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Churchill Downs Inc. Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from Ryan Worst - Brean Murray.

Ryan Worst - Brean Murray

Bob, I was wondering if you could talk about the wagering trends in the industry and also how that might be different from any mark key events that occurred in the fourth quarter and the first quarter, because I read somewhere that first quarter wagering trends are down like 7% for the overall industry, but are the big events doing better than that, worse than that or if you could shed some light on that would be great?

Bob Evans

I think your numbers are correct. I believe I saw yesterday that the first quarter, first two months of 2009 handle was down between 6% and 7% over the same two months in 2007. As far as big events doing better or worse than the rest of the industry, I haven't seen the data haven't done analysis. So, I just can't comment, sorry.

Ryan Worst - Brean Murray

Okay and then could you talk about how much of the revenue for Derby weekend is related to corporate events? How those corporate bookings are doing versus last year? Then I have a follow-up question.

Bob Evans

Okay, we don't break out the Oaks and Derby week revenues by individual category and don't want to start doing that today. I'll just make the general comment that there's been some weakness, what I'd call in the first go with some seating and some areas, but I don't think it's particularly large concern and there are a lot of people that they want to attend.

So, while we may on the first half get a company who is not going to come this year for whatever reason, we can always find somebody else that wants to use those seats. We got two months to go. It's hard to predict exactly what's going to happen, but so far at least, we've been pretty comfortable with the sales performance.

Ryan Worst - Brean Murray

Then could you talk about what you see in the environment in Florida that really causes you guys to take on that type of capital spend for the slot facility, especially given the results of some of your competitors?

Bob Evans

Sure. I've got the guy here who is responsible for this. Bill Carstanjen, our Chief Operating Officer. So, let me talk just to Bill, maybe you've got some more detailed comments than I'd have.

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