



THOROUGHBRED RACING SA

STRATEGIC PLAN 2013-2016

October 2013

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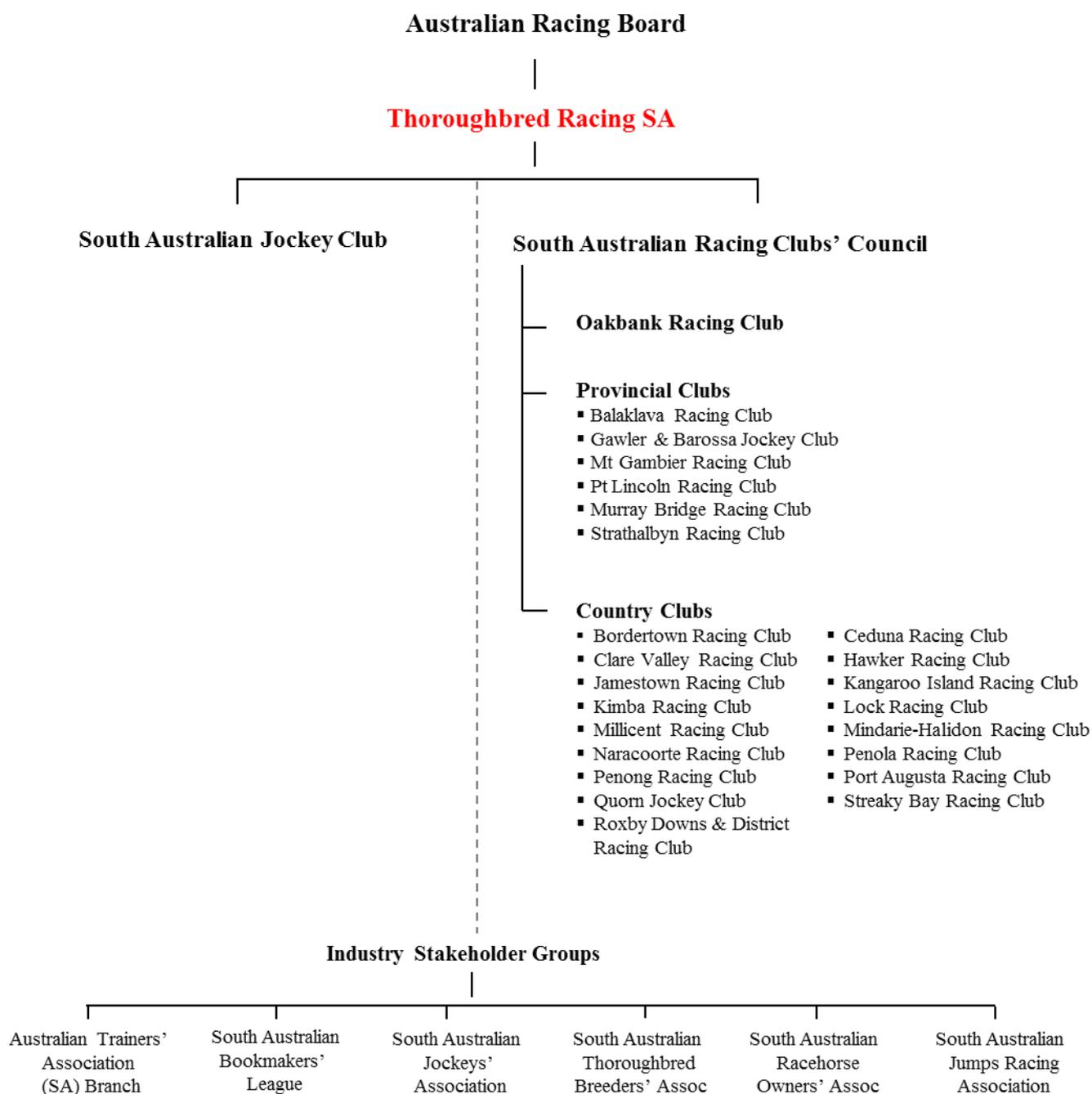
Vision 2016

A vibrant and sustainable thoroughbred racing industry in South Australia contributing to the economic and social fabric of South Australia's lifestyle.

