RACING TO 2020

RACING VICTORIA’S VISION FOR THE VICTORIAN THOROUGHBRED RACING INDUSTRY
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Photography by Bruno Cannatelli - Ultimate Racing Photos, SDP Photos, The Slattery Media Group, Moonee Valley Racing Club, Melbourne Racing Club and The Hong Kong Jockey Club..
Open for Business

The Victorian thoroughbred racing industry is a major player in the global sports, entertainment and wagering market. It is also a key employer and contributor to the state’s economy.

*Racing To 2020* has been developed to address Victorian thoroughbred racing’s future and to ensure its continued vitality, growth and sustainability.

This exciting new strategic vision provides the platform and framework for industry development over the next twelve years. It is a clear statement of our current and future objectives.

Over the past decade, the landscape has changed dramatically for racing. Wagering on racing and sports is no longer the sole domain of the TABs and on-course bookmakers. Mobile telephones, the internet and competition policy have changed the racing environment forever. RVL perceives this as an opportunity to expand racing’s popularity and to enhance its position as a mainstream sport and entertainment experience of choice.

A sustainable future will be achieved by maintaining customer focus, maximising revenue, renovating and renewing racing’s infrastructure and increasing the returns to participants.

Our success will depend upon the industry working together to derive maximum benefit from our collective resources and assets. Some tough decisions will need to be made about the future of racing and training venues in order to create the best possible environment for customers, communities, racing professionals and racehorses. The increasingly competitive and deregulated wagering environment also demands that we think differently about the number and type of Victorian racing venues and the overall racing program.

We will present an exciting and attractive proposition for customers, stakeholders and participants in order to generate revenue and stimulate investment growth. We will also be more innovative and less protectionist. Only a racing industry that is ‘open for business’ and determined to forge new and improved partnerships with community, business and government will thrive and succeed over the long term.

Now is the time to lay the groundwork for the future of thoroughbred racing in Victoria.

MICHAEL DUFFY
Chairman

ROB HINES
Chief Executive Officer
Five Key Pillars

Our *Racing to 2020* vision is founded upon our core values and supported by 5 key pillars. RVL is committed to producing the following outcomes:

- **PRODUCT, BRAND & IP**: Creation of world leading racing product and assets
- **CUSTOMERS**: Market expansion through innovation and excellence
- **OUR PEOPLE**: Creation of world’s best racing industry environment
- **INFRASTRUCTURE**: Renewal & development of racing’s physical assets
- **SUSTAINABILITY**: Sustainable growth to benefit industry and community
RACING TO 2020

Product, Brand & IP

The Victorian Racing Product

WORLD’S MOST EXCITING RACING CALENDAR

RVL will work with Victorian racing clubs, industry stakeholders and racing professionals to produce the world’s most vibrant and attractive schedule of thoroughbred racing events. The annual racing calendar will include new national championship events, revitalised night racing, extreme speed events and super match racing. There is also the opportunity to stage Group One racing events at night.

INTERNATIONAL PARTICIPATION

RVL is committed to continued international participation in Victorian thoroughbred racing events throughout the year. This will be achieved by offering improved scheduling, strategic synchronisation with the international racing calendar and the provision of world standard quarantine and bio-security facilities and practices. Key Victorian Group 1 events will be developed for inclusion in a world “super league” of racing. RVL will also investigate the development of an international challenge series staged in Melbourne.

ADVANCED TECHNOLOGY PRODUCT DELIVERY

The rapidly changing environment demands a multi-channel approach, which will be supported by the employment of latest generation technology to produce and distribute vision, audio, data and wagering offerings. RVL will partner with government and business to develop and implement technologies capable of delivering a state of the art entertainment experience.

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AUSTRALIAN THOROUGHBRED GRAND PRIX

- Annual National Championship Series
- Finals staged in Melbourne during Summer/Autumn

AUSTRALIAN COUNTRY RACING CUP

- Annual National Championship Series
- ACRC Final staged in Autumn
- Country Courses to bid to host final
- Australia’s Richest Country Event

SUPER MATCH RACING

- Australian stars in head to head match races
- Australian champions vs. the world’s best
- Major promotional opportunity for Victorian Racing

NIGHT & EXTREME RACING

- Group 1 Racing staged at night
- Summer Saturday Night Racing & Entertainment
- Extreme Racing - super speed events over minimum distances
The Victorian Racing Brand

RVL will position thoroughbred racing as a mainstream sport and entertainment experience of choice, appealing to a broad local, national and global audience. This will be achieved through:

- The unified promotion of thoroughbred racing by RVL, Victoria’s racing clubs and industry partners
- Presenting the sport as exciting, accessible and compelling entertainment with wagering as a core element
- An emphasis on achieving broad international visibility for racing
- A renewed focus on the thoroughbred racehorse as racing’s cultural and sporting icon
- Promotion of jockeys as elite athletes and trainers as masters of their craft
- Expanded ownership and customer participation opportunities
- Greater presence and participation in Asian markets

The Future Jockey & Trainer

Victorian racing will present its jockeys as elite professional athletes and trainers as masters of their craft.

