

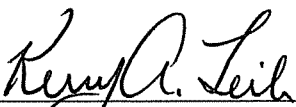
**THE SIXTH DAUPHIN COUNTY  
INVESTIGATING GRAND JURY**

IN RE: : IN THE COURT OF COMMON PLEAS OF  
: DAUPHIN COUNTY, PENNSYLVANIA  
:  
: No: CP-22-MD-1425-2009  
THE SIXTH DAUPHIN COUNTY :  
INVESTIGATING GRAND JURY : **NOTICE NUMBER: 06-2009-02**

TO THE HONORABLE TODD A. HOOVER, SUPERVISING JUDGE:

REPORT NO. 1

We, the Sixth Dauphin County Investigating Grand Jury, duly charged to inquire into offenses against the criminal laws of the Commonwealth, have obtained knowledge of such matters from witnesses sworn by the Court and testifying before us. We make the following findings of fact upon proof by a preponderance of the evidence and issue these recommendations for legislative, executive or administrative action in the public interest. So finding with no fewer than twelve concurring, we do hereby make this Report to the Court.

  
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Foreman – Sixth Dauphin County  
Investigating Grand Jury

DATED: July 22, 2011

## INTRODUCTION

We, the members of the Sixth Dauphin County Investigating Grand Jury, having received evidence pertaining to matters occurring in Dauphin County, Pennsylvania, pursuant to Notice of Submission of Investigation 06-2009-02, do hereby make the following findings of fact and recommendations.

## FINDINGS OF FACT

Penn National Race Track is a thoroughbred horse racing facility located in Grantville, Dauphin County. The instant grand jury investigation arose out of an investigation by the Pennsylvania State Police into the rigging of races and other unlawful activities at Penn National. Penn National Race Track is a year round racing facility at which approximately 1500 horses are stabled.

On October 22, 2009, Penn National Security caught an individual named Guillermo Arellano-Ramirez trying to make unauthorized entry into the stable area of Penn National. Immediately before this unauthorized entry, Arellano-Ramirez had been dropped off by a van driven by Juan Gonzalez-Quiske. Both Gonzalez-Quiske and Arellano-Ramirez worked at Elk Creek Farm in Oxford, Chester County. Elk Creek Farm and the horses trained there were owned by Michael Gill of New Hampshire. Gonzalez-Quiske and Arellano-Ramirez had transported a Gill horse named Lion's Pride from Elk Creek Farm to Penn National on that date.

When the unlawful entry was discovered, Larry Clionsky, a special investigator at Penn National for the Pennsylvania State Horse Racing Commission, immediately began an inquiry. He learned that Gonzalez-Quiske had left the track with Darrel

Delahoussaye. At the time, Delahoussaye was the trainer based at Penn National for Michael Gill. Anthony Adamo was the trainer of record for Lion's Pride but was not present at Penn National on October 22, 2009. Delahoussaye was operating as the trainer that day and would have saddled any Gill horses running that day.

When Delahoussaye and Gonzalez-Quiske returned to the track, Clionsky and another investigator searched the truck from Elk Creek Farm. They found a bag of needles with syringes behind the back seat. There was blood on the end of the syringes. They also found a tied plastic bag containing a can of Red Bull drink.

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Clionsky searched a plastic bin directly in front of Lion's Pride's stall. Within he found a gallon-sized bag filled with white powder and six 6cc syringes with a sticky residue within. In combination with the Red Bull found in the truck, these items were consistent with preparation of a "milk shake" used to illicitly enhance the performance of a race horse when administered on a race day. Although Lion's Pride was not permitted to race that night, its blood was tested. That test revealed the presence of a steroid called methylprednisolone in Lion's Pride's blood. Clearly, this was the result of an effort to race a horse with a banned substance in violation of the rules of racing.

A subsequent search of the van revealed items commonly used to illicitly enhance the performance of thoroughbred racehorses. Within the stables where the Gill horses were boarded at Penn National, investigators uncovered more syringes and a powder used to produce milkshakes for unlawfully enhancing the performance of race horses when administered before a race.

Dr. Jerry Pack, a veterinarian with extensive experience with thoroughbred race horses, testified before the grand jury. Dr. Pack described the method by which "milk

shakes” can be used to unlawfully enhance the performance of a race horse. The rules governing thoroughbred racing in Pennsylvania bar the administration of any drugs, medications, or stimulants, including “milk shakes”, for 24 hours before a race except for lasix and estrum. “Milk shaking” is a process in which a large syringe is used to orally inject a concoction of various components often including baking soda, sugar, electrolyte powder and Red Bull energy drink into the horse. When done in the hours before the race, this tends to prevent the buildup of lactic acid and improve performance

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Dr. Pack testified about another method for illicitly enhancing performance. DMSO is an anti-inflammatory that is commonly and properly applied to a horse topically. It has a distinct garlic odor. DMSO can also be administered by injection. Injection of DMSO is not permitted in the 24 hours before a race and is thought to illicitly enhance performance. When administered intravenously, the smell of DMSO can often be perceived on the horse’s breath.

James Muzzy worked as a groom at Penn National. Between August 2009 and December 2009, Muzzy worked as a subcontractor for Delahoussaye who at the time was Gill’s trainer at Penn National. Muzzy witnessed Delahoussaye frequently administer milk shakes to horses at Penn National on the days they were to race using a syringe. Muzzy also witnessed Delahoussaye repeatedly administer snake venom to the horses, another illicit method to enhance performance. Delahoussaye would troll through medical waste bags at Penn National to get used syringes to reuse for this purpose. Tiffanie Miller, a groom at Penn National who formerly worked as a hot walker at that facility, also witnessed Delahoussaye administer snake venom to race horses on

numerous occasions.

