



Summary

Leadership of Racing and Tote betting met in Paris for the 5th Racing & Betting Business event.

140 participants from 28 countries came to listen to the visions of CEOs and learned about new technologies to attract customers to racing and betting activities.

The Forum this year, asked CEOs to look forward and far: how they see the Racing product in the coming years. Can racing be rejuvenated to compete with other sports/entertainments and fit market expectations?

Heads of racing in UK, Paul Bittar, US, Craig Fravel, Hong Kong, Bill Nader and Canada, Andrew MacDonald, opened the Forum and gave their tips to attract more customers: Bill Nader for the Hong Kong Jockey club insisted on the segmentation and information available for customers on web site and racecourses, Craig Fravel, Head of the Breeders Cup, announced, this year, the broadcasting prime time, live on NBC, just like the Superbowl. Andrew MacDonald from Woodbine pointed out how Social media network covers big events in racing in North America but less in EU. Paul Bittar, from BHA, focused on customers with an increased experience on racecourses.

Yves Ronin, of Groupe Carrus introduced the session on “Innovation in racecourses” by relating a recent study in France after assessing a decline of punters on racetracks. Although it is a place of tradition, innovation features are needed on racecourses. Racegoers are like all sport viewers, they want the sport but also the show. Innovation in racecourses can help face the 2 challenges of racecourse managers and racing organisers: attract customers and turn entertainment customers into active betting visitors. In UK, David Fraser, partner at Harrison:Fraser, explained how the racing experience was changed. A “Raceday experience” group was organised to discuss innovation, Champions Days were created and social networks were activated. In Hong Kong, innovation was fully developed with “Happy Wednesday” concept and IBU tools as described by Bill Nader, Head of Racing. Cyril Chacar of Cisco Sytem listed the many possibilities of entertainment and marketing given by technologies such as immersive HD and high density wireless introduced in stadium.

Carlos Khouzami, Cadmeus, opened the “Emerging market” session by addressing Pari Mutuel operators with 2 statements: easier to develop horse betting in countries where racing is still a tradition as it is extremely difficult to educate players to racing. It is also essential to agree on a fair return to local racing to increase local interest and racecourses activities – it allows the number of punters to grow. It is the case in Poland as Tomasz Chalimoniuk, CEO of E-Toto, showed how a disappearing market in Poland is re-starting thanks to the offer of horse betting financing local racing. Racing traditions are also developed in South America and Andre Gelfi, Head of Codere in Brazil, showed the fast development of the betting market.

Looking at other sports, racing needs to be more understandable and create emotions and heroes. Thomas Giraud from Havas Sports & Entertainment shared his experience of rugby and tennis, which have changed their rules, their championships and have introduced technology to fit viewers' experience. Sport Brands and institutions have engaged fans in their daily life, constantly connected (YouTube, twitter, Facebook fan clubs).

The CEO Tote Panel questioned Heads of Pari mutuel operators on where they will invest in the coming years to maintain a competitive horse betting product and stay ahead of the betting market. Philippe Germond, Chairman and CEO of PMU and EPMA insisted on the adoption of new tools to create the surprise, to improve the image of Racing. For Pang fey Yu, CEO of the Singapore Turf Club, customers are satisfied by new tools such as race trackers. Harald Dorum, CEO of Rikstoto finds new customers with its mobile applications. Such tools feed the culture of younger people. Big pools are not sufficient to attract customers as Jean-Luc Moner Banet, Director of LORO, already feels that Euromillion is not attracting new customers any longer. The old gambling industry must find new exciting experiences.

With the increase in commingling and a strong interest to develop it, IT solutions are more discussed at global level. A study initiated in 2011 with the cooperation of 10 Pari Mutuel operators could tell us where to start the discussion for the "innovation in IT" session.

Christophe Leray, CIO of PMU, introduced results of the benchmark study initiated by the PMU last year: The study compares type of architecture, level of investment, maintenance system and platform choices between various Pari Mutuel companies. It could be the starting point for further cooperation between world Totes on IT issues. 85% of Pari Mutuel systems are in-house systems and should be renewed every 10 years. In average, operators spend 1,2% of yearly budget on IT.

Adrien Billon, described how PMC (Pari Mutuel Company/Groupe Carrus) has developed applications adapted to various markets. The Hub solution developed for the PMU enables the Company to be connected to 18 other operators worldwide. More connections are planned in the coming months.

Keith Johnson, VP at AmTote updated the audience on communication protocols such as ITSP. More innovation are necessary in the coming years.

Listening to CEOs, long term strategies are different in different part of the world. As Racing habits and betting types remain cultural phenomena, it seems normal that long term visions differ but we can still learn from each others' experience by listening to operators and their ideas of a "sustainable model of development".

Ian Hogg, Member of the Board of Sportech, seize the experience of his company in racing and football to develop common pools in other sports.

For Tabcorp and its Manager for International development, Paul Cross, the strategy of future development is to embrace all products and facilitate the connection with new partners.

In Sweden, the strategy of Remy Nilson, CEO of ATG, is to fully integrate the support to the horse sector in order to continuously find potential owners (general public) for race horses as well as find the support of younger generation.

Next Topics:

Input from participants - Feedback Forms analysis:

- *Tote Sports*
- *Tote Financials*
- *Cross betting and any alternative revenue streams*
- *Joint venture in new markets – more case studies – new partners (Casinos, bookmakers?)*
- *Social Networks*
- *New bet types*
- *Invite customers to speak*
- *Rebates: good or bad?*
- *Point of sales – where and how to organise them efficiently?*
- *Mobile Business*
- *Progress in commingling technology*
- *Innovation in the fixed-odd market versus Pari Mutuel*
- *Impact of International racing on national customers*
- *Betting terminals*

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