



Frandsen Publishing Presents  
Favorite ALL-Ways™ Newsletter Articles

Handicapping Process Series  
Part 3 of 6: “Key Decisions”

This six-part Handicapping Process Series covers, in a simple step-by-step manner, how to develop a personal, organized and efficient handicapping process that neatly coordinates with the wagering decisions that must be made. **This Part 3 of the series covers how to go about making the key handicapping decisions that are so critical for our success as we move from handicapping to wagering.** This includes identifying the two non-favorite horses with the best chance to beat the favorite and identifying a good Key Horse to use in our wagers.

If you have not already done so, you will want to read Part 1 and Part 2 of this Handicapping Process Series. And, we suggest you also read at least the wrap up to our five-part Wagering Series, paying particular attention to the one page Summary Reference Sheet.

*All past ALL-Ways Newsletters, as well as a Major Topic Index, are posted on both the BRIS and Frandsen Publishing Web sites and they are always free. Also, articles already published as part of the Favorite ALL-Ways Newsletter Article series are posted in the Newsletter Section on the Frandsen Publishing Web site and they are free as well. See the links at the end of this article.*

**Some reminders:**

The goal of this series of articles is not to dictate a detailed handicapping process. It is to present some ideas that may be helpful for developing your own personal handicapping process. In the first two parts of the series, we stressed the need to take advantage of advanced handicapping information, seeking out as much unique information as possible that will give you an edge over your competitors. **And, remember this profound handicapping advice: “Your job as a handicapper is to identify, in advance, the two out of three races that are not won by the crowd favorite**

and to identify the two non-favorite horses most likely to beat the favorite in these races.”

Here are the six sequential steps we believe should be part of an effective handicapping process:

**Step 1)** From the full field of horses, isolate all horses having a legitimate chance to finish in the top four finish positions. (Must include the favorite)

**Step 2)** Isolate the top 3 or 4 candidates to win the race. (Must include the favorite)

**Step 3)** Classify the favorite as legitimate, vulnerable or false.

**Step 4)** Identify the two non-favorite horses most likely to beat the favorite.

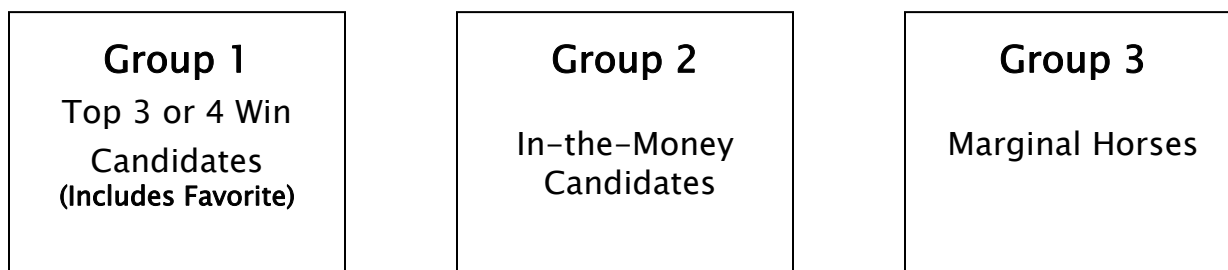
**Step 5)** Identify a non-favorite Key Horse.

**Step 6)** Make final handicapping decisions.

## Recap

Part 1 of this Handicapping Process Series discussed the important differences between “Toolbox” handicapping versus “Black Box” handicapping. It also covered the important early handicapping tasks of identifying all the horses having a legitimate chance to finish in the top 4 positions (Step 1 above) and the 3 or 4 horses with the best chance of winning the race (Step 2 above).

In Part 2 of this Handicapping Process Series, we expanded further on Step 2 with an extensive article on what we refer to as “The Keystone” of the entire handicapping process”. More specifically, we discussed a technique to assign all the contending horses into either Group 1 (win candidates including the favorite) or Group 2 (in-the-money candidates) or Group 3 (marginal horses that could finish in the top 4).



