

Stallions such as Malibu Moon have contributed to Spendthrift Farm's standing.







# Return to glory

Under B. Wayne Hughes, Spendthrift Farm has regained its stature among Central Kentucky's storied breeding establishments

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By Lenny Shulman  
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CHAD B. HARMON

Stand just east of the old residence, on a manicured lawn bordered by a low stone wall, and let your imagination turn back time. Listen closely, and perhaps you can hear the clinking of ice cubes against glass and the merriment of high-society laughter. You can inhale the aroma of fine horses and see them paraded in view of the partygoers, engendering high commerce. Here is where Leslie Combs II conducted his business of selling Thoroughbreds in an air of entrepreneurial splendor and high entertainment, making Spendthrift Farm, along with Claiborne and Calumet, one of the three great Bluegrass-area Thoroughbred stations of the mid-20th century.

Another entrepreneur in the grand manner of Combs, B. Wayne Hughes, bought the historic property in 2004. Under Hughes, the 1860s-era edifice has been seamlessly extended, keeping the original architectural charm while serving as a modern utilitarian office. Its farthest wing now touches out to the grounds of Combs' party site.

Horses are sold today with less showmanship than in Combs' era, and, in fact, the original Spendthrift had lost the wind in its sails due to financial overreaching even before Combs left the scene. But Hughes, since taking the helm, has been busy disproving F. Scott Fitzgerald's claim that "there are no second acts in American lives." Under Hughes' direction, Spendthrift is once again thriving. Its stallion roster boasts both quality and quantity; Hughes'





Left, trainer Richard Mandella, jockey Gary Stevens, and owner B. Wayne Hughes celebrate Beholder's 2016 Breeders' Cup Distaff victory. Above, the Spendthrift manor house now serves as the farm office.

racings stable is producing bloodstock to bolster Spendthrift's broodmare side; and capital outlay has modernized the farm while keeping its glorious history intact.

Hughes was part of the great Dust Bowl migration from his native Oklahoma to California. There, he changed attics and basements forever, co-founding the Public Storage company in 1972 and virtually creating an industry. Between Public Storage and various real estate investments, Hughes became a billionaire and has long maintained a Thoroughbred racing stable, fulfilling a passion started when his father took him to the races as a youngster. Hughes also began breeding runners, notably getting the A.P. Indy colt Malibu Moon, whose race career was cut short by injury but who would circle back to become a valuable cog for Hughes years later.

Hughes' racing fortunes improved when he teamed up

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*The stone eagles atop the gates symbolize the power of the Spendthrift name. Right, under Hughes the breeding program has expanded to 100 Spendthrift-owned mares. Bottom right, general manager Ned Toffey*



with California trainer Richard Mandella. He raced Breeders' Cup Juvenile winner and champion 2-year-old male Action This Day and also owned one of the greatest racemares in history in the multiple champion Beholder, today in residence at Spendthrift as a broodmare.

Hughes' flair for the unconventional and dramatic was in full evidence in 2003, when he brought legendary film director Steven Spielberg in as a partner on Kentucky Derby participant (and fourth-place finisher) Atswhatimtalknbout. There has been no bigger backstretch buzz than when Hughes and Spielberg toured the barn area on Derby Day, with dozens of reporters in tow trying to pick up a nugget or two of Hollywood glamour.

Hughes wasn't seeking to establish a major stallion operation when he began looking at

property to buy early this century. In fact, he wasn't thinking about owning a commercial entity at all. Having grown up in the country, Hughes wanted to acquire a rural piece of land so that his grandchildren would be able to visit and share some of what he had experienced in childhood. Well-acquainted with Lexington through his involvement with Thoroughbreds, Hughes decided to look within its environs for the proper space. Hughes had been a client of Three Chimneys Farm, and he enlisted Ned Toffey, then a Three Chimneys manager, to help with the search.

"We looked at a number of properties that were nice farms, but they were just farms," remembered Toffey. "One day he told me he'd found a farm. 'You may have heard of it. It's Spendthrift.' I think when he saw Spendthrift, he saw it as a special place where there was an







MACK HUGHES



SKEETS MEADORS



Above, Leslie Combs II developed Spendthrift Farm into a Thoroughbred powerhouse starting in the 1950s, wooing clients such as Elizabeth Arden Graham and securing stallions such as Nashua, left, for a then-record sum. Below, the Spendthrift stallion roster included Triple Crown winners Seattle Slew and Affirmed during the tenure of Brownell Combs.

opportunity to buy it reasonably, restore it, and put his own mark on it.”