- Improved profile of Victoria’s top jockeys and trainers through media promotion, web presence and community participation
- Strategic promotion of jockeys with other Victorian and national sport stars
- Improved support for trainers through facilities, infrastructure and communications technology

The Future Horse

By promoting the thoroughbred racehorse as Victorian racing’s centrepiece, the industry will benefit from increased engagement with:

- Local, Australian & International Owners and Breeders
- Schools and students, through equine education programs
- General sports audiences
- Other equine sports and their participants (including pony clubs and eventing)

“Our success depends upon working together to derive maximum benefit from our industry’s resources and assets…”
Victorian Racing’s IP Assets

The Victorian industry will benefit from the unified management and capitalisation of racing’s collective intellectual property assets. The industry aims to:

- Expand the aggregation and commercialisation of racing’s media rights
- Expand opportunities for commercial licensing
- Establish commercial relationships with international wagering operators and content distributors
- Become a global leader in the production and delivery of racing vision, content and data
- Provide a single industry-owned commercial vehicle to manage and leverage racing’s wagering and IP assets

Expanding Markets

Australia’s time zone provides opportunities for the effective delivery and exchange of live Victorian thoroughbred racing in global markets, particularly Asia.

- Major markets including Japan, Singapore, Hong Kong, Malaysia, South Korea & Taiwan are within ~2 hours AEST
- Victoria’s racing calendar will ensure a constant supply of high quality product to the Asian market as well as benefiting from Asian racing product
- Victorian twilight and night racing meetings are particularly suited to integration with Asian and Sub-continent racing schedules

<table>
<thead>
<tr>
<th>NEW PRODUCTS</th>
<th>NEW MARKETS</th>
<th>NEW TECHNOLOGY</th>
</tr>
</thead>
<tbody>
<tr>
<td>- New &amp; innovative racing events&lt;br&gt;- Expanded opportunities for participation&lt;br&gt;- Events designed &amp; timed for international markets</td>
<td>- Broadened local customer base&lt;br&gt;- Expanded national &amp; international markets&lt;br&gt;- Participation in co-mingled international wagering pools</td>
<td>- Fully personalised mobile wagering services&lt;br&gt;- On demand delivery through multiple channels&lt;br&gt;- Full management &amp; leveraging of Victorian racing’s IP assets</td>
</tr>
</tbody>
</table>
Expectations

Victorian racing’s customers will expect:
- Victorian thoroughbred racing to be the global leader
- Victorian racing events to generate community benefit
- Instant access to global race data, wagering and content
- A total racing experience delivering exciting entertainment
- Competitive wagering products

Market Expansion

RVL is committed to expanding Victorian racing’s customer base by:
- Revitalising and developing innovative racing and wagering products
- Enhancing presentation of the sport
- Connecting with and contributing to the community
- Utilising latest generation technology to connect with new markets

Customer Profile

Victorian racing’s target customers will be drawn from a broad Australian & regional base including:
- Mainstream sports audiences and consumers
- Traditional and new generation punters
- Major events social racegoers
- Increased proportion of 18 - 35 year olds
- Increased proportion of women
- Domestic and international racing tourists
- Horse lovers and equine sports participants

“The 2020 customer will expect Victorian racing to be a world leader delivering a complete sports and entertainment experience…”
RVL will initiate and implement programs designed to generate maximum benefit for all Victorian industry stakeholders, participants and investors.

**OWNERS & BREEDERS**  
Increased benefits, returns and opportunities

**RACING PROFESSIONALS**  
Provision of world’s best facilities and services

**RACING CLUBS**  
A unified approach led by RVL

**COMMUNITY**  
Generation of economic benefit and social capital

**GOVERNMENT**  
Partnership programs and new infrastructure development

**BUSINESS**  
Partnerships to leverage and develop racing’s assets

**Owners & Breeders**

RVL will develop and lead programs designed to make Victoria the world’s best place to own and breed a racehorse.

- Improved offering of ownership benefits and privileges
- Commitment to increased returns and lower costs for breeders and owners
- Revitalised Breeders Incentive Scheme
- Enhanced on-course experience and hospitality
- Co-operative campaigns to create new export markets

**Racing Professionals**

RVL will invest in the development of thoroughbred racing as a ‘career of choice’ skills building business.

