pegasus; those other foals together have earned a total of $15,681 at the races.

What was the difference? Why did one of Angel Fever's foals become an equine gold mine, while her other offspring drifted from the auction ring straight into oblivion? They must all have

looked promising, given their sale prices, but somewhere along the way Fusaichi Pegasus outpaced his siblings and wrote his name in lights.

The man who paid $4 million for Fusaichi Pegasus liked the horse from the moment he saw him. But even he couldn't fully explain why he had been willing to gamble such a sum on the colt, apparently following other buyers off the cliff in pursuit of winning Angel Fevers. But he did know for certain that he would have spent even more to get the colt, if necessary.

"I would have gone to $5 million," Fusao Sekiguchi told reporters after signing the auction receipt for Fusaichi Pegasus in 1998. "This was the only horse we were interested in. My first impression when I saw him was an inspiration."

Sekiguchi had listened to his adviser, the trainer John Ward, who liked the colt's straight legs and thought he was an unusually good example of a Mr. Prospector. But ultimately, if Sekiguchi is to be believed, it was a feeling that prompted him to reach into his pocket so deeply.

Satish Sanan, who had been one of the underbidders on Fusaichi Pegasus that hot afternoon in July 1998, knew that feeling well. If he had obeyed it to the exclusion of all good sense that day, he would already own a Derby winner. Instead, three years later, he was sitting in the Saratoga sale pavilion trying to buy another chance. Roger King had fought him off for the first horse on his short list, and now Sanan was waiting for his next candidate to come into the auction ring. In the plush seats around him, other owners were flipping through catalogs, leaning over to listen to the urgent whispers of their bloodstock advisers and trainers, or staring tensely ahead at the pale green tanbark behind the ropes where the next yearling would stand.

"When two people hook up, there is no logic, you know," Sanan said. "There is no logic at all. It's love. It's ego. I don't know why, but you just get stupid."

Sanan was determined not to get stupid at Saratoga, and that was one reason he had reined himself in when the bidding got hot for Hip 3. But there was another colt selling on the third and final

night that represented an excellent opportunity for throwing caution to the wind.

And there was caution. The colt on Sanan's list was a popular selection due to his good looks and his breeding. He was an athletic-looking son of Seattle Slew, who at the age of 27 was becoming too frail to remain an active stud for much longer, a fact that would drive the price up on his few remaining foals—especially one that resembled him as clearly as this colt did. The colt's dam, Strawberry Reason, was a stakes winner herself, but she was only nine years old and had not yet proven that she would produce successful runners. This was her third foal, and the two born before him, though both winners, were still too young to give much indication of the colt's total genetic quality.

And, worryingly, there were some whispers on the sale ground that the colt was not quite as well made as he should be, that his ankles were suspect, that in fact he might not be sound enough to make it to the races at all.

One of those critics, Sanan knew, was his former trainer, D. Wayne Lukas. Lukas's snipes against a colt he knew Sanan liked were irritating, but they couldn't be discounted.

Before the sale's final session, Sanan met with his selection team, a group that included the two former Lukas assistants, a veterinarian, and Sanan's daughter, Nadia. The team members worked according to a rating system on which 10 was an exceptionally superior athlete, and the Seattle Slew colt scored consistently at seven or above on each team member's list.

Sanan knew that other buyers as wealthy as he was certainly had scored the colt high on their own systems, and it was possible that some of the chat about the ankles was designed to deflect other bidders. But if there really was something wrong with the colt's ankles, it was better to know it now. Sanan asked his vet, Dr. Bob Bloomer, to examine the colt's X-rays and the ankles themselves for a second time.

"He came back and said there was nothing wrong," Sanan said. "There was no dissension within the team, it was all just coming from the outside. Wayne and a couple of other people who weren't on the team were just taking shots at it."

