Race Club and Key Stakeholders Monthly Report

No. 11

December 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	102	109	100	For FY15 to 23 November 2014 vs. FY14 & Budget YTD. Ahead of budget (includes allowance for abandoned mtgs)	
Average field size	10.70	10.58	10.58	Average field size in NZ thoroughbred racing to 23 November 2014, against average field size FY14 and budget YTD. Ahead of last year and budget.	
Races with less than 8 starters	110	132	128	For FY15 to 23 November 2014 vs. and FY14 and budget YTD. Ahead of both.	
Total starts	9,287	9,610	9,168	Total starts made by thoroughbreds to 23 November 2014 compared to FY14 and budget YTD. Behind last year but ahead of budget.	
Individual starters	3,262	3,280	3,196	Individual thoroughbred starters in NZ to 23 November 2014 compared to FY14 and budget YTD. Slightly behind last season, slightly ahead of budget.	
Domestic sales (FOB and Tote)	\$137.6m	\$134.1m	\$134.2	Total NZ thoroughbred totalisator & FOB turnover to 23 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	\$2.69m	\$2.64m	\$2.70m	For FY15 to 16 November 2014 vs. FY14 and budget YTD. Ahead of last year, slightly behind budget.	
NZTR core op ex (excl. marketing)	\$1.5m	\$1.6m	\$1.5m	For the period ending 31 October 2014.	
Females as % of individual starters	48.65%	48.78%	50.01%	For FY15 to 23 November 2014 vs. and FY14 and budget YTD. Behind last year & budget.	
Races conducted at venues with 10+ mtgs p/a	82.95%	77.09%	74.68%	For FY15 to 23 November 2014 vs. and FY14 and budget YTD. Ahead of budget and last year.	
% of starts from strategic training tracks	70.83%	71.52%	70.00%	For FY15 to 23 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.

Project	Commentary
FY16 Dates Calendar	The NZRB has circulated to Code bodies the first cut of the rollover calendar for FY16. Matt Hall and Tony Severinsen will make initial changes internally before meeting with Programming Chairs to iron out region specific issues that arise as a result of movement in the calendar itself. There is also a Jumps Review meeting on 5 December at which jumping dates will be considered. NZTR will then consult with the wider Racing Club Managers group in January prior to the release of the first draft of the calendar by the NZRB (also in January). At that point clubs will be asked for formal submissions on the draft and NZTR management will work through each submission with the club concerned, the NZRB, and other Code bodies if required.
Consultations with Clubs	NZTR will begin its round of meetings with clubs with a workshop with the CEOs of the major Clubs set down for 10 December to discuss: 1. Future International Broadcasting Rights 2. Potential NZRB/Code distribution model (from 1 August 2015) 3. NZTR 2015/16 Club Funding Policy 4. NZTR Strategy NZTR will then roll out further consultation with clubs.
Starting Gates	The NZTR Board has approved funding for an overhead starting gate solution which will include a combination of portable and permanently overhead starting gates in the North Island. The detail is still being worked through with the Starting Gate suppliers, NRDS, CSGC, NZTR and the clubs involved.
Avondale	Work continues with the Avondale J.C, NZTR and Turnberry Consulting in regard to the development of a transformational venue blueprint for Avondale. The principle is to rebuild the equine reputation (Owners and Trainers) of Avondale by creating one of the best places in NZ to run a horse and from this reputational base rebuild the on-course attendance base and customer experience.

