









Race Club and Key Stakeholders Monthly Report

No. 10

November 2014



FY15 Key Performance Indicators YTD

| KPI | Actual | FY14 | Budget | Commentary | Status |
|---------------------------------|-----------------|-----------------|-----------------|---|---|
| Funded prizemoney | \$10.7m | \$10.3m | \$10.8m | For the period ending 31 October 2014. Includes Special Interest, Iconic races, Heritage races and Country Cup funding. |  |
| Average funded prizemoney | \$16,458 | \$14,814 | \$16,536 | For the period ending 31 October 2014. |  |
| Race meetings conducted | 82 | 88 | 81 | For FY15 to 2 November 2014 vs. FY14 & Budget YTD. Budget includes allowance for abandoned meetings. |  |
| Average field size | 10.53 | 10.39 | 10.67 | Average field size in NZ thoroughbred racing to 2 November 2014, against average field size FY14 and budget YTD. Ahead of last year, behind budget. |  |
| Races with less than 8 starters | 93 | 116 | 112 | For FY15 to 2 November 2014 vs. and FY14 and budget YTD. Ahead of both. |  |
| Total starts | 7,158 | 7,458 | 7,191 | Total starts made by thoroughbreds to 2 November 2014 compared to FY14 and budget YTD. Behind last year & budget. |  |
| Individual starters | 2,828 | 2,872 | 2,798 | Individual thoroughbred starters in NZ to 28 September 2014 compared to FY14 and budget YTD. Behind last season, but ahead of budget. |  |
| Domestic sales (FOB and Tote) | \$101.2m | \$99.7m | \$98.9m | Total NZ thoroughbred totalisator & FOB turnover to 2 November 2014 compared to FY14 and budget YTD. Ahead of last year and budget. |  |



Ahead or in line with FY15 Budget










Behind FY15 Budget, but ahead of FY14 or budget still achievable/too early to tell



Behind FY15 Budget and unlikely to meet target for full season.

FY15 Key Performance Indicators YTD (cont'd)

| KPI | Actual | FY14 | Budget | Commentary | Status |
|---|----------------|----------------|----------------|--|---|
| Domestic market share | 54.71% | 55.56% | 53.16% | For the period ending 31 October 2014. |  |
| NZRB distribution to NZTR | \$16.2m | \$16.8m | \$16.2m | For the period ending 31 October 2014. |  |
| International royalties | \$1.98m | \$1.96m | \$2.01m | For FY15 to 26 October 2014 vs. and FY14 and budget YTD. Ahead of last year, behind budget. |  |
| NZTR core op ex (excl. marketing) | \$1.0m | \$1.1m | \$1.0m | For the period ending 30 September 2014. |  |
| Females as % of individual starters | 48.23% | 48.15% | 49.37% | For FY15 to 2 November 2014 vs. and FY14 and budget YTD. Slightly ahead of last year, behind budget. |  |
| Races conducted at venues with 10+ mtgs p/a | 82.21% | 75.63% | 76.14% | For FY15 to 2 November 2014 vs. and FY14 and budget YTD. Ahead of budget and last year. |  |
| % of starts from strategic training tracks | 70.12% | 71.27% | 70.00% | For FY15 to 2 November 2014 vs. and FY14 and budget YTD. Behind last year, but ahead of budget. |  |



Ahead or in line with FY15 Budget



Behind FY15 Budget, but still achievable (or too early to tell)



Behind FY15 Budget and unlikely to meet target for full season.

