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The Information Age

By Barry Meadow

Handicapping information keeps coming, and coming, and coming. But information, by itself, may not help us win.

Facts out of context don't mean much. Take, for example, the nearly useless "Backtracks" seen on TVG. They show a particular horse making some move in its last race—but they don't tell us what the opposition was like, how the pace went, whether there was some particular bias, who had trouble, or much of anything else. A result is strictly a static moment in time. It may, or may not, have much bearing on today's outcome.

Players sometimes forget that statistics usually revert to the mean. Post 5 may have lost 22 in a row, but that doesn't mean there's something wrong with that slot. Streaks come and go for many reasons, often due to nothing more than randomness.

Remember when handicapping writers told you to throw out the betting favorite at the Kentucky Derby, since from 1980 through 1999 not a single favorite reported home on top? Since then, Derby favorites have gone 8-for-17, including Nyquist's score this year, the fourth straight by a favorite. The handicappers who said to throw out the favorite mistook an anomalous trend for an absolute fact.

Any good handicapping method has to be able to place the statistics in context, figure out how good or bad luck affected the performances, and needs to arrive at a conclusion about today's upcoming race. Though a commentator may opine that "Old Soandso is 3-for-8 at this track, so you know he loves this place," we actually don't know much from this one factoid. Maybe he faced weak opposition in those three wins. Maybe they were early in his career, and now he's 9. Maybe they were with a different barn, or at different distances than today's race.

Limited sample sizes can lead to questionable conclusions--and, unfortunately, much of what we deal with in handicapping is based on limited samples. Take a jockey with only 5% wins this year. Not great, but what if that's based on just 20 starts, and last year he recorded 18% wins from 400 starts? It's even more difficult with individual horses, since in some races, several horses have started only two or three times, and never at today's distance.

Stat types often refer to Bayes theorem, a 250-year-old idea that states that we learn about things through approximation, getting closer and closer to the truth as we gather more evidence. To oversimplify, we have one opinion about an upcoming race if all we have to go on is each horse's recent speed figures, a better grasp if we include trainer information, and an even better predictive model if we include running-style designations for each entrant. Coming up with probabilities for each horse (A has a 20% chance to win, B a 15% chance, etc.) is dependent on both the quantity and quality of our information, as well as our skill in interpreting this data.

We do this despite a lack of full knowledge of every possible contributor to the day's event. Has the jockey on #6 been instructed to sit today, even though usually he dashes for the lead? Did a trainer lose his top assistant two weeks ago? Was #2 running a fever three days ago, but the owner had already scheduled his visit so the horse will run anyway?

We must do with incomplete information, and interpret it the best we can. However, most of us think we're better at this skill than we really are. How many times have you heard a fellow player condemn the "idiots" at the track who are betting #3, the idea being that Brainiac is far too brilliant to make this mistake? Yet hardly anybody wins long-term, so what are we to conclude? Every time some researcher does studies about similar topics (are we average drivers, average parents, average anything?), the conclusions are always the same—no, we are far above average, of course.

Fortunately, these days we have computers to help us. Few players dispute their place in handicapping. Used by all the leading rebate teams, they're far superior to humans in calculating things and uncovering patterns. Sophisticated programs can run endless what-if scenarios, repeating a race a thousand times to get a thousand results and therefore develop a pretty good read on what the odds should be. Computers have helped

bring handicapping out of the dark ages; new past performance products such as OptixEQ and TrackMaster's BubbleCapper couldn't exist without 2016 software.

But computers can't do everything, at least compared with a lone player who diligently follows his own local circuit. The grey areas of handicapping--carefully watching tapes, sifting through several workout reports, understanding changing mid-card biases—still remain a fertile area for local specialists.

Let us now turn to an unlikely source for some useful guidance for handicappers who are trying to figure out how to use the information they have. George Barna writes on mostly Christian topics, though what he says about data is relevant to all of us handicappers, no matter what our religion or lack thereof. From his book *Futurecast: What Today's Trends Mean for Tomorrow's World*, here are some points to ponder:

* Information is critical for decision making.

* Information for its own sake is worthless; valuable information is that which can be converted into action.

* We cannot make good decisions if we have bad information.

* More information is not the same as useful information.

* Good information improperly or inaccurately interpreted leaves us worse off than if we had no information.

* Information without context is usually misleading.

* Great strategy is built on current and accurate information, placed in a proper context, interpreted within that context, and resulting in specific and targeted behavior.

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