Project	Commentary
Infrastructure Funding	 NZTR Grant and Loan Funding was approved for a number of infrastructure projects at the September and November NZTR Board Meetings: Pukekohe Park Course Proper Upgrade Project – Irrigation, Drainage and Renovation; New Home Turn Judicial Tower at Pukekohe Park; Turftech review of the mix and type of training tracks required at Cambridge Training Centre; Upgrade of the irrigation system at Ashburton; Fixed Plastic Running Rail for the inside trials track at Te Rapa; Moveable Plastic Running Rail for the course proper at Te Aroha, allowing the current steel rail to be moved to the proposed inside trials track at Te Aroha; Construction of an Alternate Home Bend at Awapuni.
Sectional Timing	Work continues with both Gravity and ISW to take their systems through a formal Proof of Concept phase.
Health & Safety Reform Bill Project	A project update presentation was given at the NZTR Racing Club Conference on 6 November 2014 and regular club circulars are also being sent out. It is important that all club staff and the club committee are kept up to date in relation to this project. The Health & Safety Reform Bill has been delayed and is now likely to come into law in late 2015.
Meeting with FinishLynx Operators and Judges	Stuart Duggan will be organising to meet with the various FinishLynx Operators and Judges to discuss integration of sectional timing, finishing margins, result automation and provision of the photo to Trackside. Stuart will keep the clubs up to date on the outcome of these meetings.
Weather Camera Project	A Weather Camera has been installed at Trentham and can be viewed at http://www.nzracing.co.nz/RaceInfo/WeatherTrentham.aspx or via the NZRacing Homepage. With Club approval it is planned to role out another two weather cameras at Ellerslie and Te Rapa.
Club Constitution	NZTR are working with Bell Gully to draft up a best practice industry standard club constitution. Club's will be able to use this standard constitution to adapt their own specific requirements knowing that they have meet all their legal obligations as an Incorporated Society.

Project	Commentary
Domestic Broadcasting	The NZRB continues to try to utilise Trackside 1 and 2 in a manner that maximises turnover. This includes the movement of the second half of the 3rd NZ Saturday meeting to Trackside 2 in order to highlight the top two meetings from New Zealand and top two from Australia. Based on a small sample of NZ thoroughbred races transferred to Trackside 2 on Saturdays (17 to date), turnover on these races is down 8.9% per race. However, turnover on the NZ meetings remaining on Trackside 1 on 3 meeting Saturdays is up 6.15% and Melbourne and Sydney races on these same days are up 12.15% per race.
	NZTR has also worked with the NZRB on Thursday and Friday timetables in order to create a flow of consistent thoroughbred product once Australian racing starts. There has been some feedback about the channel change halfway through a meeting, although the NZRB are providing more specific information on what races are run on which channels through their website, and the Sky Guide on the TV. Turnover per race on the NZ thoroughbred races transferred to Trackside 2 has not been negatively affected by the mid-meeting switch (up 2.5% per race for the four meetings in October) while Australian thoroughbred turnover on these days is up 18.7%.
	Some of the Australian turnover increases have to be seen in the context of an increase in international VIP activity, although unofficial advice from NZRB is that this is accounting for a maximum of 20% of the turnover increase, with the remainder being genuine growth from the use of channels and other initiatives.
	Next Thursday, December 4, we will commence broadcasting of NZ racing on Trackside 2 (TS2) at noon. This will allow coverage of all races from New Plymouth to be on TS2, rather than commencing on TS1 and switching to TS2 after Race 3. TS1 will commence broadcasting around 3:00pm with coverage of Australian Greyhounds and Harness before continuing into NZ's night Greyhounds and Harness.
	This change requires no timetable changes and continues the 'Thoroughbred Thursday on TS2' concept which has produced some very encouraging turnover results since introduced in early October while of course removing the need to change channels part way through the meeting.
	Similar channel changes will be made on Friday 12, Thursday 18 and Friday 19 December. Should these prove successful we will look to do this permanently on Thursdays and Fridays from Thursday 8 January.

