



THOROUGHBRED RACING SOUTH AUSTRALIA

THOROUGHBRED RACING SA

STRATEGIC PLAN

2009-2012

December 2009



THOROUGHBRED RACING SA

STRATEGIC PLAN 2009-2012

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THOROUGHBRED RACING SA

Message from the Chairman

It is my pleasure to present the Thoroughbred Racing SA Strategic Plan 2009-2012.

As you will read in the following pages, Thoroughbred Racing Board has arrived at a comprehensive strategy that underlines our ongoing commitment to a vibrant and sustainable thoroughbred racing industry in South Australia.

There are eight main objectives, all of which are outlined on page 4.

These objectives only tell part of the story.

A great deal of thought has gone into understanding the background behind each individual issue. Each strategic objective has been framed in context to ensure every action or initiative is directly linked to a real issue.

The Board believes this is a crucial point, as the thoroughbred industry is not a business that can be managed or grown simply on the basis of focusing on financial figures. Rather, it is an industry upon which thousands of South Australians rely for their livelihoods.

Furthermore, we have set key measurements to assess the ongoing success or otherwise of our efforts and we have also made a commitment to revisit our strategies annually.

I trust you find the following document clearly outlines the objectives of the Board and the work being undertaken by Thoroughbred Racing South Australia.

Put simply, we are building a better industry.



Philip Bentley
Chairman



THOROUGHBRED RACING SA

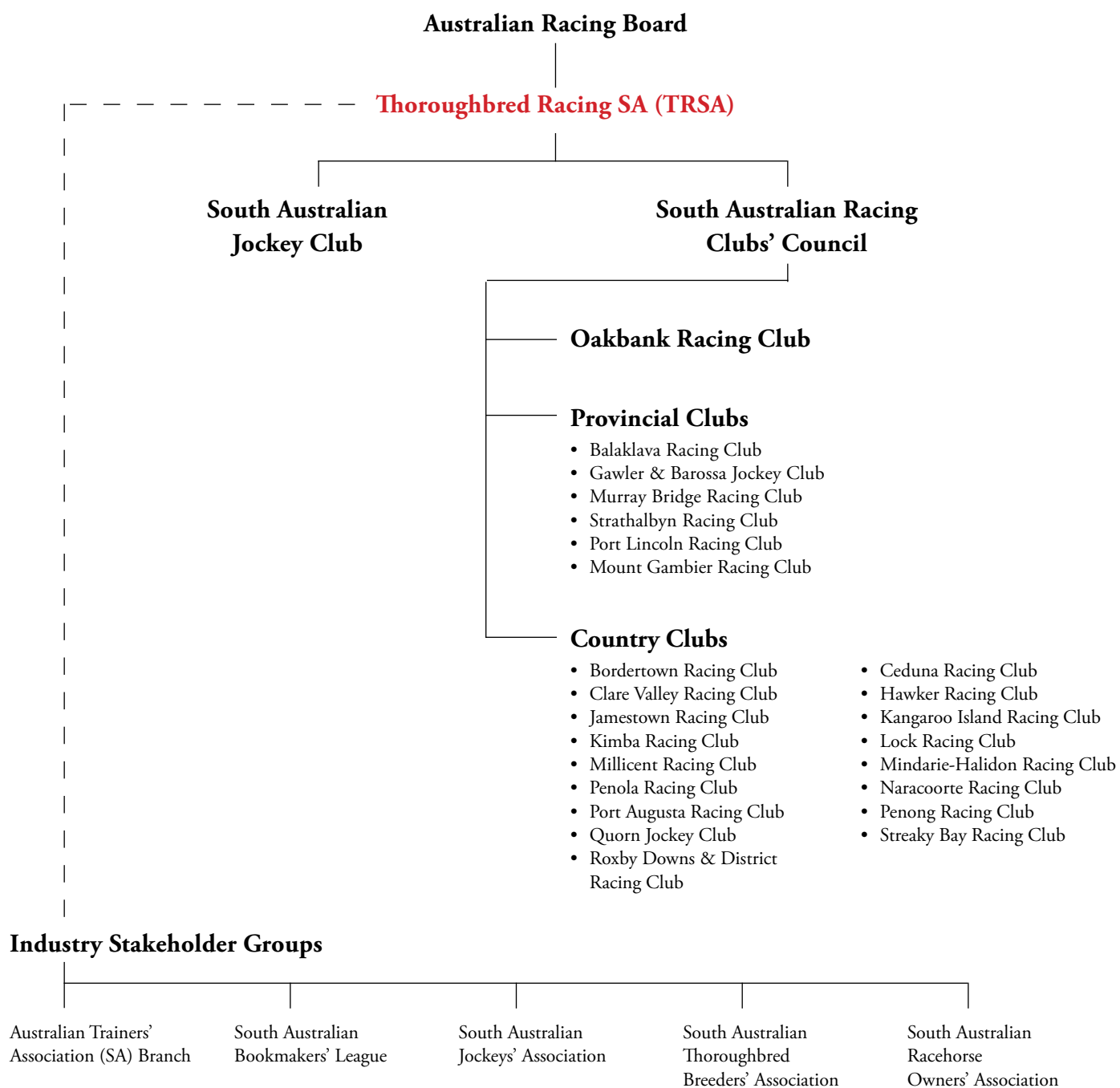
Vision 2012

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

Our Purpose

To secure the long term financial viability of the thoroughbred racing industry in South Australia.

