

Race Club and Key Stakeholders Monthly Report

April 2014



Key Performance Indicators YTD

KPI	Actual	FY13	Budget	Commentary	Status
Funded prizemoney	\$33.6m	\$33.3m	\$34.2m	For the period ending 23 March 2014. Includes Special Interest and Iconic funding.	
Average funded prizemoney	\$17,530	\$16,816	\$17,279	For the period ending 23 March 2014. Ahead of FY13 & budget (abandoned races with lower than average stake)	
Race meetings conducted	232	235	241	To 23 March 2014, against Business Plan (BP) 14-16 and Funding Model, applied YTD.	
Average field size	10.37	10.33	10.41	Average field size in NZ thoroughbred racing to 23 March 2014, against average field size in BP 14-16, applied YTD. Slight improvement on FY13, behind Budget	
Races with less than 8 starters	318	293	279	To 23 March 2014 v pro rata amount 23 March 2013 for Budget. Note only small positive change since comparison against Northern Region drought in Feb to Mar FY13 began.	
Total starts	19,865	20,462	20,521	Total starts made by thoroughbreds to 23 March 2014, against budgeted starts in Business Plan 14-16, applied YTD. Behind last year & budget.	
Individual starters	4,471	4,572	4,480	Individual thoroughbreds making starts to 23 March 2014, against budget in BP 14-16, applied YTD. Projected to decline on FY13, but not far from matching current budget.	
Domestic sales (FOB and Tote)	\$302.7m	\$306.1m	\$305.9m	Total domestic turnover to 23 March 2014, against budget in BP14-16, applied YTD. Turnover declining partly on decrease in races – per race turnover is actually up.	



On track or likely to achieve target



Still possible to achieve target but some risks to outlook



Low possibility of attaining FY14 target

Key Performance Indicators YTD (cont'd)

KPI	Actual	FY13	Budget	Commentary	Status
Domestic market share	55.08%	55.67%	55.43%	For the six months ending 31 January 2014	
NZRB distribution to NZTR	\$46.2m	\$44.7m	\$46.2m	For the seven months ending 28 February 2014 NZRB Distributions on budget.	
International royalties	\$5.22m	\$6.83m	\$6.05m	To 23 February 2014, against budget in BP14-16, applied YTD. Exchange rate and reduction in Sky 1 coverage.	
NZTR core op ex (excl. marketing)	\$3.5m	\$3.5m	\$3.4m	For the seven months ending 28 February 2014 Full Year forecast now slightly above budget.	
Females as % of individual starters	48.74%	48.45%	49.53%	Behind expected % of female individual starters as at 23 March 2014. However, improvement on FY13 season YTD.	
Races conducted at venues with 10+ mtgs p/a	68.53%	65.22%	69.02%	To 23 March 2014, % of races run at venues with 10+ meetings a year. Significant improvement on FY13 projected, slightly behind budget.	
% of starts from strategic training tracks	72.12%	70.92%	71.00%	To 23 March 2014 a higher number of horses trained at Strategic Training Centres have started compared to FY14 budget. Improvement on FY13 also projected.	



On track or likely to achieve target



Still possible to achieve target but some risks to outlook



Low possibility of attaining FY14 target

Key Projects as at 1 April 2014

Project	Commentary	Status
Race Club Partnership Programme	The RCPP team continue to engage with the initial eight clubs with the stake holder survey information currently being collated and reports prepared. Janice Hill's team has also engaged with Waikato, Hawkes Bay and RACE to start working up marketing and event plans for their major race meetings. Another round of venue inspections have also been organised for early April including, Motukarara, Ashburton, Oamaru, Waimate, Timaru, Rangiora, Riccarton, Awapuni, Otaki, Blenheim and Trentham. Once completed, Venue Inspections will have been completed for all the South Island tracks.	
Marketing	NZTM are currently in the process of developing a Marketing Strategy for New Zealand Thoroughbred Racing. This will act as the blueprint for industry marketing, with a managed, co-ordinated approach. We will work in with Janice Hill's on-course event management team, but will look to take the lead as Thoroughbred Racing seeks to have its own identity, separate from Harness and Greyhounds. Additionally, we have added Aidan Rodley to our NZ Racing Desk team, with the Waikato-based journalist working 2 days a week. NZTM have also advertised for a Web Administrator and Social Media Manager to add to the team, with a view of reducing the workload on other NZTR staff. Meanwhile Social Racing is undergoing an overhaul, with a new look website in the pipeworks and an offer that will require payment from prospective owners, albeit at an affordable, entry-level rate so as not to provide significant competition for authorised syndicators.	
NZRB upgrade of TV's on-course	The NZRB are planning to upgrade television sets at race tracks around the country to provide venues with the vision capability to broadcast both Trackside 1 & 2. NZRB representatives are currently scoping the venues with club management.	