### Storied address

Buying a farm that happened to be Spendthrift was akin to buying a baseball field that happened to be Yankee Stadium. Combs had purchased the original 127 acres on Iron Works Pike north of Lexington in 1937. As an homage to his great-grandfather, Daniel Swigert, Combs named the farm Spendthrift after the 1879 Belmont Stakes winner whom Swigert had sold to James R. Keene.

Swigert was a successful owner/breeder who raced 1877 Kentucky Derby winner Baden-Baden and bred Kentucky Derby victors Hindoo (1881), Apollo (1882), and Ben Ali (1886). Combs’ grandfather, Leslie Combs Jr., was a career diplomat who bred a dozen stakes winners, including 1938 champion 2-year-





old male El Chico. Combs' father managed Elmendorf Farm.

Leslie Combs II built Spendthrift to nearly 6,000 acres, attracting a roster of partners and clients that read like a who's who of the Thoroughbred industry: Elizabeth Arden Graham, George Widener, Harry Guggenheim, James Cox Brady, Marshall Field, Louis Wolfson, Mr. and Mrs. John Olin, Mrs. Norman Woolworth, along with many others. Combs was a brilliant businessman with one eye toward incorporating advances like soil analysis and the latest in feed nutrition; and the other eye toward selling techniques such as making sure his cocktail party guests saw Spendthrift's yearling crop in the best possible light on the eve of their selling dates.

It worked. For 16 consecutive years, encompassing all of the 1950s and the first half of the '60s, Combs' yearlings topped the Keeneland summer sales in average price. His yearlings averaged six times the national yearling average during that stretch. He sold the first \$100,000 yearling at auction, the first \$200,000 yearling, and set subsequent records of \$510,000 (Crowned Prince), \$625,000 (Kentucky Gold), and \$715,000 (Elegant Prince).

Combs' proficiency as a salesman carried well beyond yearlings. He is credited with forming the first modern stallion syndicate in North America (Arthur B. Hancock Sr. had put together small groups in the 1920s and 1930s to purchase Sir Gallahad III and Blenheim II and bring them to Claiborne Farm) when he put 10 partners together on established stallion Beau Pere in 1947. Combs was not dissuaded when Beau



*A sculpture of Nashua attests to his importance during the Combs era. Today's Spendthrift is home to 24 stallions, including foundation stallion Malibu Moon, below.*

Pere died before covering a single mare for the new syndicate. He put together subsequent syndicates for Alibhai, Ardan, Royal Charger, My Babu, and several others. He raised \$1,251,200 to buy, via sealed bid, Horse of the Year and multiple champion Nashua from the estate of William Woodward Jr. in 1955, establishing the first million-dollar syndicate.

Brownell Combs II followed his father into the pilot's seat at Spendthrift in 1974, securing the syndications of consecutive Triple Crown winners Seattle Slew and Affirmed. A series of complex financial transfers took place in the early 1980s, and in 1985 Spendthrift became the first Thoroughbred operation to be listed on the stock exchange. Inconsistent earnings and a public not well versed in the workings of the horse industry doomed the stock price, and Spendthrift filed for bankruptcy in 1988. The farm passed through a series of owners until Hughes stepped in to secure it.

The property Hughes purchased, however, had deteriorated significantly from its halcyon days. And as Hughes' vision shifted away from the notion of simply enjoying a non-commercial farm to share with his family and toward a far grander scheme, the sheer volume of work required to bring the now-1,200-acre property back to brilliance became apparent.

"Mr. Hughes had an appreciation for the huge history at







Spendthrift when he came here, and his appreciation for it has become much deeper after being here,” noted Toffey, who has served as general manager of Spendthrift from the beginning of Hughes’ tenure. “Mr. Hughes saw this as a very special place and an opportunity, because it had great bones. The history of the stallion complex is nearly unparalleled.”

