

THE FORBES 400

ENTREPRENEURS

HORSE RACING



“He’s gonna be the one everybody wants”: Moynihan gets paid to scout, appraise and bid on the best of the breed.

Horse Whisperer

Bloodstock agent John Moynihan earns his living buying Thoroughbreds for the rich.

BY CLARE O’CONNOR
PHOTOGRAPHS BY EVAN KAFKA

It’s after dark on the second night of a long two-day auction, and now it’s finally John Moynihan’s turn to bid. In the back row of the Fasig-Tipton auction in the horse-racing town of Saratoga Springs, N.Y. Moynihan has his client, Kendall-Jackson wine magnate Jess Jackson, ready at the other end of his iPhone. “Bob Baffert, Charlotte Weber, Sheikh Mohammed,” Moynihan whispers into the handset. He’s referring to the high rollers in the room: a three-time Kentucky Derby winner, an heiress to the Campbell Soup fortune and the ruler of Dubai. They’re all potential competition for the prize of the long auction weekend—horse number 186. Moynihan looks toward the stage, where the horse, a brown colt, stands restrained by a gloved handler. “He’s gonna be the one everybody wants,” he breathes into the phone conspiratorially.

Moynihan, 45, is a bloodstock agent. He gets paid to scout, appraise and buy Thoroughbreds for his immensely wealthy clients, traveling to a dozen or so auctions a year.

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Flesh peddling:
118 horses raised
\$32.5 million in a
recent Fasig-
Tipton auction.

Since 2005, when he signed on the wealthiest of his now three customers—that's Jackson, 80, worth \$1.8 billion—Moynihan has examined, vetted, bid on and bought at least 50 horses. Among his purchases are two of the finest Thoroughbreds in North American racing: Curlin and Rachel Alexandra, both winners of the Preakness Stakes and American Horse of the Year. Curlin, which cost roughly \$3.5 million when Moynihan picked him up for Jackson and a consortium of investors in 2007, has already earned \$10.5 million from racing, making him North America's highest money winner. (Rachel Alexandra cost considerably more than \$3.5 million—so much that Moynihan and others in the private sale signed confidentiality agreements.) In March Moynihan paid \$250,000 for a colt named Kantharos for Jackson. Six months later Kantharos is unbeaten in three races and is now worth seven figures.

Moynihan has made out well, too. While he won't reveal his exact cut, others in the industry say a good agent pockets 5% of the purchase price of each horse. At the top of the pay scale an agent can expect to pull in \$100,000 to \$250,000 a year. If Moynihan isn't making six figures, you couldn't tell: With his well-cut sports coats and confident manner, he fits in well with the big-money buyers.

"He's probably the most talented horse picker in the land," says Tom VanMeter, a veterinarian and so-called pinhooker (someone who buys young horses and sells them quickly for profit, as if flipping a house). Even those who work closely with Moynihan can't quite put their finger on

how he sniffs out the best Thoroughbreds on the breeding circuit. "It's almost like picking out LeBron James when he was in the fifth grade," says Lesley Howard, general manager and chief financial officer of Jackson's Stonestreet Farms, who accompanies Moynihan to major sales. "John just has a good eye."

Moynihan originally set out to trade securities after graduating with a computer science degree from Kentucky State. An apprenticeship at Fasig-Tipton in 1987—and the lure of the high stakes and glamour of Thoroughbred racing—changed his plans. He started out on the periphery of what is a tight-knit, insular business, reading daily racing periodicals and studying horses at the racetrack, trying to figure out the components of a winner.

In 1994 Moynihan started his own bloodstock agency, Thoroughbred Services, with the late Robert Lewis, an Anheuser-Busch distributor and Thoroughbred owner, as his first client. On Lewis' behalf, Moynihan bought the colt Charismatic, who went on to win the Kentucky Derby and the Preakness. "I got extremely lucky that Bob was getting into the game at the time I was starting my business," says Moynihan.

Nowadays he is mostly horse consigliere for Jackson. The two meet about once a month, at races or at the wine billionaire's Stonestreet stables, not far from Moynihan's office in Lexington, Ky. They had an easy rapport from the start. "John is meticulous," says Jackson's wife, Barbara Banke, who is his partner in matters Thoroughbred. "He

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does a lot of homework. If he likes a horse initially, he'll see it again and again." Usually Jess Jackson and Barbara Banke accompany Moynihan as he scouts horses at Fasig-Tipton. This year, because of an annual sales meeting at the Kendall-Jackson winery, Moynihan keeps them updated by phone as he eyes each of the colts and fillies he's short-listed in the catalog of 202 horses up for sale. "A horse has to be engineered a certain way to be fast," he says. When examining a potential buy, Moynihan is careful to check whether the horse is pigeon-toed, if its bones have calcified properly, whether its breathing is normal. The strength of its legs is key. "Compare the weight of a horse running on its limbs to the weight of a human running on an index finger," he says.