We also discussed a method for evaluating the favorite, specifically suggesting classifying the favorite as “legitimate” if you would keep the favorite in Group 1 or “vulnerable” if you would put the horse in Group 2 or “false” if you would put the horse in Group 3.

### **Part 3: Key Decisions**

In this part of the series we will cover Step 4 of the handicapping process, which is to identify the two non-favorite horses with the best chance to beat the favorite, and Step 5, which is to identify a good Key Horse to use in our wagers. As you read this material, you will really see why we consider Step 2 to be the “Keystone” of the handicapping process: If Step 2 is done well, Steps 3, 4 and 5 all become relatively easy and have a good chance of being successful. So, what follows is not long and detailed. It is a short, concise and very effective way to approach these tasks.

Note: If we concluded the favorite is legitimate in Step 3, with a couple exceptions, we would usually not play the race. One exception would be if the legitimate favorite is going off at odds of 5 to 2 or higher, we may play the Win/Insurance wager (January 2006 Newsletter). Another exception would be if there was one or more good value Exactas with the other Group 1 horses (July 2008 Newsletter). If the favorite is vulnerable (Group 2) or false (Group 3), we will then go on with Step 4.

***Step 4: Identify the two non-favorite horses with the best chance of beating the favorite.***

If we are here in the process, the favorite is not in Group 1 and we have two possible situations:

#### ***Situation 1:***

If we have two remaining horses in Group 1, then Step 4 is already complete. The two remaining horses are the two non-favorite horses most likely to beat the favorite. This is deceptively simple, but very, very powerful. It is why we called Step 2 of the handicapping process the “Keystone”.

#### ***Situation 2:***

If we have three remaining horses in Group 1, then there is another task to complete. We must select one of the three Group 1 horses to move down to Group 2 so we just have two horses remaining in Group 1. A good way to approach this is to use a small matrix such as the one shown on the next page to organize our evaluation.

The matrix looks something like this:

	Horse A	Horse B	Horse C
<b>Class</b>	++	+	+
<b>Speed</b>	+	++	+
<b>Suitability</b>	+	+	-
<b>Form</b>	++	+	+
<b>Pace</b>	+	+	-
<b>Situational</b>	+	-	+
<b>Other?</b>			

We are only looking at the three Group 1 horses and we need to “demote” one of them to Group 2 so we have only the two non-favorite win horse candidates remaining. We suggest filling out this matrix with pluses (+) and minuses (-) for each horse. Then simply look at the matrix to see if there is a horse that we can safely demote. In this example, we would demote “Horse C”. It appears to be at a pace disadvantage in a race that is at a distance and/or on a surface the horse may not be suited to. You may want to change the factors listed on the left side of the matrix to suit your own style of play. One way to do this is to ask two questions:

1. What would convince me that a horse deserves to remain in Group 1?
2. What would convince me that a horse does not deserve to remain in Group 1?

Your answers to these questions will help you decide how best to narrow down to the two best non-favorite horses. The beauty of this approach to Step 4 is its powerful simplicity.

#### ***Step 5: Identify a good Key-Horse to use in our wagers***

Remember, we want our Key Horse to have a very strong chance to finish in-the-money and it must not be the crowd favorite. So, our best Key Horse will almost always be one of the two remaining horses in Group 1. This is a very powerful way to approach selecting the Key Horse because you may be able to use the Key Horse in only the win and place positions in Trifecta wagers and only in the win, place and possibly the show positions in Superfecta wagers. This can substantially reduce the cost of these wagers. If your Key Horse were to come out of Group 2, you would most likely need to use the Key Horses in all positions of these wagers. If you have any

difficulty selecting one of the two Group 1 horses, we suggest looking at the ALL-Ways Search Handicapping Report where you will see ALL-Ways designations for the top Key Horse Candidates along with a Key Horse Score.