Project on time/budget



Project on track but some elements requiring further development



Project requires urgent action to achieve targeted outcomes

Key Projects as at 1 April 2014

Project	Commentary	Status
2014-15 Race Dates	The Dates Committee met on 4 March 2014 to review Code submissions on the 2014/15 Racing Calendar and the 2014/15 Draft 1 Racing Calendar was distributed to Racing Clubs and Industry Organisations on 17 March for review and comment. This brought forward by a season the reduction in the number of Thoroughbred races, as signalled in the NZTR Strategic Plan. The Draft 1 2014/15 calendar enables this adjustment. Written submissions are required by the NZRB Dates Committee (and copied to NZTR) by 4pm on Thursday 17 April 2014. These must be sent to: Peter Lane, Industry Liaison Specialist, NZ Racing Board, P O Box 38899, WELLINGTON 5045 or peter.lane@nzracingboard.co.nz	
On-course Wi-Fi evaluation	A further trial was conducted over the Auckland Cup carnival using the Auckland R.C permanent Wi-Fi system. The results are currently being analysed. The NZRB is due to report back to the April CEO's Meeting.	
Self-Service Terminals	25 self service terminals have been ordered for use at Ellerslie (6), Te Rapa (4), New Plymouth (3), Awapuni (4), Trentham (4) and Riccarton (4). It is anticipated that delivery of the self-service terminals will be in August/September 2014.	
Sectional Timing System	Race day trial of the motion meters and the sectional timing data capture has been scheduled for Wednesday 19 March at Pukekohe.	
Starting Gates	Evaluation is continuing of a new caddy gate design and operation alongside the portable overhead gates currently in use around Otago and Southland. The northern and central starting gate management went down to Wyndham to check out the portable overhaed gates on Sunday 16 March.	



Project on time/budget



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Further Matters for Information

Vacant Seat On NZTR Board

The Members' Council meet on 31 March to interview a short list of 4 candidates from the applications for the vacant seat. It is the intention of the Council to announce the successful candidate shortly after these interviews.

Racing Safety Development Fund applications

Please remember the latest round of Racing Safety Development Fund applications close on 31 March 2014.

Changes to Legislation

Some relevant legislative changes are due to be enacted. NZTR will provide more detailed advice to stakeholders when legislative change is confirmed. These include:

1. Incorporated Societies Act: The Law Commission's recommendations were presented at last year's AGM/Racing Club Conference in November. The Government will be seeking public comment in 2015. NZTR, through the Racing Club Partnership Programme, will work with clubs to review their Constitution in due course.
2. Health and Safety Reform Bill: This will increase liability and penalties on individuals, including managers and Board or Committee members, failing to maintain safe work places for staff, contractors or public. It is intended this will be passed in 2014, with the new Act coming into force from 1 April 2015. Deadline for public submissions is 11 April 2014.
3. Animal Welfare Amendment Bill: This is still before the Primary Production Select Committee. MPI has completed the departmental report, which addresses the issues raised in submissions, and recommends some changes to the Bill in response. The departmental report was tabled at Select Committee on 13 February. Once the Select Committee has reported back to Parliament, the Bill will receive its second and third readings before being passed into law. The second and third readings will be dependent on other Parliamentary priorities, and the timing of this year's general election. Essentially this Bill will give government inspectors greater powers to impose on the spot fines (avoiding costly public prosecution procedures).
4. Building (Earthquake-prone Buildings) Amendment Bill: This is looking to introduce a revised system for managing the costs of strengthening or removing buildings which are earthquake-prone. There will be implications for clubs that have earthquake-prone Buildings. The deadline for public submissions on the Bill is 17 April 2014.

