BRITISH RACING INDUSTRY ROADSHOWS

2018

BHA RCA THE HORSEMEN'S GROUP GBR GREAT BRITISH RACING

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WELCOME

British racing has a moment of opportunity. Our recent and much-needed emphasis on collaboration across the sport, tripartite governance, and a targeted focus on protecting and growing the sport, means we now face a pivotal and exciting time in our history. We have strong roots in rural life, wonderful traditions and a range of followers across the social spectrum. Now we have a chance to show that our values, and the exciting and compelling experience of watching our thoroughbreds race, is just as relevant in a modern, diverse Britain.

The sustainable funding mechanism secured in April 2017 through the new Levy demonstrates the ability of our industry to unite behind a common cause and achieve significant change. Although we have avoided a potentially catastrophic decline in central expenditure, this only marks the beginning of the work needed to secure a vibrant future for the sport and achieve meaningful growth.

In many ways, we are starting from a positive and healthy position; we are already seeing the benefits of the new Levy through increased prize money, we remain Britain's second largest spectator sport, the first year of broadcasting on ITV has seen an increase in TV audiences, betting turnover on British racing is growing and we remain a world leader in the sport.

However, challenges remain. We must be alive to the implications of wider political and social circumstances that have the potential to have significant implications, both direct and indirect, on our sport and industry. These include but are not limited to; changing perceptions, particularly amongst younger generations, towards animal welfare, changing social attitudes towards gambling, new expectations from young people about their careers and how they want to work, changing customer behaviours as they view, bet on and watch racing, increasing regulatory challenges and, of course, Brexit.

2018

It is time, therefore, to refresh our thinking about a long term strategy for our sport. How can we stay united to proof our sport against the future and stimulate meaningful growth?

A programme of work has already begun, through consultation across stakeholders, that has highlighted six strategic priorities:

1. Integrity and Regulation
2. Equine Welfare
3. People
4. Ownership and Horse Population
5. Customer Growth
6. Betting Industry Partnership

Focus and investment in these six areas has the potential to transform racing, but only if we work together. Any successful organisation, brand, sportsperson or team is united by a powerful, aspirational vision that every individual involved can identify with and be inspired by. To reach out to new audiences, we must promote our values and have a clear understanding of what British racing stands for. If we get it right, this will provide a powerful communication tool and a destination that can shape the difficult decisions we must take over where to invest.

We therefore propose to undertake a programme of engagement throughout our industry, beginning at these industry roadshows, that will define our values and set a progressive vision for the sport we all love.

We look forward to working with you throughout 2018.

NICK RUST
British Horseracing Authority

ROD STREET
Great British Racing

STEPHEN ATKIN
Racecourse Association

CHARLIE LIVERTON
Horsemen's Group

2017 KEY PROGRESS

LANDMARK LEVY EXTENSION SECURED

DIVERSITY IN RACING STEERING GROUP ESTABLISHED

£10M IN PLUS 10 PRIZE MONEY

£9.7M CENTRAL FUNDING BOOST FOR GRASSROOTS SECURED

NUMBER OF HORSES IN TRAINING ABOVE 14,000 FOR FIRST TIME SINCE 2011

1,366 NEW JOINERS TO THE INDUSTRY

5% GROWTH IN NEW RACECOURSE CUSTOMERS

44% OF RACEGOERS FROM THE 'MILLENNIAL GENERATION'