Our Purpose

As the controlling body, provide independent leadership to the thoroughbred racing industry, with an over-riding responsibility to secure its long term financial viability and build a positive public image of thoroughbred racing in South Australia.

SA Thoroughbred Racing Industry Structure



Objectives of Thoroughbred Racing SA Board 2013-2016

Thoroughbred Racing SA, as the independent controlling body for thoroughbred racing in South Australia, will:

1. Maintain high levels of integrity and lead the industry to ensure the long term viability of the thoroughbred racing industry.
2. Lead the industry in a financially responsible manner to ensure the long term financial viability of the thoroughbred racing industry.
3. Develop and execute communications strategies to build and promote a positive public image of the thoroughbred racing industry in South Australia.
4. Increase prize money to encourage horse ownership in thoroughbred racing in South Australia whilst maintaining the over-riding objective of the long term financial sustainability of the industry.
5. Ensure the highest standard of governance, management and compliance across the thoroughbred racing industry in South Australia.
6. Improve the infrastructure and facilities supporting the industry consistent with industry and community standards whilst maintaining the over-riding objective of the long term financial sustainability of the industry.
7. Refine and develop marketing strategies to attract and grow consumers' engagement with thoroughbred racing in South Australia.

Strategies 2013-2016

Objective 1

Maintain high levels of integrity and lead the industry to ensure the long term viability of the thoroughbred racing industry.

Context

Thoroughbred Racing SA operates in a complex stakeholder environment. Its two shareholders are the South Australian Jockey Club and the South Australian Racing Clubs' Council (representing all clubs other than the South Australian Jockey Club). Thoroughbred Racing SA must consider the interests of a wide range of stakeholder groups including owners, trainers, breeders, jockeys and bookmakers. In that context, Thoroughbred Racing SA must be independent in its role as the controlling body for thoroughbred racing in South Australia. The Board's aim is to ensure the long term viability of thoroughbred racing in South Australia, with the highest levels of integrity. It intends doing so by creating a culture of open and transparent decision making.

Strategies

1. Develop strategic and operational plans for Thoroughbred Racing SA.
2. Align the performance targets between Clubs (on- course activities) and Thoroughbred Racing SA (off- course) to build a more cohesive

industry.

3. Provide the appropriate level of people, skills and resources, to ensure the highest levels of integrity are maintained in racing and in out of competition testing.
4. Develop education courses, opportunities and qualifications, for those entering the racing industry.

Measures of Success

- Thoroughbred Racing SA is recognised and respected across the industry.
- Although it has made difficult decisions that have not always been popular, it is respected for its sound leadership, with an open and transparent decision making process.
- Thoroughbred racing in South Australia is considered to have the highest levels of integrity achievable, and controls in place, to maintain participants' and public confidence in racing.
- Thoroughbred Racing SA and Clubs are in agreement as to the future direction of the industry in South Australia.

Strategies 2013-2016

Objective 2

Lead the industry in a financially responsible manner to ensure the long term financial viability of the thoroughbred racing industry.

Context

Thoroughbred Racing SA operates in a challenging environment in seeking to maintain the financial viability of the thoroughbred racing industry. Recent years have been marked by unforeseen events that have significantly impacted revenues including; the loss of a professional punter group, disputes in relation to broadcast rights, and equine influenza. In addition, changing consumer wagering behaviour is challenging traditional wagering revenue streams, threatening Thoroughbred Racing SA revenue, club profitability and returns to participants.

Nonetheless, Thoroughbred Racing SA has achieved strong financial results over the past three years, growing revenue and increasing prize money. However, to maintain its position and achieve growth Thoroughbred Racing SA will need to grow its existing revenue streams and create new revenue sources.

Strategies

1. Ensure reserves of Thoroughbred Racing SA are adequate to deliver the aims of the “strategic plan”.
2. Grants and loans provided to Clubs from Thoroughbred Racing SA are on a commercial basis.
3. Thoroughbred Racing SA to review all Clubs’ annual budgets prior to the commencement of their next financial year.

4. Strengthen Clubs’ financial reporting through the provision of centralised accounting/book keeping services.
5. Continue to monitor the ongoing financial positions of all Clubs.
6. Increase public awareness of the employment opportunities, and career paths available, within the thoroughbred racing industry.
7. Formulate a plan for sustainable jumps racing in South Australia.
8. Investigate opportunities for the development of new revenue streams.