Matters for Information (cont'd)

Rule Amendments

NZTR is currently preparing a number of proposed amendments to the Rules of Racing which it will be distributing for industry consultation after the April NZTR Board meeting. Consultation has already taken place on some of these proposed Rule amendments and are being re-presented following industry feedback:

1. Rules 101, 104, 208, 307, 322,326, 801, 804 and the Fourth Appendix: Anabolic Steroids
2. Rules 104 and 407: Definitions and Registration of Horses
3. Rule 333: Ownership of Horses by Rider
4. Rule 406: Registration of Horses
5. Rule 526: Eligibility of Horses for Races
6. Rule 616: Notifiable Gear
7. Rule 652: Pregnant Mares
8. Rule 707: Betting by Riders

Equine Herpes Virus-1

This is probably the last EHV-1 update. The quarantine on the affected farm was lifted on 14 March. As part of the agreed protocols to lift the quarantine on the affected stud, the mares in the affected paddocks were tested to ensure that they were not actively shedding EHV-1 virus. All but one were negative. This mare was retested and laboratory at Wallaceville returned a negative result. The last clinical case was diagnosed on the 12 February, so it is now beyond the 28 day period used in several other countries as the recommended time that needs to elapse before quarantine is lifted. An investigator from IDC has been liaising closely with the stud's vet on this last step.

Outstanding steps for this response: The NZ Equine Health Association has invited the MPI Response Management Team to its meeting on 28 March in Wellington to go through 'lessons learned' and the NZEHA has submitted a follow-up surveillance proposal that seeks MPI funding contribution. MPI will consider this next week.

Matters for Information (cont'd)

www.nzracing.co.nz

Latest website analytics:

1. Visits: +3.62% (2,257,267 vs 2,178,330)
2. Unique Visitors: +8.21% (306,147 vs 282,910)
3. Pageviews: -18.26% (11,900,692 vs 14,558,798)
4. Pages / Visit: -21.12% (5.27 vs 6.68)
5. Avg. Visit Duration: -6.27% (6min 32secs vs 6mins 58secs)
6. % New Visits: +4.73% (12.09% vs 11.54%)

We are up on visits and visitors. 'Visits' is the key measurement and our KPI. Page Views and Page Visits are down significantly, but this is due to the new navigation. Visitors are finding the information they require without the need to visit each individual race page. Again time on site is down slightly as visitors are finding what they are looking for more quickly. Of note, a lot of additional traffic coming from UK/USA/China.

Proposal for a Code of Welfare to cover the use of animals in public display, exhibition and entertainment

NZTR has received from the Chairman of the Animal Behaviour and Welfare Consultative Committee (ABWCC) a *Proposal for a Code of Welfare to cover the use of animals in public display, exhibition and entertainment* to cover: rodeos, circuses, zoos, captive wild and domestic animals in nature and farm parks, kennel club and cat fancy activities, school pet days, equestrian events, racing, harness racing and dog racing, animals used in movies/TV/advertising, dog trials and agility, A&P shows, and any animal use that involves an entry fee. This would potentially duplicate a wide range of existing codes (there are 16 Codes of Welfare including: circuses, rodeos, zoos, dogs, companion cats, and various primary industry animal codes) but also, in covering such a diverse range of activities, be unwieldy and potentially contradictory to existing codes. The NZ Equine Health Association submitted the revised (from 1993) Animal Welfare (Horses and Donkeys) Code of Welfare on 31 January 2011. It is currently with the Minister with anticipated adoption (via Policy Dept at MPI) within a few months. It contains all the elements that would be included in a Consolidated Code: feeding, shelter and housing, opportunity to display normal patterns of behavior, physical handling and provision of protection from fear and distress, and health. NZTR will be challenging the need for such a consolidated code.