"The Very Best Way We Know to Play the Pick 3"

Pick up just about any book or essay on the subject of wagering on horse races and chances are pretty high the author will tell you the Pick 3 is a great wager. We feel the same way. It is indeed a great wager ... if it is played properly. There are some realities about playing the Pick 3 that the general public just does not understand. This is, of course, good news for the serious player. This gives us the opportunity to craft our Pick 3 wagers to take advantage of these realities, giving us a significant edge over the public. In this article, we will briefly cover the reasons why the Pick 3 is a good wager, we will expose the realities missed by the public and then we will show you the very best way we know to play the Pick 3.

Why the Pick 3 is a Good Wager

In ALL-Ways Newsletter #10, we explained, in some detail, why the Daily Double is such a good wager. Well, all the same reasons apply to the Pick 3. So, we will be brief. The Pick 3 is, far more often than not, a solid overlay wagering opportunity because it generally pays a good deal more than a straight three-race win Parlay (making a win bet in each race and letting your payoffs ride). This is because the track takeout and "breakage" apply just once to the Pick 3 wager as opposed to three times, once for each race making up the Pick 3. Another reason the Pick 3 is so good is because the public simply misplays the wager. The public tends to play a 3 x 3 x 3 criss-cross and they tend to wager too much on legitimate favorites. As you will see, this is a "blueprint for failure".

Another reason we like this wager so much is because there are so many opportunities to play it. The rolling Pick 3 that started in California has been picked up by many tracks across the country. This means there are often six to eight Pick 3 wagering opportunities on a single race card. Even if your home track does not yet offer the rolling Pick 3, you can still play the wager via simulcasts. And ALL-Ways software gives you all the information you need to play simulcast races as well as you play races at your home track.

Realities About the Pick 3

We promise that before the end of this article, we will show you a way to play the Pick 3 that really works. But, to understand this method, you must first understand the realities of the wager.

Reality #1: You will not win this wager as often as you think or as often as you would like.

For individual races, if you are allowed to bet on legitimate favorites, and if you bet one horse to win, you will probably achieve around 35 percent winners. If you play two horses, this should go up to 55 to 60 percent. Playing three horses to win should get you up to the range of 65 to 70 percent. However, we will make the point later that you should avoid playing legitimate favorites as much as possible when playing the Pick 3. This will cause your win percentages to go down to something like those shown below.

> Bet on 1 horse   30% wins
> Bet on 2 horses   50% wins
> Bet on 3 horses   60% wins

These figures will, of course, vary by individual handicapper. But they are within reason for our purposes.

Let's see what these figures translate into in terms of how often you would win a Pick 3 wager. To determine the percentage probability of winning the Pick 3 , simply multiply the probabilities for each race. For example, if you make a straight 1 x 1 x 1 wager (one horse in each leg of the Pick 3), your probability of winning would be 30% x 30% x 30%. This calculates to a 2.7% chance of winning the bet. Note that even if you were to magically pick winners at a 40% clip, a one horse per race wager would have you winning the Pick 3 only 6.4% of the time. Here are some more examples:

1 x 1 x 1 = 30% x 30% x 305 =   2.7% wins
2 x 2 x 2 = 50% x 50% x 50% = 12.5% wins
2 x 3 x 3 = 50% x 60% x 60% = 18.0% wins
3 x 3 x 3 = 60% x 60% x 60% = 21.6% wins

Another way to state the same thing is that if you bet one horse per race you will win about 1 in 37 tries. Betting two horses in each race will yield 1 win in 8 tries and three horses in each race will yield a little better than 1 win in 5.

Reality #2: You will need to play multiple horse combinations if you expect to play the Pick 3 profitably.

If you are going to play the Pick 3 successfully, you must be prepared to spend some decent money on the wager and cover multiple horse combinations. Personally, for a $2 Pick 3, we believe you need to be prepared to spend at least $54 ($27 for a $1 Pick 3). The discussion above on the probabilities of winning builds a pretty good case by itself. But consider this as well. If you win at a 20% clip which is about what you achieve with a 3 x 3 x 3 wager, statistically, your bankroll must be able to stand a string of 20 consecutive losses. At a 12.5% clip, statistically, you must be able to handle a string of 40 consecutive losses. The smaller your wager, the less chance you have of winning and the more likely you are to "tap out" your bankroll. If you are not comfortable with this size wager, you are better off going partners with someone else and owning a share of a larger ticket than to under bet this wager.

Reality #3: You cannot profitably play the Pick 3 by betting on favorites.