- Provision of complete career pathways and improved viability for professional participants
- Creation of new education and training opportunities in partnership with tertiary institutions
- Establishment of a world standard Victorian Racing Academy
- Maintenance of close working relationship with employee groups and unions
Racing Clubs
RVL will work with its constituent racing clubs to achieve a sustainable future for racing through:

- A tiered approach to training facilities and the racing program
- Facilitating the revitalisation of racecourses as multi-use community facilities
- Investing in infrastructure in appropriate locations to service industry and customer needs

Community Integration
RVL will implement new community programmes in partnership with government, community groups & business by:

- Developing and constructing new multi-use community facilities
- Creating jobs and opportunities through industry re-structure
- Developing and leading community programmes in metropolitan and regional areas

"Australia and the world’s leading breeders, owners, trainers and jockeys will see Victoria as a global centre of racing excellence offering unparalleled opportunity for success…"
RVL, in partnership with clubs, government and businesses, will support the development and renewal of infrastructure for enhanced industry, community and commercial benefit.

**WORLD LEADING METROPOLITAN RACING VENUES**

- Integrated entertainment, shopping, dining, residential and community facilities operating 7 days per week
- Partnerships with government and business to achieve highest standard of development
- Enhanced racing customer experience through the integration of latest technology
- New community sports, entertainment recreation facilities
- New green passive recreation areas
- New meeting, festival and exhibition spaces
- Racing industry education centres and academies
MAJOR TRAINING & RACING CENTRES

- State of the art training and racing facilities within 1 hour of Melbourne
- Incorporating industry training, education and skill centres
- Developed in partnership with government and commercial interests
- Incorporating research facilities and services for vets, farriers and suppliers

REGIONAL RACING & TRAINING CENTRES

- Key country racecourses to be re-developed in partnership with business, government and community
- Providing employment and new community resources for regional areas
- Racing, training and community facilities
- Drought-proofed and environmentally positive
- Developed on a scale matched to demand

COMMUNITY RACING CENTRES

- Country racing centres reflecting and complementing local tourism and heritage assets
- Incorporating multiple use community facilities where possible
- Shared use of portable infrastructure & customer facilities
- Developed on a scale matched to demand
Land Usage

RVL will work with clubs to provide for the proper auditing, management and redevelopment of Victorian racing’s racecourses and training facilities:

- Partner with business and government to re-develop racecourses for enhanced community use
- Partner with government to review and re-define Crown Land status of racecourse land
- Create opportunities for investment and alternative development

Safety & Environment

RVL will implement world leading environmental policy and safety practices:

**ENVIRONMENTALLY RESPONSIBLE RACING**

- Complete environmental audit of racing industry facilities
- Continued vigilance and maintenance of Victoria’s world’s best standards in bio-security and quarantining practices
- Drought-proof racecourses and expand the use of synthetic training & racing surfaces

**SAFER RACING**

The health and safety of our human and equine athletes and the integrity of our sport are our highest priorities.

- Ensure full implementation of industry safety policy and practices, across all sectors
- Enhance racing industry occupational health and safety program and rigorously police regulations
- Implement better industry safety practices through ongoing research and development
- Renew commitment to racehorse welfare

“We will lead the world in creating the best possible environment for customers, communities, racing professionals and racehorses…”
Sustainability

The industry’s revenue model will guarantee future sustainability and growth through:

- An open industry model that encourages investment and innovation rather than a culture of protectionism
- Streamlined administrations and structures of racing
- New and more effective partnership relationships
- Selling Victorian racing to the world
- Further development and leveraging of racing’s physical and IP assets
- Diversification of revenue sources to underpin and secure the industry’s future

“The Industry will benefit from expanded revenue streams flowing from strategic development and capitalisation of racing’s physical and IP assets…”
Our vision is founded upon the following core values:

- Customer focus
- Community contribution
- Industry leadership and best practice
- Corporate responsibility, integrity and transparency
- Environmental responsibility
- Commitment to people and horse welfare
- Promotion of a unified culture based on a shared vision to secure the industry’s long term value, vitality and sustainability

Implementing The Vision

- Implementation of the Racing to 2020 vision through strategic planning and industry action
- Quarterly progress review and industry updates

“The future of the industry will be shaped by our commitment to values of customer service, community responsibility and integrity...”
### The Racing Environment

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Race Meetings (Local)</td>
<td>566</td>
<td>580</td>
</tr>
<tr>
<td>Race Meetings (Interstate)</td>
<td>1500</td>
<td>1700</td>
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<tr>
<td>Race Meetings (International)</td>
<td>500</td>
<td>750</td>
</tr>
<tr>
<td>Races (Local)</td>
<td>4500</td>
<td>4600</td>
</tr>
<tr>
<td>Horses Racing (Victoria)</td>
<td>9350</td>
<td>9550</td>
</tr>
<tr>
<td>Horses Bred (Victoria)</td>
<td>4250</td>
<td>5850</td>
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### The Wagering Environment

