

**Friday 12 April 2013**

### **From the Horse's Mouth**

Great to see the Sunday Star Times taking an interest in the new direction at NZTR. Also good to see message about how much money is 'leaking' out of New Zealand by people who bet off-shore on kiwi races. We want to raise awareness of this issue and reinforce the message that we need to stop offshore bookies making money off our horse's backs when they do nothing to support our industry or reinvest in it so that those who buy the horses, race them or train them can benefit.

The New Zealand Thoroughbred Breeders Association has reported a great response to the new 2013 New Zealand Bloodstock Insurance Pearl Series with 544 yearling fillies nominated by the early bird closure date of 31 March 2013. The 2013 Pearl Series is a scheme for fillies and mares offering bonuses of almost \$2.6 million and prizemoney of nearly \$2.8 million across 200 individual races for fillies and mares over three seasons. The 2013 Pearl Series is open to fillies which are of the 2011 crop (2012 yearlings). Entries to the series remain open until 31 July 2013 at a cost of \$920 (including GST).

Another project, going on as part of NZTR's business plan, is to develop thoroughbred racing as a brand. Interbrand has been engaged and they have begun an initial interview process with a number of stakeholders to get opinions and information. The purpose of this exercise is to broaden racing's appeal as a sport. I look forward to presenting the results later in the year.

### **NZ Racing Board - First-Half Profit Sets Stage for Strong Full-Year Return**

The New Zealand Racing Board has achieved a solid first-half profit of \$76.4 million (prior year \$72.6 million) and is on target to record a full-year result of \$142.5 million, as signalled in the revised Statement of Intent, for 2012/13.

Adjusted Net Profit, after excluding one-off costs of \$1.6 million, is \$78.0 million (including distributions from the New Zealand Racing Board's Class 4 gaming operations) – \$5.4 million, or 7%, ahead of the same period last year.

After also excluding the one-off benefit of the Rugby World Cup in 2011, net profit before one-off costs is 12% ahead of the same period last year.

Record total betting turnover of \$914.5 million for the six months to January 31 was up 10% on the same period last year, with Net Betting Revenue (turnover less dividends and taxation) up \$7.8 million.

Operating expenses, excluding those related to turnover and one-off cost items, were up \$3 million, or 5%, on the same period in 2011/12. One-off cost items comprised business transformation costs of \$1.6 million, including redundancy payments.

New Zealand Racing Board Deputy Chairman Alistair Ryan said the half-year profit result was pleasing, particularly in light of continuing economic challenges domestically and internationally.

"There's still uncertainty on many fronts, so this is a very solid result for the racing industry, achieved through a focus on implementing result-driven initiatives coupled with successful governance and management change.

"There have been one-off costs to reposition the business but this has been a critical investment as we work to deliver significantly enhanced and sustainable returns to the racing industry.

“Revenue results have been strong with a continued and concerted focus on reducing costs. The overall increase in expenditure is expected to decline in the second half.”

New Zealand Racing Board Chief Executive Chris Bayliss said that, with a new senior management team now settled and business unit realignments close to completion, the focus in the remainder of the year would be on continuing an upward earnings trajectory.

“Our primary focus in the first half was to properly set the foundations for success by getting our house in order. That meant making some difficult but vital decisions to ensure we have the culture and capability to drive change and sustained growth for the business and, ultimately, the racing industry.

“That drive to get the business fitter and faster is continuing in the second half, alongside the delivery of a clear, cohesive strategy for all aspects of the operation.

“Allied closely to this is the ongoing development of a strategic plan for the racing industry where stakeholders are engaged and participating with an understanding of the challenges, as well as respective roles and responsibilities.”

The New Zealand Racing Board has a series of new initiatives and products in development, while the second half of the year is expected to be positively influenced by a continuing focus on improving margin.

### Half-Year Summary (\$m)

Six-month period to January 31	2013	2012	Variance \$	Variance %
Turnover	914.5	832.0	82.5	9.9
Net Betting Revenue	128.3	120.5	7.8	6.5
Other Income	34.2	31.2	3.0	9.6
Total Income	162.5	151.7	10.8	7.1
Turnover-related Expenses	26.3	23.9	2.4	10.1
Operating Expenses	58.2	55.2	3.0	5.4
Total Expenses	84.5	79.1	5.4	6.8
<b>NET PROFIT</b>	<b>78.0</b>	<b>72.6</b>	<b>5.4</b>	<b>7.4</b>
One-off cost items	1.6	-	1.6	-
<b>NET PROFIT (after one-off costs)</b>	<b>76.4</b>	<b>72.6</b>	<b>3.8</b>	<b>5.2</b>

The full 2012/13 half-year financial statements can be found at <http://www.nzracingboard.co.nz/annual-reports.html>

### Apprentice Jockey Claims

The NZTR website is now showing apprentice rider claims for all races alongside the apprentices' current minimum riding weight.