Hughes’ first inclination was actually to lease out the stallion complex. But Malibu Moon, still owned by Hughes, had proven a huge success at stud in Maryland, and Hughes eventually brought him to Spendthrift from neighboring Castleton Lyons Farm. Malibu Moon, a perennial top 15 sire for more than a decade, got a Kentucky Derby winner when Orb took the classic. Other Hughes runners such as Teton Forest, Don’t Get Mad, and Action This Day were coming off the track. Hughes decided he wanted to spend more time on his Thoroughbred business, and stallions became a key component.

The most famous building on Spendthrift is the U-shaped stallion barn, named the “Nashua Motel” by legendary groom Clem Brooks. Nashua was named Horse of the Year in 1955 after winning the Preakness and Belmont stakes. He became racing’s leading money earner in his career, and after his million-dollar stallion syndication Nashua could not be kept in the original wood stallion barn because Lloyd’s of London would not underwrite his insurance coverage in a wooden barn with no sprinkler system. So Combs built the U-shaped stallion barn with



cinder block instead of wood specifically for Nashua, who would go on to sire 77 stakes winners. It would also become home to Affirmed, Seattle Slew, Gallant Man, Raise a Native, and dozens of other important sires who are memorialized on a Wall of Fame in the original wooden stallion barn.

However, the U-shaped barn was neither attractive nor optimally functional when Hughes took over. Its flat metal roof and lack of proper ventilation made it hot and uncomfortable. The roof and hayloft were removed, and a higher, slanted roof installed. Exterior doors were added. The old wood barn was



*Clockwise from top left, Spendthrift has acquired highly desirable stallion prospects including (from front to back) Mitole, Vino Rosso, and Omaha Beach. Into Mischief was 2019’s leading stallion in North America. Spendthrift’s racing silks are hard to miss. Recent arrival Omaha Beach brings a top race record and pedigree.*





*Spendthrift's aggressive recruitment of stallions has yielded Vino Rosso, winner of the 2019 Breeders' Cup Classic, and sprint champion Mitole among others.*

also renovated, with sprinkler systems added to both barns.

"The Nashua Motel was an iconic image for Spendthrift, and we have been very much respectful of its history while putting our own mark on it," Toffey noted. "Today we have a modern, world-class stallion complex where you can still walk in and feel the history. It ties in architecturally with the rest of the farm and it works much better for the horses."

### Stallion power

Today, two dozen stallions reside in the three barns that form the stallion complex, giving Spendthrift the largest stallion population of any Thoroughbred farm in North America.

Like Combs, Hughes has proved to be an innovator in his professional life. With a growing stallion roster and an economy languishing in the Great Recession, Hughes instituted his Share the Upside program in 2009. Aimed at giving potential breeders a bargain during tough times, Share the Upside allowed participants the chance to gain a lifetime breeding right to a certain stallion

if they agreed to breed a mare to that stallion for two consecutive seasons (and get live foals). Other farms followed Hughes' model. But the poster boy who cemented Share the

“

MR. HUGHES SAW THIS  
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IT HAD GREAT BONES.”

— NED TOFFEY, GENERAL MANAGER

Upside in people's minds was a bay Harlan's Holiday colt that arrived at Spendthrift for the 2009 breeding season.

Hughes had purchased Into Mischief at a 2-year-old sale for \$180,000, and Mandel-

la trained him to a victory in the grade 1 CashCall Futurity at Hollywood Park. Into Mischief raced six times over two years, winning three and finishing second three times. His Futurity score had come over a synthetic surface, and he wasn't the most sought-after stallion of his generation. At Spendthrift, he stood for \$12,500 in 2009 and for \$10,000 the following season. Fewer than 10 breeders took advantage of signing up to breed to him through Share the Upside. Thousands more ended up kicking themselves in the rear end.

Into Mischief got black-type winners right off jump street and has continued to excel at stud, siring Canadian champions Conquest Enforcer and Miss Mischief, dual Breeders' Cup Dirt Mile winner Goldencents, Breeders' Cup Filly & Mare Sprint winner and two-time champion Covfefe, and grade 1 winners Audible, Practical Joke, and Mia's Mischief. Gamine, a 3-year-old Into Mischief filly, set a stakes record in winning the grade 1 Acorn Stakes by 18¾ lengths this June. Into Mischief was North America's leading general sire in 2019 and stood the 2020 season for \$175,000. That represents a nice annuity for a few lucky





Multiple champion Beholder is the pride of the Spendthrift broodmare band. Hughes and his wife, Patricia, celebrate the first of Beholder's three Breeders' Cup victories, this one in the 2012 Juvenile Fillies.