SA Thoroughbred Racing Industry Structure



Objectives of Thoroughbred Racing SA Board 2009 - 2012

1. Thoroughbred Racing SA, as the controlling body for thoroughbred racing in South Australia, will lead the industry in a transparent and financially responsible manner.
2. Improve the standard of governance and management across the thoroughbred racing industry in South Australia.
3. Improve the infrastructure and facilities supporting the industry consistent with industry and community standards.
4. Increase the focus on the consumer across the thoroughbred racing industry in South Australia.
5. Maintain an optimistic, collaborative and successful thoroughbred racing industry in South Australia.
6. Manage and build a positive public image of the thoroughbred racing industry in South Australia.
7. Increase prizemoney to encourage horse ownership in thoroughbred racing in South Australia.
8. Increase opportunities for rewarding careers in the thoroughbred racing industry in South Australia.

Strategies 2009 - 2012

Objective 1

Thoroughbred Racing SA, as the controlling body for thoroughbred racing in South Australia, will lead the industry in a transparent and financially responsible manner.

Context

The Board has determined that the thoroughbred racing industry in South Australia requires stronger leadership with regard to financial management.

The Board wishes to create a culture of open and transparent decision making and full disclosure of accounts across clubs and Thoroughbred Racing SA.

The Board considers that to ensure a successful racing industry, the highest levels of integrity in the administration of racing must be achieved.

Strategies

1. Develop strategies and plans for Thoroughbred Racing SA.
2. Grants and loans to clubs from Thoroughbred Racing SA to be placed on a commercial basis.
3. Conduct a full financial and operational health check of all clubs.
4. Develop, fund and commence a communication strategy that will communicate the role of Thoroughbred Racing SA and keep interested parties informed on a regular basis.
5. Ensure reserves of Thoroughbred Racing SA are adequate to deliver “strategic plan”.

6. Maintain highest levels of corporate governance.
7. Provide the appropriate level of people, skills and resources, to ensure the highest levels of integrity are maintained in:
 - racing
 - racedays
 - out of competition testing etc.

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.

Strategies 2009 - 2012

Objective 2

Improve the standard of governance and management across the thoroughbred racing industry in South Australia.

Context

The thoroughbred racing clubs in South Australia are the heart and soul of the industry.

However, governance standards are variable and in some cases require significant improvement.

Strategies

1. Establish and implement consistent standards of club governance across all clubs.
2. Produce and provide to clubs, a “best practice” guide to required club and corporate governance.
3. All clubs to forward to Thoroughbred Racing SA, their annual budget by June 30 each year.
4. Collaborate with clubs to develop plans and long term forecasts.
5. Thoroughbred Racing SA update Strategic Plan by March each year and communicate contents to shareholders and stakeholders.

Measures of Success

- Governance standards across all clubs are, and are seen to be, appropriate.
- Financial reporting is comprehensive and reliable.
- Clubs respond positively to the assistance provided to them by Thoroughbred Racing SA.
- Clubs are financially healthy and stable.

Objective 3

Improve the infrastructure and facilities supporting the industry consistent with industry and community standards.

Context

The standard of infrastructure supporting the industry in South Australia is reported to be below community expectations and industry standards. The extent of this problem is not known and no plan is in place to address this matter on an industry wide level.

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 plans for the restructuring of the industry.
3. Review the provision of training facilities across South Australia.
4. Provide assistance for the Murray Bridge redevelopment project.
5. Provide assistance and work closely with the SAJC in the investment and management of the net proceeds from the sale of Cheltenham Park Racecourse.
6. Continue assistance to the Gawler & Barossa Jockey Club, with the redevelopment of their facilities and disposal of surplus land.

7. Assist the Pt Augusta Racing Club in working towards redevelopment of its course and facilities, and securing a longer tenure for their course.
8. Assess and review race tracks at Pt Lincoln, Mt Gambier, Strathalbyn, Balaklava.

Measures of Success

- A funded program of infrastructure improvement is providing new and improved facilities at both regional and metropolitan clubs.
- Facilities developed to meet current Occupational Health & Safety standards.
- A major venue upgrade strategy for racing and training has been decided and clearly enunciated.
- Successful recommissioning of new facilities at Gawler.
- Successful commissioning of new facilities at Murray Bridge.
- Successful improvement of the Port Augusta facilities.
- After full review, successful implementation of identified required improvements at Mt Gambier, Strathalbyn, Balaklava and Pt Lincoln racecourses.

Objective 4

Increase the focus on the consumer across the thoroughbred racing industry in South Australia.

Context

The viability of the thoroughbred racing industry depends on the support of consumers. Traditional consumers of this industry are the regular race goers and the on- and off-course punters.

A successful future for thoroughbred racing in South Australia will require a broader range of consumers embracing the spectacle and event that is thoroughbred racing, while betting on the events.