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2020</th>
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</thead>
<tbody>
<tr>
<td>National Wagering Pool</td>
<td>12.85b</td>
<td>20.67b</td>
</tr>
<tr>
<td>National Wagering Pool (VIC Racing)</td>
<td>3.86b</td>
<td>6.82b</td>
</tr>
<tr>
<td>Victorian Domestic Pool</td>
<td>3.11b</td>
<td>5.00b</td>
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<tr>
<td>International Pool (Victorian Racing)</td>
<td>0.6b</td>
<td>3.75b</td>
</tr>
<tr>
<td>Victorian Pool (International Racing)</td>
<td>0.08b</td>
<td>0.75b</td>
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### Industry Participants

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breeders</td>
<td>2000</td>
<td>2100</td>
</tr>
<tr>
<td>Owners</td>
<td>35000</td>
<td>41100</td>
</tr>
<tr>
<td>Trainers (All)</td>
<td>1250</td>
<td>700</td>
</tr>
<tr>
<td>Trainers (50+ Racehorses)</td>
<td>24</td>
<td>52</td>
</tr>
<tr>
<td>Training Venues</td>
<td>39</td>
<td>16</td>
</tr>
<tr>
<td>Jockeys</td>
<td>296</td>
<td>275</td>
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### The Consumer

<table>
<thead>
<tr>
<th>THE CONSUMER</th>
<th>NOW</th>
<th>PROPORTION</th>
<th>2020</th>
<th>PROPORTION</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>MALE</td>
<td>459,000</td>
<td>54%</td>
<td>596,750</td>
<td>50%</td>
<td>+30%</td>
</tr>
<tr>
<td>FEMALE</td>
<td>391,000</td>
<td>46%</td>
<td>596,750</td>
<td>50%</td>
<td>+53%</td>
</tr>
<tr>
<td>15-17</td>
<td>22,900</td>
<td>3%</td>
<td>59,675</td>
<td>5%</td>
<td>+160%</td>
</tr>
<tr>
<td>18-24</td>
<td>334,900</td>
<td>39%</td>
<td>489,335</td>
<td>41%</td>
<td>+46%</td>
</tr>
<tr>
<td>35-44</td>
<td>173,400</td>
<td>20%</td>
<td>238,700</td>
<td>20%</td>
<td>+38%</td>
</tr>
<tr>
<td>45-54</td>
<td>141,950</td>
<td>17%</td>
<td>202,895</td>
<td>17%</td>
<td>+43%</td>
</tr>
<tr>
<td>55+</td>
<td>176,800</td>
<td>21%</td>
<td>202,895</td>
<td>17%</td>
<td>+15%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>850,000</td>
<td>100%</td>
<td>1,193,500</td>
<td>100%</td>
<td>+40%</td>
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### Live & Broadcast Audience

<table>
<thead>
<tr>
<th>LIVE &amp; BROADCAST AUDIENCE</th>
<th>2008</th>
<th>2020</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL ANNUAL ATTENDANCE</td>
<td>1,600,000</td>
<td>2,235,000</td>
<td>+40%</td>
</tr>
<tr>
<td>INTERESTED IN RACING</td>
<td>1,500,000</td>
<td>2,092,500</td>
<td>+40%</td>
</tr>
<tr>
<td>WATCH RACING ON TELEVISION</td>
<td>1,200,000</td>
<td>1,674,000</td>
<td>+40%</td>
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</table>

### Annual Attendance Frequency

<table>
<thead>
<tr>
<th>ANNUAL ATTENDANCE FREQUENCY</th>
<th>2008</th>
<th>2020</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 2 TIMES P.A.</td>
<td>598,400</td>
<td>745,938</td>
<td>+25%</td>
</tr>
<tr>
<td>3 - 5 TIMES P.A.</td>
<td>156,400</td>
<td>268,538</td>
<td>+72%</td>
</tr>
<tr>
<td>6 OR MORE TIMES P.A.</td>
<td>95,200</td>
<td>179,025</td>
<td>+88%</td>
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</table>

### The Racing Economy

<table>
<thead>
<tr>
<th>THE RACING ECONOMY</th>
<th>CURRENT</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>INDUSTRY INCOME - TOTAL</td>
<td>$404m</td>
<td>$750m</td>
</tr>
<tr>
<td>VICTORIAN EMPLOYMENT - FTE</td>
<td>24670</td>
<td>39500</td>
</tr>
<tr>
<td>VICTORIAN EMPLOYMENT - DIRECT</td>
<td>40015</td>
<td>64000</td>
</tr>
<tr>
<td>VICTORIAN ECONOMIC BENEFIT</td>
<td>$1952m</td>
<td>$3764m</td>
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**FOOTNOTE:** Racing Victoria advises that all projections herein are forward estimates only and are based on a wide range of variables and assumptions.