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By the time the auction's final session began at 7:30 P.M. on August 9, a sweltering heat wave had broken in violent thunderstorms. Bidders who normally lined the barn area and walking ring outside the pavilion crammed inside to escape the blustery weather, and power was out all over town, leaving Saratoga's restaurants, bars, and houses in the dark for the rest of the night. Fasig-Tipton's arena also was buffeted by the storm. Its lights flickered on and off, then died entirely just as the first horse walked in. The hushed crowd waited in the dark for two minutes until Fasig-Tipton's staff could switch to a generator, and when the lights came on again the sale got under way, the auctioneer's patter competing with the wind and rain that lashed against the pavilion windows.

But the weather didn't dampen the auction, even though a few major buyers—King and Sanan among them—had already headed out of Saratoga, leaving their bidding in the capable hands of their agents.

Sanan's Padua Stables team, headed by Nadia Sanan on the phone to her father, warmed up with a few easy purchases, buying two colts and two fillies for a total of $750,000, far less than several of their rivals were paying for single horses. The ruthless bidders from Coolmore Stud, who had lost out the night before on a $3.6 million Storm Cat colt that went to Dubai's crown prince, Sheikh Mohammed al-Maktoum, came back on the last night to win a $3 million colt by the fashionable young sire Kingmambo. This time, Sheikh Mohammed's man, John Ferguson, was the loser after a long bidding duel. Ferguson surrendered only after taking a long, final look at the Kingmambo colt from over the pavilion's balcony rail, and then he shook his head grimly, frowned, and let Coolmore have him. That was one less potential Derby runner for Maktoum, one of four sporting brothers from Dubai who had dominated European racing but had never won the Kentucky Derby. Like Sanan, Sheikh Mohammed had made the Kentucky Derby his primary target, and it would be painful if the Kingmambo colt turned out to be the one that got away.

Nadia Sanan, meanwhile, had a problem. Now that their top choice was nearing his entrance into the ring, her cell phone wasn't working. The storm, the multiplicity of competing cell-phone signals on the grounds—it didn't matter why, but with the Seattle Slew

colt's sale imminent, Nadia couldn't contact her father as planned.

The sale rocketed on. Bob Baffert, a two-time Derby-winning trainer, signed for another $3 million colt by Mr. Prospector but coyly declined to admit that the purchase was for his major client, Saudi Arabian prince Ahmed bin Salman, the son of Riyadh's governor. The photographers and notebook-wielding reporters were still trying to tease that information out of Baffert when another colt stepped into the ring and promptly shot up to $600,000, with $100,000 bids still coming as regularly as the ticks of a clock.

It was the Seattle Slew colt, but Nadia Sanan was nowhere to be seen. The Sanan family's seats in the pavilion's lower level were empty.

In the company's administrative offices behind the pavilion, Fasig-Tipton executive Boyd Browning interrupted his conversation with one of Prince Ahmed's agents and turned to look at a closed-circuit television set. Seeing the Seattle Slew colt turning calmly in the ring as the bids escalated, Browning excused himself and, dodging tourists and idle bidders running through the rain, dashed across to the pavilion and up the stairs to its balcony. Browning had arranged a contingency plan for Nadia and wanted to make sure she had gotten there in time.

The Seattle Slew colt's price reached $1.4 million. One of the players appeared to be bidding invisibly from somewhere upstairs, where a spotter could relay the raises but the general public, searching the gallery faces for a telltale nod or mouthed word, couldn't pinpoint their origin. The invisible bidder offered $1.5 million.

Browning smiled to himself. It was Nadia, bidding from a phone very few people even knew about, located in the price-board operator's booth in the back of the balcony. Crouched behind the operator's chair, her handbag perched atop the sound board, Nadia was on his telephone line to her father, and she had just bid up to their agreed limit. Her brief now was to do the thing her father couldn't do: stop.

"We're out," she told him as someone braving the rain outside the pavilion countered with $1.6 million.

"Bid fifty," Sanan told her. "Don't stop or I'll call someone from Fasig-Tipton and get them to do it for me."

The price climbed. John Ferguson, inside the pavilion, offered $2 million, and auctioneer Robertson promptly asked for $2.1 million. There were no takers. Robertson asked for $2,050,000, sliding his eyes in the direction of the booth. Nadia gave it.