Measures of Success

- Financial reporting is comprehensive and reliable.
- Clubs are financially healthy and stable.
- Growth achieved in income from off-course wagering.
- Growth achieved in investment in the industry from existing and new industry participants.
- Retention of those already employed in the thoroughbred racing industry in South Australia.
- Careers in the racing industry are seen as a viable employment option by a growing number of school leavers.

Strategies 2013-2016

Objective 3

Develop and execute communication strategies to build and promote a positive public image of the thoroughbred racing industry in South Australia.

Context

Through an increased focus on communication Thoroughbred Racing SA has made strong progress in increasing its profile over the past three years. In particular, the 2013 IER Report on the Economic, Social and Community Benefits of the South Australian Racing Industry highlighted that the racing industry is a major contributor to the state across a wide range of areas.

Now, and in the future, the task will be to increase further, Thoroughbred Racing SA's profile as the independent controlling body for thoroughbred racing in South Australia. This will require stronger public relations activities focused on promoting industry-building initiatives. It will also require stronger and targeted relationships and communication with the full range of stakeholders as well as the media and the government. As a state election is due in March 2014, relationships with the government and opposition are especially critical at this time.

Strategies

1. Develop, fund and commence a communication strategy that will convey to industry stakeholders and the public, the role and objectives of Thoroughbred Racing SA and keep them informed on a regular basis.
2. Thoroughbred Racing SA to pursue a vigorous and proactive communication strategy across all target audiences, actively promoting thoroughbred racing.

3. Maintain a close relationship with the State Government and political parties.
4. Thoroughbred Racing SA to collaborate with State Government, local councils and agencies to maximize opportunities for growth and prosperity which will benefit local communities.
5. Commission and communicate outcomes of relevant research into the racing industry and its contribution to South Australia.
6. Communicate the contents of Thoroughbred Racing SA's annual strategy review to shareholders and stakeholders.

Measures of Success

- Government provides financial support for relevant infrastructure projects that assist racing Clubs and their local/regional communities.
- Better understanding by our shareholders and industry stakeholders, of Thoroughbred Racing SA's objectives and operations, reinforcing Thoroughbred Racing SA's position as the governing body.
- A more positive public perception of racing and its importance and relevance to local communities and to South Australia as a whole.
- Retention of those already employed in the thoroughbred racing industry in South Australia.

Strategies 2013-2016

Objective 4

Increase prize money to encourage horse ownership in thoroughbred racing in South Australia whilst maintaining the over-riding objective of the long term financial sustainability of the industry.

Context

Prize money has increased 61% over the past seven years from \$18.4M in 2006-07 to \$29.6M in 2013-14. This is significant as prior to 2006-07 there had been minimal increase in prize money since 1998.

However, Thoroughbred Racing SA's ability to provide further prize money increases has been limited by uncertainty regarding changing revenue streams and the need to provide assistance to clubs as they face increasing operational costs in providing appropriate training and racing facilities.

Maintaining and increasing prize money is necessary to enable the South Australian thoroughbred industry to compete with other racing jurisdictions.

Strategies

1. Thoroughbred Racing SA to maximise revenues in order to provide maximum levels of sustainable prizemoney.
2. Establish and maintain an appropriate prizemoney strategy across all levels of racing

(Metropolitan, Provincial, Country and Country non TAB).

3. Improve recognition of, and provide rewards associated with, thoroughbred horse ownership.
4. Increase prizemoney season on season.
5. Increase horse ownership (racing and breeding) to expand the racing industry's employment opportunities.
6. Increase the number of starters and increase the number of South Australian owners.

Measures of Success

- Prizemoney increased by 10% over 3 years.
- The number of horse owners increased by 10% in 3 years.
- Implementation of an Owners' card.
- Confidence among racing industry stakeholders, that prizemoney levels are sustainable, with potential for growth.

Strategies 2013-2016

Objective 5

Ensure the highest standard of governance, management and compliance across the thoroughbred racing industry in South Australia.

Context

While Thoroughbred Racing SA has led improvements in governance across the industry, this focus must be maintained. Club personnel changes over time require a continued emphasis on compliance and governance, while increasing regulatory requirements (especially in WH&S) place an obligation on Thoroughbred Racing SA and Clubs to improve their performance.