Project	Commentary
Export of NZ thoroughbred races	Sky Australia have recommenced broadcasting selected NZ races on Sky 1 on a trial basis, after dropping all coverage of NZ racing from Sky 1 last season. For the first two weeks of November, 63 NZ thoroughbred races have been broadcasted on Sky 1. At the time of preparing this report, turnover results (with last year comparisons) were available for 35 of these races, with turnover per race up 31% on these specific races. Exchange rate is not a significant factor, currently running at a very similar level to 12 months ago. While this is still a small sample and the races were run during the biggest betting week of the year, the results are encouraging and hopefully result in the trial being extended. NZTR management will continue to monitor the export turnover for these races as they become available.
Australia New Zealand Classifications Committee (ANZCC)	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), citing the reason of over work for the Australian Domestic Handicappers. The Asian Racing Federation (ARF) Handicappers and WBRR (World's Best Racehorse Rankings) co-chairmen were both supportive of NZTR's position that the ANZCC continue to operate. Despite this support, the ARB have not altered their position that the ANZCC will cease prior to the end of this calendar year.
NZ Pattern Committee	Tom Jamison and Russell Warwick have now stepped down as NZTR representatives on the New Zealand Pattern Committee. The other current members are Chas Amon (Chair), Michael Martin, Mark Freeman and Andrew Stewart (NZTBA), Jeff McCall (NZTR) and Andrew Seabrook (Auction House Rep). In looking at possible replacements for Messrs Jamison and Warwick. Bruce Sherwin has accepted one of these seats and the other vacancy is currently being considered.
Staff Changes	Two vacant positions at NZTR due to Lucky Bryce and Simon Lang leaving NZTR have been filled by Karen Larsen who will be starting in the Finance Manager role on a six month contract from Monday 1 December 2014. This role picks up most of what Simon has been doing, including the overall management of the Finance area, other than what will be passed over to the new Financial Accountant position. Leigh Cooke will be starting in the new Financial Accountant role on a part time basis from 28 November, one day per week as part of the handover process with Simon, and then moving to a 30-hour a week role from 17 December.

Project	Commentary
International Stud Book Committee (ISBC)	NZ Vehicle Mare : NZTR's application for promotion of the broodmare GILFINALI to 'Vehicle Mare' status was approved. Her foals by thoroughbred stallions are now eligible for entry in the Stud Book. The ISBC Technical Advisor suggested NZ apply for promotion of all mares eligible for 'Vehicle Mare' status at the 2015 meeting. This is in advance of a planned review of the purpose and use of Non-Stud Book Registers.
	ISBC Website : Development work is underway for the new ISBC website. Each approved Stud Book will have a public facing "profile" page. The "members" area will be used by all Stud Books for data exchange, meeting papers, and training of staff from Emerging Stud Books. ISBC members are currently testing the first version of the website.
	Standard Setting at DNA Laboratories : All laboratories providing DNA parentage testing services to Approved Stud Books must attain Rank 1 status in the quality test carried out by the International Society of Animal Geneticists (ISAG). ISBC has established a methodology to address the issue of a laboratory failing to achieve this ranking. The EPAGSC laboratory at Massey holds this required accreditation. NZTR has stipulated that continued Rank 1 accreditation is a requirement in response to the signaled intention for change of ownership and operation of the laboratory.
IFHA Technical Advisory Committee (TAC)	Temporary Protection of Names : 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. 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.
	Horses Remounted During A Race: There was discussion around allowing horses to be remounted in a race, some countries allow this, others have introduced rules banning it. Feedback from veterinarians and medical professionals indicated that remounting should not be permitted. It was suggested that wording be added to Article 6C (Prohibited Practices) to ban the remounting of horses with the intention of continuing to race. The Horse Welfare Committee would be asked to propose this change, and pending approval TAC would discuss the exact wording at the 2015 meeting. NZTR amended its Rules on this last year.