The additional minimum riding weight information will provide increased transparency around the actual weight that the horse is expected to carry given at times some apprentices are not able to take full advantage of their claim.

The RIU Stipendiary Stewards will be closely monitoring the riding weights for all apprentices to ensure the information that is being provided is accurate. NZTR will be providing this additional data to the NZRB, with a view that this can be made available in the race field information they publish and distribute to various third parties.

### Waverley RC Tuesday 16 April Licence change

The Waverley Racing Club meeting on Tuesday 16 April has been abandoned. The licence has subsequently been transferred to the Wanganui Jockey Club.

The Waverley track has not yet recovered sufficiently from the drought like conditions that led to the abandonment of their 24 March meeting. The Waverley track is currently rated a Fast One with only 7mls of rain recorded in the past three weeks.

The Waverley Racing Club committee, in consultation with NZTR, has agreed that the meeting should be run at another venue.

As a result of this change the following distances will be run at Wanganui –

Rating 75 Benchmark Hcp	1600m not 1650m
Rating 65 Benchmark Hcp	1360m not 1400m
Maiden SW	2060m not 2200m
Maiden \$12,000 F&M SW	1600m not 1650m
Maiden SW	1360m not 1400m
Maiden SW	1200m n/c
Maiden 3YO SW	1360m not 1400m

Nominations for seven races programmed for this meeting will close 12 noon Friday with the National Racing Bureau. Withdrawals and rider declarations as published in the TRM are unchanged.

New Zealand Thoroughbred Racing, together with the NZ Trainers Association and the Central Regional Programming Committee acknowledge the support of the Wanganui Jockey Club committee to conduct this additional licence at short notice to ensure that the opportunity for those horses that were planning to race at Waverley was not lost to the industry.

The Wanganui track is currently a Dead 5 – the Club has been irrigating and there was 3mls of rain last weekend. The rail will be out 3m for Tuesday's meeting.

### **Stakeholders Meeting – Potential Resumption of Racing at Rangiora**

An open invitation is extended to all interested stakeholders to attend a meeting at Riccarton Park Racecourse on Friday 19 April 2013 at 1pm.

The purpose of the meeting, which is to be chaired by New Zealand Thoroughbred Racing ('NZTR'), is to discuss the Rangiora Racecourse and the potential resumption of a race meeting at that venue.

NZTR Chief Executive, Greg Purcell, will chair the meeting which will also be attended by NZTR Venue Inspector, Garry Foksett, and racecourse consultant and agronomist Jim Murphy of TurfTech.

The venue will be the Gloaming Room, Club Grandstand.

It is expected that the meeting will conclude by 3pm.

### **New Laboratory Boss for New Zealand Racing**

Rob Howitt has been appointed the New Zealand racing industry's top scientist, replacing the long-serving Geoff Beresford as Official Racing Analyst and General Manager of New Zealand Racing Laboratory Services (NZRLS).

Mr Howitt, previously NZRLS Quality Manager and Racing Analyst since May 2003, assumed his new role at the start of April.

NZRLS was established to conduct canine and equine drug and substance testing. Agreements were originally established with NZ Thoroughbred Racing, Harness Racing NZ and Greyhound Racing NZ, though these have been superseded by a contracted relationship with the NZ Racing Board on behalf of the Racing Codes.

Dr Beresford will remain with NZRLS as Technical Manager until March 2015 to ensure a smooth transition.

## **TRAC Racing Marketing and Event Management Assistant**

The TRAC Racing Group is seeking an enthusiastic individual to provide administration, logistical and event management support to the Marketing and Sponsorship Manager and Racing Club Office Managers at racing venues including Taupo, Rotorua, Tauranga, Te Aroha and Thames.

Based in the Bay of Plenty, this busy, role will have you involved in a variety of activities from dealing with racing club staff and committees, developing and implementing administration procedures to support the marketing and sponsorship function, raceday setup and event management, managing our sponsorship and hospitality clients and the on-going management and enhancement of our website.