Key Projects as at 1 November 2014

| Project | Commentary |
|---|---|
| Inter-code Distribution Model | <p>The three Codes have agreed over recent months the principles of a draft five-year Code Funding Distribution Model for 2016-2020 and a plan for agreeing and respectively ratifying a distribution model that would be introduced from 1 August 2015.</p> <p>This was progressed in a meeting at the end of October, when the Codes and NZRB executive confirmed the principles, along with a large part of the mechanics of a proposed model.</p> |
| International Agreement | <p>The International Agreements negotiating team comprising Barry Brown (NZRB Board Member), Stewart McRobie (Acting NZRB CE) and Greg Purcell (NZTR CE) had several meetings with Tabcorp.</p> <p>A number of issues remain unresolved and further meetings are planned over the coming months.</p> |
| NZTR FY16 Funding Policy | <p>NZTR is currently reviewing the FY16 Funding Policy. This will be presented for consultation at an initial meeting between NZTR and the five major clubs in Auckland on 10 December before broader consultation in January and February 2015. Feedback will be considered by the NZTR Board at its meeting in March 2015.</p> |
| NZTR 2015-17 Business Plan & 2014 NZTR Performance Report Available Online | <p>NZTR's Business Plan 2015-17 and 2014 NZTR Performance Report, which records NZTR's performance against the 44 Key Performance Indicators (KPIs) in the 2014-2016 NZTR Business Plan, are available on the NZTR website at http://www.nzracing.co.nz/NZTR/Resources/NZTR-Publications.aspx</p> <p>The Business Plan is required to be approved by the NZ Racing Board. This will be considered at the NZRB's November Board meeting.</p> |
| On-course Self Service Terminals | <p>A total of 25 self service terminals have been installed at Ellerslie, Te Rapa, New Plymouth, Awapuni & Trentham and Riccarton. The turnover and operational performance of these will be monitored in coming months with an initial assessment report provided at the February 2015 Board meeting.</p> <p>NZRB is building a new tote caravan in Hamilton currently and it has provision for SST's - if available from the Retail pool.</p> |

Key Projects as at 1 November 2014

| Project | Commentary |
|---|--|
| Five categories for Pearl Sponsorship Payments | <p>Clubs invoice NZTR for the sponsorship of the Pearl Series races based upon the below table:</p> <ul style="list-style-type: none"> \$1500 NZTR payment to Clubs conducting Pearl Series F&M races (\$25k+) at Premiers in 2014/15 \$1000 NZTR payment to Clubs conducting Pearl Series F&M races (\$25k+) at Feature in 2014/15 \$800 NZTR payment to Clubs conducting midweek Pearl Series F&M races between 1 November & 31 January 2014-15 \$400 NZTR payment to Clubs conducting midweek Pearl Series F&M races between 1 February & 31 October 2014-15 \$400 NZTR payment to Clubs conducting Pearl Series 2YO races |
| Counties RC | <p>A major track upgrade is scheduled to begin at the Counties Racing Club's Pukekohe Park track as soon as possible following the transfer of the Counties Cup to Avondale. Lateral drains at a 45 degree angle will be placed every five metres around the track and the track will be graded to make the surface even the whole way around.</p> <p>A new irrigation system will be installed and the work should be completed to allow sufficient autumn growth to consolidate the grass. NZTR has liaised with the NZRB and other northern clubs to reallocate the remaining seven meetings originally scheduled for Counties for the 2014/2015 Season.</p> |
| Nelson JC | <p>Nelson JC advised by letter that its Committee was thankful to NZTR for the time spent advising the relevant criteria that would need to be fulfilled if an application was to be successful, but has abandoned the application to obtain a race meeting licence.</p> |
| Taumarunui RC | <p>NZTR is working with the Taumarunui Racing Club on returning its licence to its traditional race day in late July. While NZTR can readily progress this for the 2015-16 calendar with the Northern Programming Committee, Whangarei Racing Club, Waikato Racing Club, Te Aroha Racing Club and the NZRB Dates Committee, more work is required before the 2015 date can be transferred. The race date changes were originally made to optimise track conditions in the Northern Region, primarily between Te Rapa and Ruakaka, and improve race programming.</p> |
| ANZ Classifications Committee | <p>The Australian Racing Board (ARB) has proposed that the Australia New Zealand Classifications Committee (ANZCC) will cease from 1 January 2015, when it will become the Australian Classifications Committee (ACC). Peter McGauran, CEO of the ARB, has stated that given the 595 Group and Listed races in Australia and a further 147 in New Zealand this represents a significant commitment and workload for the members of the Committee. NZTR is discussing this proposed separation with the ARB.</p> |