Share the Upside participants.

"The big break that happened for Spendthrift was the day when Into Mischief stepped off the van and into the stallion complex," Toffey noted. "That was a far bigger day than any of us realized at the time. He's turned into a special horse for us, a farm-maker.


"There is no question having stallions like Into Mischief and Malibu Moon raise your credibility. People believe that you know how

to develop a stallion, and it drives traffic. It's a huge tool for our salespeople. You get breeders out here to look at a horse, and that presents you with an opportunity to sell some of your other horses. All breeders have mares at various levels, and we try to offer them value at all points."

Spendthrift is among the most aggressive recruiters of stallions today. Its 2020 rookie class included standouts such as multiple

grade 1 winner Omaha Beach, Breeders' Cup Classic victor Vino Rosso, and champion sprinter Mitole.

"All you can do is try and find horses you can give an opportunity to, and let them do their thing," said Toffey. "We can't always recognize which ones will become successful, but we do recognize that they can't become successful unless we give them the opportunity. 'Nobody knows' is an expression Mr.

  
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Hughes uses for horses and life. And that's key in not being afraid to give a horse a shot."

## Sight to behold

Along those lines, Spendthrift has nearly tripled the number of broodmares that roam its spacious fields, and a majority of the 100 Spendthrift-owned mares are sent to in-house stallions. And as with the sires, Hughes has been fortunate enough to retire a top runner to his mare pastures.

Because she was a half sister to Into Mischief (both being out of Leslie's Lady), Hughes agreed to spend \$180,000 to buy a filly at the 2011 Keeneland September yearling auction that was by modest stallion Henny Hughes. Named Beholder, she became one of the great race mares in history, winning 11 grade 1 races and being named a champion in four of her five racing years. Famously temperamental and loathe to travel from her California base, Beholder still won three Breeders' Cup races and earned better than \$6.1 million. Thus far, she has rewarded Hughes with an Uncle Mo colt and fillies by Curlin and War Front.

"I don't think there's another horse in the world that won a grade 1 every year from ages 2 to 6," said Toffey of Beholder. "Again, having a mare like her adds credibility. She is a good horse for all of us to have around because she keeps everybody on their toes. It's an honor to be around her and work with her and help raise those foals."

The horses that Spendthrift keeps for its racing stable get a fast start at the Silver Springs training center, on land that Hughes acquired to bring the operation up to 1,200 acres. Before being sent to Raul Reyes at Kings Equine in Ocala, the yearlings are able to stay in Kentucky for their early lessons.

"We start our horses on the training track at Silver Springs, which has been a great addition and a great way to begin training our yearlings," noted Toffey. "It's been a treat for us to have Silver Springs right there."

It is perfect symmetry that Wayne Hughes followed Leslie Combs II as the steward of Spendthrift Farm, one innovator paving the



Horses in the Spendthrift racing stable get their early lessons at the Silver Springs training center, part of the main Kentucky farm.



Now encompassing 1,200 acres, Spendthrift has reclaimed the luster of its celebrated past.

way for another of a later generation. Hughes has established a three-person sales staff to market his stallions to potential breeders. He then rewards the breeders that support Spendthrift stallions by having them consign his yearlings at the Keeneland September sale.

"Mr. Hughes has always had the ability to look at the same situation as everyone else, and to see a different way to go about it," said Toffey. "Great ideas can come from places you didn't necessarily anticipate, sometimes from mistakes. Mr. Hughes has the business acumen to seek different solutions, and he's always looking ahead."

Hughes has assured that the future of Spendthrift will remain in his family. Eric Gustavson, who is married to Hughes'

daughter Tammy, has spent the past 15 years learning the Thoroughbred business division by division under Hughes and Toffey. Today, he serves as Spendthrift's president and was recently voted to the Breeders' Cup board.

"Wayne loves this industry, and being involved with Spendthrift has made me grow to love it and the amazing, majestic animals that make it all possible," Gustavson said. "Wayne is all about family, and that element of owning the farm means a lot to him. He and [wife] Patty live here. Tammy and I live here, and we love it. We call our porch 'the best place in Kentucky.' It's magical out there. Spendthrift Farm is a special place to our family, and I'm honored to have been allowed to be its steward, now and in the future." **KM**