In November 2009, Delahoussaye became concerned that investigators for the Racing Commission would search the area around his stalls at Penn National. He had this concern because his horses were intermittently performing exceptionally or breaking down on the track. Delahoussaye had Muzzy hide a box containing bottles of medication so that they would not be found by the investigators. Muzzy retained the bottles for two weeks and then returned them at Delahoussaye's request. Muzzy secretly retained several representative bottles. Muzzy turned these bottles over to

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Trooper Timothy Reinohl of the Pennsylvania State Police. The bottles included injectable DMSO.

Michael Gill was a horse owner whose horses frequently raced at Penn National. Gill formerly maintained a facility for training and boarding horses at Elk Creek Ranch in Chester County, Pennsylvania. Horses boarded and trained at Elk Creek Ranch frequently raced at Penn National. One of the employees at Elk Creek Ranch was Jesse Benitez. Guillermo Arellano-Ramirez, a groom at Elk Creek Ranch, witnessed Benitez frequently inject race horses with an unknown substance using a hypodermic needle shortly before the horses were transported from Elk Creek Ranch to Penn National on race days. Arellano-Ramirez also witnessed the frequent administration of "milk shakes" to horses at Elk Creek Ranch including on the days the horses were to race.

Ronald Bocanegra was a groom at Elk Creek Ranch. During the period when Gill horses were racing at Penn National, Bocanegra would often accompany the horses from Elk Creek Ranch to Penn National. According to Bocanegra, the

components of the milk shakes would routinely accompany the horses from Elk Creek Ranch. Bocanegra would administer the milk shakes to the horses at Penn National before races using syringes. Bocanegra indicated that he was operating at the direction of Cole Norman, a trainer of Gill horses based at Elk Creek Ranch. Jesse Benitez, an assistant trainer based at Elk Creek Ranch, observed Norman preparing the milk shakes that would accompany horses on race days at Penn National. On account of a prior felony conviction, Norman was not licensed as a trainer in any jurisdiction and could not operate as such on the track grounds or as the named trainer of any race horse.

The principal trainer at Elk Creek Ranch was Anthony Adamo. During testimony before the Grand Jury, Adamo refused to answer questions regarding the operations at Elk Creek Ranch invoking his privilege against self-incrimination. The Grand Jury recommends that the Racing Commission continue investigation into the activities of Adamo while he was a trainer for Michael Gill.

Under current law, the Racing Commission has no jurisdiction at training facilities outside the race tracks. In some other racing jurisdictions, the governing body has jurisdiction over off site training facilities. In the opinion of Larry Clionsky, an investigator for the Racing Commission since 1977, expansion of the commission's jurisdiction would substantially aid in enforcement.

Stephanie Beattie is a thoroughbred trainer based near Penn National. Stephanie Beattie previously worked with another trainer, David J. Wells, with whom she had been romantically involved. Wells and Beattie were involved in this relationship for nine years ending in March of 2010. Wells described an illicit method of

enhancing racehorse performance by using a device to produce an electric shock on a racehorse prior to races and then simulate the administration of shocks during the race to induce the horse to run faster. According to Wells, people who worked for Beattie would use this shock method to enhance the performance of Beattie's horses. Wells testified that exercise riders, Sammy Colon and Steve Capeles, and a groom, Victor Gonzalez, would administer the shocks. According to Wells, Beattie admitted to him on several occasions that she knew that these employees shocked the horses and that is why the horses run so well.

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Until recently, Paul Jenkins was the Racing Secretary at Penn National. In that capacity, he determined which trainers would receive stalls for boarding their race horses. These stalls were provided without charge to the owners or trainers. Also, as Racing Secretary, Jenkins has a certain amount of control as to which horses are entered in which races and when to scrub a race.

Customarily, many trainers give gifts to the Racing Secretary and the staff of the racing office at Christmastime. For example, Murray Rojas, a trainer, would customarily give a bottle of liquor and an envelope with cash to each employee in the racing office. The envelope that Rojas gave to Jenkins in 2009 contained a few hundred dollars. Rojas did not regard the gift as a bribe but it tended to create a clear appearance of impropriety and tended to encourage repetition of such gifts. As another example, David Wells testified that he and Stephanie Beattie would generally give at least \$500 and as much as \$800 to Jenkins at Christmastime. Stephanie Beattie confirmed that they typically gave Jenkins \$500 each year.

## RECOMMENDATIONS

Based on the above findings of fact, the Sixth Dauphin County Investigating Grand Jury makes the following recommendations for legislative, executive, or administrative action in the public interest:

1. The Grand Jury recommends that the Pennsylvania Racing Commission investigate the activities of Stephanie Beattie and Anthony Adamo to determine if they should continue to be licensed as race horse trainers in Pennsylvania.

2. The Grand Jury recommends that either the Pennsylvania Racing Commission or Penn National Racetrack itself explicitly prohibit the racing secretary and employees of the racing office from accepting anything of value, directly or indirectly, from any race horse owner or trainer. The Grand Jury further recommends that the racing secretary and the employees of the racing office be required to execute a sworn statement each year verifying that each of them has not accepted anything of value from any race horse owner or trainer.

3. The Grand Jury recommends that the Department of Agriculture promulgate regulations or that the General Assembly enact legislation bringing sites within Pennsylvania that are off site from race tracks where race horses are trained or boarded for racing at tracks within Pennsylvania within the jurisdiction of the Racing Commission. Such sites should be subject to inspection and search by the Racing Commission. Trainers and other personnel involved with the race horses at such sites should be subject to licensing to the same extent that personnel at the race tracks are required to be licensed.