Key Projects as at 1 November 2014

| Project | Commentary |
|---|---|
| Industry Training | Consideration is being given by the Codes and NZ Equine Education Trust (NZEET) of future provision of off-job training. Specifically, the question is whether NZEET can be positioned to provide off-job training on a stand-alone basis or whether an alternate training provider could provide off-job training. |
| NZ Trainers' Association | 14 trainers have expressed interest in participating in the NZTR-sponsored Business Mentoring Programme. <i>Businessmentors</i> will be providing regular reporting and feedback to both the NZTA and NZTR. |
| NZ Jockeys' Association: Rider Medicals and Concussion Testing | <p>Full medicals are now required every two years, or annually if aged over 50 years. Almost all riders have completed their medicals. The majority of those still to be completed are either amateur riders (who won't be riding until next year) or riders that are currently overseas or injured.</p> <p>NZTR is working with the RIU in ensuring that both St John's and the RIU are fully aware of the procedures and protocols around assessment guidelines for head injuries together with an appropriate reporting system. The RIU has commenced baseline concussion testing of riders. This data will be stored by the RIU and used as a comparative measure when a jockey has been stood down with a head injury and is looking to resume riding.</p> |
| Head-to-Head Betting Review | <p>In light of the David Walker hearing (18 September) relating to charges of jockey betting and improper riding, NZTR sent a letter to NZRB on 5 September requesting that the Head-to-Head bet type be suspended for a period, within which time the NZRB, NZTR and the RIU would participate in a co-review of the bet type and associated Betting Rules.</p> <p>NZTR advocated for a requirement that at least one horse finish in the top six places. However, when the review was completed, and NZRB determined that the option would be unchanged, albeit for later time for opening of the bet.</p> |
| TAB APP | The TAB APP was released on 9 September. NZRB aims to update the APP with a full range of racing bet types early in 2015. Single leg bet types for Fixed Odds was launched on 7 November. |
| Sectional Timing | NZTR will provide a verbal update during the conference calls. |
| Starting Gates in North Island | NZTR will provide a verbal update during the conference calls. |

Key Projects as at 1 November 2014

| Project | Commentary |
|---|--|
| Studbook: IFHA Protected Names List – Provision for temporary protection | <p>With effect from January 1st, 2015, it will be possible for those countries in Part I of the International Cataloguing Standards Book to submit up to 5 names each calendar year for immediate, but temporary, protection.</p> <p>The system is designed to limit the risk of the names of internationally celebrated horses being duplicated between the time when they achieve their celebrity status and the time when their name becomes protected through the existing process. Each such name will be removed from the Internationally Protected List after two years, unless the name has, within that time, qualified for permanent protection.</p> |
| Equine Parentage and Animal Genetics Services Centre future ownership | <p>The Equine Parentage and Animal Genetics Services Centre (EPAGSC) at Massey University provides services to NZTR (and HRNZ) including DNA profiling for identification and parent verification, single gene testing, pathogen detection and blood typing.</p> <p>EPAGSC Director, Dr. Jenny Cahill is due to retire in December 2014. The University is seeking feedback from NZTR and HRNZ on how it is meeting operational needs; and on any concerns or queries the organisations may have.</p> |
| New Zealand Pattern Committee | <p>Two of the NZTR representatives on the New Zealand Pattern Committee have indicated that they will retire at the end of this year, namely Tom Jamison and Russell Warwick. The other current members are Chas Amon (Chairman), Jeff McCall (NZTR), Michael Martin, Mark Freeman and Andrew Stewart (NZTBA), and Andrew Seabrook (Auction House). NZTR is considering possible replacements for these two retirees.</p> |
| Thomas Russell Fundraising | <p>The total amount received by NZTR to date is \$92,152. There is approximately another \$60k of donations to be remitted to NZTR. This mainly comprises funds raised at the Central Districts Thoroughbred Awards night and at the Palmerston North Greyhounds fundraiser. Darryl Bradley is coordinating and we fully expect that these funds will be received.</p> <p>Regarding the future management of these funds, Mr Russell has agreed that the full amount of the money raised through the various fundraisers be deposited into a Trust account. Darrell Bradley has agreed to be one of the Trustees and Mr Russell has agreed to this. The second, and potentially third (likely to be a lawyer), Trustee have yet to be confirmed. NZTR is assisting with establishment of the Trust Deed.</p> |