

Ponies, politicians and a princess — the day the Downs went dark

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Michael Gobuty, Adrienne Gobuty and Hazel Wright

Talk of ponies and a princess evokes thoughts of a fairytale. Insert politicians and it becomes a nightmare. Thirty-two years have passed since one fateful day in July 1982, but it's a blemish on track history is difficult to forget.

It was supposed to be an exciting time. Michael and Adrienne Gobuty had purchased the Downs in 1981 and many changes had been introduced, not the least of which was a new multi-tiered trackside dining room in the clubhouse.

The new dining room brought an air of sophistication to the 24-year-old west-end facility. In addition, July 1982 was to feature a visit to Assiniboia Downs by Princess Anne as a part of her two-week Canadian tour.

The 31-year-old princess was scheduled to parade on the track in an open carriage to present a trophy for the inaugural running of the Princess Anne Stakes, but dark clouds loomed over the Downs.

Things had started to unravel in the spring of 1982 when track owner Michael Gobuty's Victoria Leather business went into receivership. Once the failure of his business was made public, the Manitoba Horse Racing Commission met with Gobuty to review the financial affairs of the Downs.

Gobuty was busy assessing business ventures and was even considering selling his share of the Winnipeg Jets to help solve his financial woes, but concern over the future of the Downs began to mount.



The Muriel Smith Trophy

Enter NDP Cabinet Minister Muriel Smith, who took on the task of working with Gobuty as he tried to prevent his business empire from a total collapse.

In June 1982 talk of the track closing started to surface, and with it speculation that a government takeover, or at the very least a government infusion of funds, was needed if the track was going to survive the crisis.

Prior to the royal visit rumors of the track's closing were rampant. It got to the point where you couldn't be sure what was fact or fiction. On Wednesday, July 14, the Winnipeg Free Press reported that the Downs was facing foreclosure. Things were looking grim and the government was scrambling to put together a back-up plan for the Princess in the event that the track closed its doors.

While the Winnipeg Free Press was reporting the latest news surrounding the track soap opera, Gobuty had already served the government with what amounted to an ultimatum. Inject cash into the Downs or else!

At this point Gobuty had defaulted on an agreement with the second mortgage holder, previous track owner Jim Wright, which required Gobuty to provide audited financial statements.

Reports were mixed. On one hand Gobuty was saying publically that the Downs would operate on Wednesday, July 14. He acknowledged that the Princess was coming and that he didn't want to embarrass anyone. On the other hand, he had given his ultimatum to the government, who reportedly was caught off guard with the news that the track could close at any time.

It was like a game of chicken, who would blink first? Looking back, with the royal visit hanging in the balance, perhaps Gobuty thought he was bargaining from a position of power, but the government didn't take well to his ultimatum.

Then the almost unthinkable, but inevitable happened at 1 p.m. on July 14, 1982. Assiniboia Downs was closed. Fade to black!

This action came literally within minutes of Princess Anne's arrival in Winnipeg. With the cancellation of Wednesday night racing, options for the Princess were limited.

The Princess Anne Stakes would not be run, and food fit for royalty would go unserved at the Downs. I'm told that royal dinner fare made its way to the Gobuty home, where a feast was enjoyed by a select group of Michael Gobuty invitees.

What became of the princess? Well, the young royal and a dozen dinner guests had an intimate dinner at Dubrovnik's in a private dining room.

As for the racetrack, politician Muriel Smith announced that the government had turned down the track's request for a greater share of the pari-mutuel take, and that the track had gone into receivership.

Bottom line? The track was under-capitalized and the high cost of borrowing had choked the life out of it.

Jim Wright's company, which held a \$3 million second mortgage on the track, appointed a receiver with instructions not to reopen the track, but rather to sell-off the assets! Cooler heads prevailed however, and talks began to save the balance of the season while also ensuring the long-term viability of the Downs. These talks included mortgage holders, Jim Wright and the TD Bank, and the Manitoba government.

Following intense negotiations, it was announced that Assiniboia Downs would reopen Friday July 23, 1982. Muriel Smith said that the government would put up \$750,000 to

operate the track for the balance of the season, with the day-to-day management of the track turned over to Jim Wright.

July 23 marked the mid-point of the season, but there was an opening-day atmosphere to the Friday night card. Free general admission helped encourage more than 8,000 patrons to flock to the Downs that night. And the rest, as they say is history.

The Wrights continued to operate the track while a buyer was sought. In February 1983 a buyer was found, which turned out to be non-other than Jim Wright himself. Wright bought the track back for a reported \$8.6 million.



Princess Anne

Winners and losers?

Politician, Muriel Smith came out of “Gobuty-gate” looking like a hero and won over horseman Bannam Yousif, who agreed to sponsor a stakes race in her name for three years. The Muriel Smith Stakes was run from 1983 to 1987, before the trophy bearing Smith’s name was retired.

And no one needs to say a great deal when it comes to extolling the virtues of Jim Wright. It is difficult to imagine where we might be if it were not for this man. Wright was inducted into the Canadian Horse Racing Hall of Fame in 1983 and was named Man of the Year in 1990 by the Jockey Club of Canada.

The princess survived the ordeal almost assuredly without ever knowing what the whole mess was all about.

And Michael Gobuty? Well, for the most part his name became like a bad four-letter word and was only mentioned in whispers. Gobuty wasn't without his supporters, who truly believed that he got a lot more "credit" than he deserved for his role in the closure of the track for 10 days in the summer of July 1982.

As it turns out, ponies, politicians and a princess were fodder for a fairytale, but not one out of Mother Goose. Granted, the story had a happy ending for most, but this was a tale more befitting the darker side of folklore.

Like the Brothers Grimm.