If the horse passes Moynihan's visual spot-check, he'll call on one of the specialist vets to conduct a more detailed analysis, including an endoscopic exam and digital X-rays of every joint. Then there are genetic considerations—whether the mom or dad has been a big-stakes winner. Moynihan claims to have a photographic memory that helps him recall physical characteristics long after leaving the stable. "The better-looking the horse, the more chance it has of racing success," he explains.

By the evening of the auction Moynihan's vet from Tennessee, Phil Hammock, has ruled out two of the three horses on the short list. That leaves lot 186. Another of Moynihan's clients, George Bolton, an affable and deeply tanned San Francisco investment banker, has joined forces with Jackson on the bidding. All three men know that if Sheikh Mohammed wants the horse, he'll get it; last year he snapped up nearly four in ten horses at Fasig-Tipton; this year he signed for one in nine (\$6.4 million of the \$32.5 million spent at the auction). "Anyone who rules a country can outbid me," Bolton laughs.

Once the action starts Bolton taps his legs nervously and chomps his gum as the bids climb quickly. "George just bid \$380,000," Moynihan susurrates into the phone as Bolton points a finger toward one of the auction spotters at the front of the pavilion. Discretion is everything: There are no numbered paddles; each bidder raises an eyebrow or slightly shrugs a shoulder. "Slow down," Moynihan nudges Bolton as he bids \$410,000, then \$435,000. "We'll wait till the end."

At \$450,000 Moynihan signals for Bolton to pause. "Are we out?" Moynihan asks, directing Bolton with a firm shake of his head to put in one last bid of \$485,000. Then an agent for Bob Baffert offers \$500,000—and it's all over. "We let him go," Moynihan tells Jackson over the phone. "We're out." Moynihan shrugs off the loss. "Had he had more pedigree, we would've gone higher," he muses. "We're not just looking for a sprinter. We want a little more dimension than that." A good enough explanation for his clients, too.

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American Dreams

They were born outside of the U.S. But these immigrants struck it rich in their adopted country.

NAME	COUNTRY OF ORIGIN	IMMIGRATED	NET WORTH
Nicolas Berggruen	FRANCE	LATE 1970S, LATE TEENS	\$2.2 BIL
Len Blavatnik	RUSSIA	1978, AGE 21	\$7.5 BIL
Sergey Brin	RUSSIA	1979, AGE 6	\$15.0 BIL
Edgar Bronfman Sr.	CANADA	NATURALIZED 1959	\$2.6 BIL
Bharat Desai	KENYA (VIA INDIA)	1976, MID-20S	\$1.6 BIL
Barbara Piasecka Johnson	POLAND	LATE 1960S, EARLY 30S	\$2.8 BIL
Min Kao	TAIWAN	MID-1970S	\$1.5 BIL
Vinod Khosla	INDIA	1976, AGE 21	\$1.3 BIL
James Kim	SOUTH KOREA	1955, LATE TEENS	\$1.3 BIL
C. Dean Metropoulos	GREECE	MID-1950S, AGE 10	\$1.2 BIL
Michael Moritz	WALES	1976, EARLY 20S	\$1.3 BIL
Rupert Murdoch	AUSTRALIA	NATURALIZED 1985	\$6.2 BIL
Isaac Perlmutter	ISRAEL	AFTER 1967 SIX-DAY WAR	\$1.65 BIL
Thomas Peterffy	HUNGARY	1965, EARLY 20S	\$1.4 BIL
Haim Saban	EGYPT (VIA ISRAEL)	EARLY 1980S	\$3.4 BIL
Eduardo Saverin	BRAZIL	MID-1990S	\$1.15 BIL
David Sun	TAIWAN	1977, LATE TEENS	\$2.6 BIL
John Tu	CHINA	1972, LATE 20S	\$2.6 BIL
Steven Udvar-Hazy	HUNGARY	1958, AGE 12	\$2.7 BIL
Romesh T. Wadhvani	INDIA	1969, AGE 22	\$1.4 BIL
Jerry Yang	TAIWAN	LATE 1970S, AGE 10	\$1.15 BIL