Project	Commentary
IFHA Technical Advisory Committee (TAC) (continued)	Horses Under A Stand-down for Administration of Anabolic Steroids: It was recognised that a degree of rule harmonisation is required around the stand down periods for use of anabolic steroids for therapeutic reasons. Of concern is that a horse administered a steroid in a country that allows therapeutic use, may be banned for life in another country therefore stopping the horse travelling to certain countries for racing, breeding or sale. Each country was asked to submit their relevant rules for discussion at the next meeting. NZTR is currently finalising its draft Rule changes for industry consultation. Chemical Castration: France has developed a test to detect if a horse has been chemically castrated. The Horse Welfare Committee will consider if this practice should be banned, and if so an addition made to the International Agreement.
NZ Racing Laboratory / International Screening Limits	International Accreditation New Zealand (IANZ) confirmed NZRLS's ongoing accreditation and extended its scope to include 'Quantitative analysis by Mass Spectrometry techniques'. This accreditation allows NZRLS to develop and validate a quantitative test for a Screening Limit substance that could be used immediately (and reported with IANZ endorsement) without the need for external approval. As far as NZRLS is aware, it is the first racing laboratory in the world to attain this type of 'flexible scope' for quantitative methods. Subject to any amendments to the rules or regulations that may be required the equine codes can now introduce screening limits for certain therapeutic substances and the laboratory can support its findings with accurate measurements. The laboratory is currently able to police screening limits for the following substances: Diclofenac Flunixin Ketoprofen Naproxen Method development for further substances is ongoing, however Carprofen and Furosemide limits could also be adopted now as final validation for these could be quickly completed in the unlikely event of a positive finding. A timetable for implementing Screening Limits was presented in July. NZRLS believes this timetable is still broadly achievable if its request made to NZRB for additional equipment is approved in a timely manner.

Project	Commentary
Rider Welfare	Concussion Screening : NZTR has purchased 260 baseline credits and 40 'after injury' tests and passed to the RIU to begin baseline testing.
	Concussion Testing for Riders: St John's Ambulance (SJA) will be required to perform an assessment in line with their protocols and complete a form giving the rider clearance or Stewards will need to do the Modified Maddocks questionnaire and complete the form with the results of the Maddocks questions in it, and stating either '1st attempt (time:): passed (cleared to ride) / failed (required to sit second attempt on same day)' or '2nd attempt on same day (time:): passed (cleared to ride) / failed (required to get medical clearance and re-sit concussion test before resumes riding).'
	Clearance after Concussion : Results of all initial assessments have to be provided to NZTR Licencing for recording in the rider's records; results of all fails have to be advised to NZTR Medical Advisor; medical clearances (by the rider's doctor) have to be completed using head injury clearance form; and results of all clearances (medical and concussion test) have to be provided to NZTR Medical Advisor for final clearance.
	Stewards will conduct some training on why this is important, and how the testing process works. The testing forms and the medical clearances will be made available on the website so there is no misunderstanding about what is required.
	The NZTR IT system will alert NZTR and the RIU in the event a rider is declared to ride with an outstanding medical/concussion test clearance.
	Regular Health Checks for Riders : health checks will now be carried out biennially at licence renewal time except riders over 50 years of age who will be checked annually. Almost all required current rider health checks were completed by 31 October 2014 by individual riders' doctors following reminders and track notices distributed on 22 September 2014. Thee remainder are either injured, jumps riders or amateur riders.
	NZTR's Medical Adviser is checking these health reports as they are received by NZTR and querying as required.