The under 35 age group is substantially under represented in racing participation, when compared to the racing industry across Australia, and among the industry's competitors, requiring a strategy based on formal research.

Strategies

1. Upgrade on-course facilities in line with consumer expectations of a high quality event.
2. Design programs and facilities with the entertainment-focused consumer in mind.
3. Implement umbrella brand to drive participation and attendance across a range of events.
4. Development of business plan as to how the thoroughbred racing industry can attract under 35's based on results of formal research.
5. Convert on-course patrons to punters by integrating plans with SA TAB.
6. Seek the SA TAB's support in developing on-course wagering facilities in line with those available in Victoria.
7. Encourage the SA TAB to provide higher standard of facilities at their off-course premises.
8. Encourage the SA TAB to expand the available products for customers, in line with other tote operators.

Measures of Success

- The needs of all major consumers for 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 and attending race meetings, and expanded TAB off course betting through all channels (agencies/ phone/internet).
- Increased favourability and intention to participate specifically by the under 35 audience. Quantify with market research on an annual basis.

Strategies 2009 - 2012

Objective 5

Maintain an optimistic, collaborative and successful thoroughbred racing industry in South Australia.

Context

The SA thoroughbred racing industry has an excellent outlook as a result of recent increases in income and prizemoney.

There is now a high level of collaboration and optimism.

Strategies

1. Develop a long term prizemoney policy.
2. Increase prizemoney season on season.
3. Align the performance targets between clubs (on-course betting) and Thoroughbred Racing SA (off-course betting) to build a more cohesive industry.
4. Monitor the operation of the Betting Operations Contributions and any challenges in other States, against their Racefields Legislation.
5. Conclude renewal of Vision rights to maximise income.
6. Government Turnover Tax reduction by 3-6% next 4 years.
7. Formulate a plan for jumping races in South Australia.
8. Determine appropriate reserve levels for Thoroughbred Racing SA.
9. Increase the number of starters and increase the number of SA owners.
10. Maintain a close relationship with Government.

Measures of Success

- Growth in on-course wagering.
- Growth in income from off-course wagering in South Australia and nationally.
- Greater income from Vision rights.
- Clubs and Thoroughbred Racing SA in agreement as to the future direction of the industry in South Australia.
- Growth in investment in the industry from existing and new industry participants.

Strategies 2009 - 2012

Objective 6

Manage and build a positive public image of the thoroughbred racing industry in South Australia.

Context

The general public has limited knowledge of thoroughbred racing in the State and many relate the sport to the governance issues of the past year.

A focus on building a positive public image at three levels needs to be adopted while at the same time enhancing the consumer's experience at events:

- Contribution to the community by volunteers. (Community builders)
- Provincial economy boosters. (Regional heroes)
- Metro racing, industry heroes, the stories of racing. (Image enhancers).

Strategies

1. Thoroughbred Racing SA to lead all major sectors and groups to communicate a united voice for the future of thoroughbred racing in South Australia – a fractured industry dilutes support for the industry.
2. Thoroughbred Racing SA, in association with State Government and local councils, to consider initiatives which will benefit local communities and the participating clubs.
3. Promote the contribution of the industry to the community by the utilisation of open space to wetlands.
4. Build the image, and the number of, 'high quality entertainment racing events' in South Australia.

Measures of Success

- Government financial support for relevant infrastructure projects that assist racing clubs and their local/regional communities.
- A more positive public perception of racing and its importance/relevance to local communities and South Australia itself.

Strategies 2009 - 2012

Objective 7

Increase prizemoney to encourage horse ownership in thoroughbred racing in South Australia.

Context

Existing industry participants express concerns regarding prizemoney, racehorse ownership and employment.

Strategies

1. Thoroughbred Racing SA to maximise revenues to provide maximum levels of sustainable prize money.
2. Establish an appropriate prize money strategy across all levels of race days (Metropolitan, Provincial, Country and Country non TAB).
3. Engender confidence among racing industry stakeholders, that prizemoney levels are sustainable.
4. Improve recognition of and provide rewards associated with thoroughbred horse ownership.
5. Work with government agencies to develop education courses, opportunities and qualifications, for those entering the racing industry.

Measures of Success

- Prize money increased by 40% in 3 years.
- The number of horse owners has increased by 10% in 3 years.

Objective 8

Increase opportunities for rewarding careers in the thoroughbred racing industry in South Australia.

Context

There is a reluctance to become involved in the thoroughbred racing industry because of uncertainty regarding potential income, earning ability and long term employment opportunities.

Strategies

1. Reinforce partnerships with schools, tertiary education campuses and Government employment/education groups.
2. Increase public awareness of employment opportunities within the thoroughbred racing industry.
3. Highlight career paths and opportunities in South Australia, nationally and internationally.
4. Raise confidence in the racing industry's ability to sustain prizemoney growth.
5. Increase horse ownership (racing and breeding) to expand the racing industry's employment opportunities.

Measures of Success

- Increased interest and acceptance by school leavers, in thoroughbred racing industry related employment.
- 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.