For a $2 Pick 3, a 3 x 3 x 3 wager will cost you $54 and you will win it, on average, once every 4.6 wagers. So, to break even with this wager, you need a payoff of 4.6 x $54 which is $250. For the risk we take and the patience we must have with the Pick 3, we are looking for at least a 50% premium. This means we must receive an average payoff in the range of $375.

The good news is that this kind of average payoff is readily available with the Pick 3 provided, however, that favorites win no more than one of the three races. In his excellent book "Commonsense Betting", Dick Mitchell presented a study of Pick 3 payoffs at Santa Anita. Take a look at the chart below which shows average payoffs at Santa Anita for $2 Pick 3's.

Number of Favorites Winning	Average All Payoffs	Average Excluding Large Payoffs
0	$1,768	$567
1	$641	$353
2	$119	$119
3	$31	$31

The chart makes it clear that you must be very selective with the Pick 3 opportunities you decide to play. You should be confident that you understand each leg and that you have spotted non- favorites with real chances of winning at least two of the legs. This is not as difficult as it may seem. Remember, non- favorites win about two thirds of all races.

Earlier, we stated how much we like the rolling Pick 3 format because it gives us six to eight Pick 3's on a race card. We like this not because we actually will play all the Pick 3's, but because we can be very selective and still get two or three plays on a typical card.

The Best Way We Know to Play the Pick 3

As promised, we have reached the point where we will show you our recommended method for playing the Pick 3. First, here is a reminder. The crowd typically bets a 3 x 3 x 3 criss – cross. This costs $54 for a $2 wager and wins, on average, about 21.6% of the time.

First, we examine each leg of the Pick 3 to make sure there is a vulnerable favorite in at least two legs. Second, we identify one horse in each of the three races that we believe has the best chance of winning. This is our Key Horse and is designated below as the "A" horse. Then we purchase three separate tickets crafted as follows:

	Leg 1	Leg 2	Leg 3
1)	A	ABC	ABC
2)	ABC	A	ABC
3)	ABC	ABC	A

To win this wager, at least one of our Key Horses must win its race. Remember, the Key Horse must not be the favorite in more than one of the races. Preferably, the key horse will not be the favorite in any race. Each ticket, based on a $2 wager, costs $18 for a total wager of $54.

This set of tickets excludes the BC BC BC combinations. The odds of one of these combinations winning are only 2.7%. So, the probability of winning this wager is the same as the criss – cross wager less 2.7%. This makes the probability of winning this wager 18.9% (21.6% – 2.7% = 18.9%).

Here is why this is such a good approach. The wager costs us the same as a 3 x 3 x 3 criss – cross ($54). Our probability of winning is 18.9%, just slightly less than the

21.6% probability for the 3 x 3 x 3 criss – cross. But, the 3 x 3 x 3 criss – cross can win the wager only once. **In our case, we can actually win the wager once, twice and even three times** depending on how many of the races are won by our Key Horse. Another way to look at it is that we have bet more money on the most likely winning combinations and less money on the least likely winning combinations. This is always a good way to wager. And, again because we will win the wager more than one time on many occasions, our break even payoff and premium payoff requirements are actually lower than the 3 X 3 x 3 criss – cross wager. **In essence, we are giving up the 2.7% chance of winning the 3 x 3 x 3 criss – cross, which works out to 1 in every 37 wagers, in favor of gaining the opportunity to win the wager three times every time we make the wager.**

There certainly are legitimate variations to this approach. For example, there may be times when you want to play four horses in a particular race or where you can limit your bet to 2 horses in a particular leg. These wagers might look something like this:

	Leg 1	Leg 2	Leg 3
1)	A	ABC	ABCD
2)	ABC	A	ABCD
3)	ABC	ABC	A

	Leg 1	Leg 2	Leg 3
1)	A	AB	ABCD
2)	ABC	A	ABCD
3)	ABC	AB	A

Notice that there are some constants here. There is a key horse in every race and you have the chance to win the Pick 3 three times.

Summary

1. Select Pick 3 sequences of races where you believe it is likely that favorites will not win at least two of the races.

2. Identify a Key Horse in each race. This is the horse that you believe has the best chance of winning. Remember, your Key Horse in at least two of the races must not be the favorite.

3. Pass the wager if you are not reasonably confident of your handicapping. You should feel like you have a real handle on what is likely to happen in all three races.

4. Create three separate Pick 3 tickets, one each with a Key Horse singled in each leg as we have illustrated earlier.

The Pick 3 really is a great wager!

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