**One special point:** If your Key Horse has a late running style of Presser (“P”) or Sustainer (“S”), be sure that either the projected pace of the race sets up nicely for closers or that your Key Horse will be up close at the 2<sup>nd</sup> Call. For some very helpful ways to accomplish this, we suggest reading the ALL-Ways Favorite Article titled “Fourth ... place ... itis” – How to Avoid It” Again, it is available in the Newsletter section on the Frandsen Publishing Web site.

## **Summary**

Now, here is why we named this Part 3 of our Handicapping Process Series as “Key Decisions”. You have made several very important decisions. You have: 1) Designated the favorite as legitimate, vulnerable or false; 2) Decided to pass or play the race; 3) Selected the two non-favorite horses most likely to beat the favorite; 4) Selected a Key Horse. And, you have placed all the horses with a chance to finish in the top 4 finish positions in either Group 1 (win candidates) or Group 2 (in-the-money candidates) or in Group 3 (marginal, but possible top 4 finishers). You are now in very good shape to decide on what wagers to make and how to structure them.

**What’s Next?** Handicapping Process Series Part 4 of 6: “Getting Unstuck”:

It is easy to make the effort of developing a personal handicapping process harder than it needs to be. In Part 4 of the series, we provide some ideas that are helpful for making good progress with less hassle.

# ALL-Ways™ Newsletter Handicapping Process Series Reference Sheet

Full Field of Horses



Isolate All Contenders for the Top 4 Finish Positions



## The Keystone Steps

### • Initial Assignments •

Assign to a Group based on speed, class, compound pace and comprehensive ratings using the concept of Gap Advantage.  
Exclude horses eliminated from further consideration.



Group 1

Top 3 or 4 Win  
Candidates

Include Favorite



Group 2

In-the-Money  
Candidates



Group 3

Marginal  
Horses

### • Final Assignments •

Move horses between groups based on suitability to surface/distance, the pace scenario, form factors, jockey/trainer influence and situational changes from past performance races to today's race.

Group 1

Top 3 or 4 Win  
Candidates



Group 2

In-the-Money  
Candidates



Group 3

Marginal Horses

## Evaluate the Favorite

Decide which group you would now assign the favorite

If Group 1: Legitimate

If Group 2: Vulnerable

If Group 3: False

## Key Decisions

Decide: Pass or Play the Race?

Remember "The Curse of the Legitimate Favorite"

Group 1



Select 2  
Non-Favorite Win  
Candidates



Select a Key Horse  
and/or a  
Show Partial Parlay Horse

## Supporting "Favorite Articles"

### • Wagering Series

Part 1 "Realistic Expectations"

Part 2 "3 Critical Skills"

Part 3 "How Are You Really Doing?"

Part 4 "Where to Go from Here"

Part 5 "Wrapping It Up"

### • Handicapping Process Series

Part 1 "Isolating Contenders"

Part 2 "Keystone of the Process"

Part 3 "Key Decisions"

Part 4 "Getting Unstuck"

Part 5 "Feedback"

Part 6 "Wrapping It Up"

• "Fourth ... place ... itis"  
How to Avoid It

• Race Pace Shapes

• The Curse of the Legitimate  
Favorite

• To Pass or to Play?  
That Should Be the Question

### • How I Use ALL-Ways

A compilation of articles  
submitted by ALL-Ways  
handicappers

## The Foundation Wagers

• The 2-Horse Win Wager

• The Win-Insurance Wager

• Show Partial Parlay Wager

- Part 1 "Getting Started"

- Part 2 "Becoming an Expert"

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including a Major Topic Index,  
and more than two dozen articles  
making up the Favorite Article  
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[All Newsletters and Major Topic Index](#)

*Frandsen Publishing is also the developer of ALL-Ways Handicapping Software. ALL-Ways is serious software for professional and serious horseplayers. Phillips Racing Newsletter calls ALL-Ways Software “absolutely the best free handicapping tool on the market” and gives ALL-Ways a 9 ½ rating ... the highest ever awarded. And, ALL-Ways Software is FREE!*

[More about ALL-Ways Software](#)

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