The role will involve working on some Saturday's, Sunday's and Public Holiday's, depending on the make up of the racing calendar.

The ideal applicant will have:

- excellent communication skills;
- strong planning, prioritisation and co-ordination skills;
- the ability to build effective relationships with sponsors, hospitality clients, suppliers and other key contacts;
- excellent computer skills particularly with Microsoft products including Publisher and Excel;
- website management experience;
- Social Media management skills
- a tertiary marketing qualification and/or previous experience in an event management and/or marketing role;
- an understanding of the racing industry;
- Current drivers licence for a manual vehicle.

If you thrive on variety and challenge and work well in a close knit team environment we would like to hear from you. Applications close on Friday 26 April. To apply please send your application to:

Jen Evans  
TRAC Operations Manager  
P.O Box 3076  
Tauranga 3142

Email [jen@trac.co.nz](mailto:jen@trac.co.nz)

### **Egmont RC, Thursday 16 May – Additional Race, Maiden 3YO**

There will be an additional race carded at the Egmont RC race meeting on Thursday 16 May from what has previously appeared in the regional Programme Booklet & the April edition of the TRM.

The race is a Maiden 3YO over the distance of 1200m for a stake of \$7,000.

### **Canterbury Region Trials Dates**

Confirmed Trials Dates for April and May in the Canterbury Region are:

Tuesday 16 April	Motukarara
Wednesday 8 May	Rangiora

## Turnover Information for the Period ending 7 April 2013

Date	Club	On-Course		Off-Course		Fixed Odds		Starters	
								12-13	11-12
1/4	Auckland	77,620	33.7%	1,072,940	5.6%	442,632	37.5%	79	12.2%
3/4	Riverton (1)	16,250	82.5%	523,877	26.6%	180,283	38.4%	88	8.3%
4/4	Whakatane (2)	25,102	33.5%	459,509	36.1%	217,014	46.8%	59	7.8%
5/4	Otaki-Maori (3)	41,951	113.9%	707,413	49.6%	231,848	83.9%	111	35.4%
6/4	Canterbury	114,989	6.7%	1,148,964	8.1%	280,840	11.3%	112	7.7%
6/4	Te Aroha	198,681	8.1%	1,548,196	7.6%	478,370	1.6%	109	9.9%

- (1) Riverton RC; postponed to Wednesday from Easter Monday when the meeting was abandoned due to slippery track conditions; 10 races this year, compared to 9 races last year.
- (2) Whakatane RC; there were 8 races this year, compared to 7 races last year.
- (3) Otaki-Maori RC; there were 9 races this year, compared to 7 races last year.
- (4) Woodville-Pahiatua RC; scheduled for Wednesday 3 April, this meeting was abandoned due to unsuitably firm track conditions as a result of the drought conditions and inability to irrigate.

NZ Thoroughbred Summary	This Season, Year to Date	Last Season, Year to Date	Variance +/( )	Variance +%/(-%)
Races	2,098	2,159	(61)	(2.83%)
Starters	21,667	22,651	(984)	(4.34%)
Avg Field Size	10.33	10.49	(0.16)	(1.56%)
Off-Course Turnover	224,681,199	231,997,205	(7,316,006)	(3.15%)
On-Course Turnover	26,655,796	27,961,056	(1,305,260)	(4.67%)
Total Totalisator Turnover	251,336,995	259,958,261	(8,621,266)	(3.32%)
Fixed Odds	68,131,834	50,377,821	+17,754,013	+35.24%
Total NZ Thoroughbred Turnover	319,468,829	310,336,082	+9,132,747	+2.94%
NZ Thoroughbred Turnover per Race	152,273	143,741	+8,532	+5.94%
NZ Thoroughbred Turnover per Starter	14,744	13,701	+1,044	+7.62%
Total NZRB Racing Turnover	1,048,851,701	958,357,897	+90,493,803	+9.44%
Total NZRB Sports Turnover	162,906,845	161,081,473	+1,825,372	+1.13%
Total NZRB Turnover	1,211,758,546	1,119,439,371	+92,319,175	+8.25%

Note: NZRB supplied On-course Turnover total represents On-course turnover placed on NZ thoroughbred meetings from all on-course venues. 'Total' NZ Thoroughbred turnover figure includes Off-course (including Pick 6), On-course (NZRB figure as commented above) and all Fixed Odds Turnover. All Turnover figures are supplied by the NZRB.

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