Project	Commentary
Racing Safety Development Fund (RSDF)	A meeting of the RSDF working group took place on 20 November 2014, including a presentation by Stu Cashen regarding the potential implications of the pending changes to workplace Health & Safety legislation .The outcome of the various club applications will be published by the Minister's Office prior to Christmas.
Equalisator meetings	A project has been initiated which will consider the risks and liabilities imposed by the pending Health & Safety Reform Bill (due in 2015) on NZTR and NZRB as issuers of equalisator licences. The project will examine and report on what mitigation is required for each club so that they may continue to hold these meetings beyond the current season.
Biosecurity Government Industry Agreement	The Minister for Primary Industries has approved the mandate of the NZ Equine Heath Association, which provides NZEHA eligibility to sign the Government Industry Agreement (GIA) Deed. The GIA is an agreement between all primary industries and Government for management and cost-sharing in the event of a major disease incursion. Mandate was gazetted on 27 November 2014. NZEHA has proposed that the Deed be co-signed on the morning of the first day of Karaka yearling sales (26 January 2015). Full commitment for readiness and response measures and cost sharing will be committed to in future under separate operational agreements for each specific disease or pest.
NZTR FY15-17 Business Plan	The NZTR FY15-17 Business Plan was submitted to the NZRB Board and was approved on 24 November. This can be found on the NZTR website at http://www.nzracing.co.nz/NZTR/Resources/NZTR-Publications.aspx
Horse Welfare	NZTR and ESNZ (Equestrian Sports New Zealand) are unrolling the next stage in their joint welfare initiative TiES (Thoroughbreds in Equestrian Sports). ESNZ has established a database of equestrian sportsmen and women throughout New Zealand who are interested in receiving information on Thoroughbreds who have finished their racing careers and are looking for new homes/second careers. There are currently over 60 people from equestrian sports registered on this ESNZ database looking for ex-racehorses to re-home and provide second careers. Trainers and owners are asked, in the event they are looking to re-home a retired racehorse, to contact the relevant manager at ESNZ, Nicky McBride, with the horse's details, preferred contact, location of the horse and photos. Once these details are received they will be sent out to the group. Group members are asked to contact the Trainer/Owner
	directly for more information and possible viewing. Email Nicky McBride at nicky@nzequestrian.org.nz

Project	Commentary									
TAB APP	Sports App Stability / Performance: TAB Mobile App Sports version went live on 9 September, there have been environment stability issues and some concerns around performance during high profile events. Promotion of the Sports App is on hold while stability and performance concerns are being investigated and rectified. Peak load testing and various remedial actions are underway and it is anticipated that NZRB will again be promoting the Mobile App around mid-November 2014. Simple Racing Betting Option for Cup & Show Week: Racing Fixed Odds Betting (Win/Place FOB) was released for use in the App on Friday 7 November 2014. Racing 1 Status (Single Leg Bet Types): All ESB Services and Mobile App functionality for Racing 1 were developed by mid-September. Testing of these functions has continued through until the end of October, with the bulk of the testing and defect resolution is now completed. Some residual defect resolution and final regression testing will continue during the first week of November, in conjunction with performance testing. Any release of Racing 1 App will be subject to meeting all performance and stability acceptance criteria. Racing Release 1 continues to be managed within the agreed financial budget.									
Melbourne Cup	Strong betting turnove performances for mee		•			p Day and a	cross Cup	and Show	Week. Tu	ırnover
Show Week	4 November 2014 Melb. Cup Day Flemington Melb. Cup Day Domestic TH Melb. Cup Day Other Aust. The Melb. Cup Day NZ & AUST. Melb. Cup Day TOTAL Cup & Show Week New Zealand Metro T C Canterbury JC Canterbury JC Canterbury JC Total Canterbury JC	BD IHBD	Starters	% Var LY	Tote 12,520,561 4,716,077 870,911 884,731 18,992,280 Tote 5,051,394 1,948,552 1,942,190 4,074,830 7,965,573	% Var LY 15.3% (1.3%) 18.9% 6.5% 11.0% % Var LY 8.0% 8.1% (4.3%) 3.9% 2.9%	FOB 1,517,373 1,512,450 299,100 231,370 3,560,292 FOB 1,682,489 795,888 794,495 1,297,481 2,887,863	% Var LY 24.1% 31.8% 51.9% 53.6% 31.6% % Var LY 35.7% 17.8% 6.2% 37.0% 23.2%	Total T/O 14,037,934 6,228,527 1,170,010 1,116,101 22,552,572 Total T/O 6,733,883 2,744,440 2,736,685 5,372,311 10,853,436	% Var LY 16.3% 6.7% 27.3% 16.3% 14.2% % Var LY 14.9% 10.9% (1.2%) 11.9% 8.3%