Thoroughbred Racing SA must continue the strong work it has already undertaken to improve the financial reporting, preparation and assistance provided to Clubs. It will continue to provide assistance to Clubs with industry procurement matters.

Strategies

1. Thoroughbred Racing SA review performance against its Strategic Plan annually.
2. Ensure consistent standards of Club governance are maintained across all Clubs.

3. Thoroughbred Racing SA to require all Clubs to forward their annual budget prior to the commencement of their next financial year.
4. Work with Clubs to develop their club plans incorporating long term forecasts.
5. Work with Clubs to ensure WH&S compliance.
6. Continue to provide procurement support to Clubs.

Measures of Success

- Governance standards across all Clubs are, and are seen to be, appropriate.
- Clubs respond positively to the assistance provided to them by Thoroughbred Racing SA.
- Facilities are developed to meet current WH&S standards.
- No material WH&S breaches by Clubs.
- Procurement savings are achieved.

Strategies 2013-2016

Objective 6

Improve the infrastructure and facilities supporting the industry, consistent with industry and community standards whilst maintaining the over-riding objective of the long term financial sustainability of the industry.

Context

The standard of racing infrastructure supporting the industry in South Australia is in some areas below participant expectations and industry standards. The standard of facilities for patrons in some areas are below community expectations, exacerbated by the opening of competing sporting and entertainment venues with modern facilities.

Strategies

1. Conduct an audit of the thoroughbred racing industry infrastructure and capital development requirements.
2. Develop and cost an infrastructure development plan for the industry, consistent with the outcomes of the audit.
3. Work to ensure the provision of appropriate thoroughbred training facilities across South Australia.
4. Upgrade on-course facilities in line with consumer expectations.

5. Continue to assess and review the “racing surface” at all racecourses.
6. Seek the SA TAB’s support in developing enhancements to on- and off-course wagering facilities.

Measures of Success

- An upgrade strategy and programme timetable for racing and training infrastructure has been decided and clearly enunciated.
- A prioritised funding program for infrastructure improvements is providing new and improved facilities at Clubs.
- After a full review, successful implementation of identified required improvements at racecourses.
- Government financial support for relevant infrastructure projects that assist racing Clubs and their local/regional communities.

Strategies 2013-2016

Objective 7

Refine and develop marketing strategies to attract and grow consumers' engagement with thoroughbred racing in South Australia.

Context

Given finite resources it is important for Thoroughbred Racing SA to maximise return on marketing investment on behalf of the industry.

Over the past three years Thoroughbred Racing SA has successfully built "The Races SA" brand.

Thoroughbred Racing SA has recently commissioned a Brand Health Study as it seeks to continue to improve and activate "The Races" brand across all clubs in South Australia.

Ongoing development of Industry sponsored programs to support Clubs and assist in increasing attendance at key events is vital. These include: Fashion at The Races, Stable Stars Kids Club and Eden.

Thoroughbred racing operates in a highly competitive entertainment and sporting market and must continue to drive awareness of, and engagement with, the industry's brand to its target market.

Strategies

1. Develop marketing campaigns that engage the consumer and support key events.
2. Ensure all Clubs develop an understanding of the function, purpose, and benefits of marketing The Races brand within South Australia, and ensure the brand is being consistently implemented and used in accordance with the style guide.

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3. Continue to target and develop strategies to attract under 35's age group and grow overall race attendance.
4. Support the SA TAB with the expansion of available products for customers, in line with interstate tote operators and wagering providers.
5. Build the image, and increase the number of, 'high quality entertainment racing events' in South Australia.
6. Continue to foster strategic alliances with selected key external agencies and businesses that have the potential to add value to "The Races" in the short and long term.

Measures of Success

- The needs of all major consumers of the thoroughbred racing industry are well understood and strategies implemented are resulting in increases in revenue from all major consumer groups.
- Higher percentage of population regularly betting on thoroughbred racing and attending race meetings, and expanded TAB off-course betting through all channels (agencies/phone/internet).
- Increased attendance figures at thoroughbred racing key events, specifically by the under 35 audience. Quantified with market research on an annual basis.