Suddenly, the anonymous bidder outside the pavilion jumped back in, bidding $2.1 million. It appeared to be a final offer on his part, coming after a moment's reconsideration.

Nadia, resting her right elbow on the operator's chair and pressing the telephone receiver into her left ear, bid $2.15 million on her father's instruction.

The Seattle Slew colt flicked his ears back and forth from Robertson's rapid-fire chanting behind him to the bid-spotter's yelps in front of him. Like his father, he was a plain, dark brown color with no visible white, but his shoulders, back, and hips sparkled here and there with the raindrops he had walked through on the way from his barn. His elegant head was refined, with a bright, intelligent eye that was eerily reminiscent of his powerful sire's. But there was no answering bid from the party outside.

The hammer came down with a sharp crack, and Satish Sanan had his horse, the last million-dollar horse sold at Saratoga in 2001. Nadia's slender, olive-skinned arm emerged from the booth to collect the receipt.

The session was almost over, and buyers were beginning to leave the pavilion. The last few sale yearlings, soaked with the torrential rain, passed through the ring, and many of the horsey set huddled miserably under the building's eaves as valets wheeled a line of glistening Cadillac SUV's and Jaguars up to the entrance. Thunder rattled the pavilion windows again, and Fasig-Tipton announcer Terence Collier told the crowd that, sadly, Siro's restaurant, the traditional post-sale nightspot, was out of power like the rest of Saratoga.

It was the only bad news of the night. The explosive final session had made the 2001 Fasig-Tipton Saratoga select yearling sale the most profitable auction in the company's 103-year history. Of the 162 unbroken young horses that rang up $62 million in the three nights from August 7-9, nine brought final bids of $1 million or more from their hopeful new owners.

A year and a half later, most of those owners would still be awaiting a payoff, any payoff, in their expensive horses' careers. The nine

millionaire yearlings—eight colts and one filly—overwhelmingly would illustrate the various setbacks, disappointments, and baffle-ments that are typical in the racing game. If they had the kind of talent, endurance, and luck it would take to become home run horses, the vast majority had not yet shown it after their first year at the track.

By the end of 2002 one of the millionaire colts was laid up at a California training center with a cracked knee, never having even run in a workout, let alone a race. One had been sent to England, where he earned a little more than $13,000 on a $3 million initial investment. A third was also in England, winless, and had earned just $1,275. The fourth was in America, where he finished fourth in his only race, picking up a check for $1,000. Number five, named Athlete, had yet to enter a race. Another, given the more realistic name Strong Hope, also was unraced. And yet another had been plagued by hoof trouble and was sidelined at a farm, with no starts or workouts to his credit. The sole filly on the list, a $2 million yearling sent to race in Canada, had done considerably better, winning a stakes race, placing in a Grade 1 contest, and bringing in $174,270.

But only one of the nine horses would emerge as a true home run horse in 2002. As the others struggled, he would be named a champion. He would be celebrated as the early favorite for the 2003 Kentucky Derby. Months before he turned 3, his breeding rights already would be valued at $24 million—more than 10 times what his owner paid for him.

Bidding rivals Roger King and Satish Sanan would be on opposite sides of this equation, one a loser and one a winner by the end of 2002.

But that was more than a year away. On August 9, 2001, a few of Saratoga's buyers, animated by the night's events, lingered in Fasig-Tipton's covered bar behind the pavilion, then gradually filtered home through the dark streets. Behind them, humming along on a generator and the electrifying bids of gambling billionaires, the lights still blazed at Fasig-Tipton.

Roger King was long gone, having flown out the day before on another expedition to Las Vegas. Satish Sanan hung up the phone with Nadia and idly ran possible names for his new horses

through his mind. He hit upon a good one for his Seattle Slew colt with the "suspect" ankles that, it appeared, someone else had wanted badly enough to bid the price up to $2.15 million. Sanan decided that if the colt showed promise, he would name him Vindication.