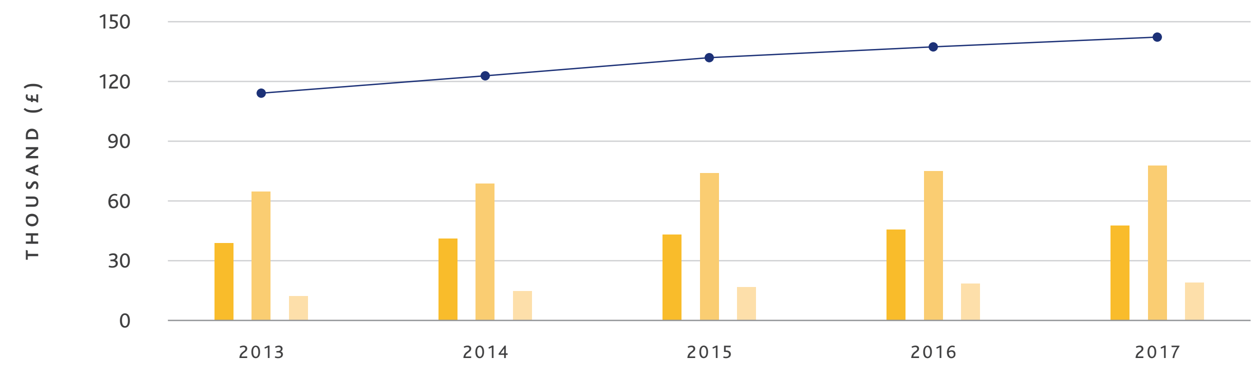
3% RISE IN BETTING TURNOVER FROM 2016

1.1M UNIQUE INDIVIDUALS REACHED THROUGH CAREERSINRACING SOCIAL MEDIA

#STIRRUPSUMMER CAMPAIGN HAD TOTAL DIGITAL REACH OF 22.1M

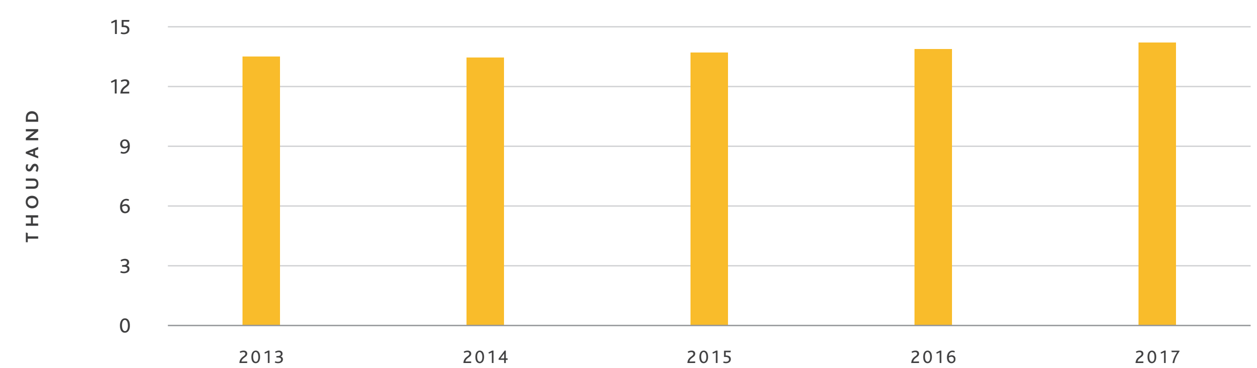
TOTAL PRIZE MONEY

	2013	2014	2015	2016	2017
Jump	38,320	40,609	42,415	45,116	46,999
Flat Turf	64,344	68,361	73,640	74,729	77,342
Flat AWT	11,559	14,019	16,096	17,758	18,194
Total	**114,223**	**122,989**	**132,151**	**137,603**	**142,535**



HORSES IN TRAINING (ALL)

	2013	2014	2015	2016	2017
Total	13,525	13,469	13,728	13,901	14,221



BRITISH RACING'S STRATEGIC PRIORITIES

1

INTEGRITY & REGULATION

Stewarding

Anti-Doping

Integrity and Compliance

Licensing

Rules Re-write

2

EQUINE WELFARE

Equine Welfare Database

Measurement and benchmarking

Infectious Disease Control

Traceability

Communications: The Horse Comes First

3

PEOPLE

Careers Marketing and Recruitment

Foundation and Continuation Training

Retention and Welfare

4

OWNERSHIP AND HORSE POPULATION

Ownership Promotion

Trainers

Racecourses

Data

5

CUSTOMER GROWTH

U18's race free campaign

Insight to find new fans

Targeted Fixture Growth

Creating engagement from awareness

Digital and Social best practice

National Commercial Partnership potential

6

BETTING INDUSTRY PARTNERSHIP

Betting Liaison Group

Data

Fixture List Analysis

2017 RACING DATA

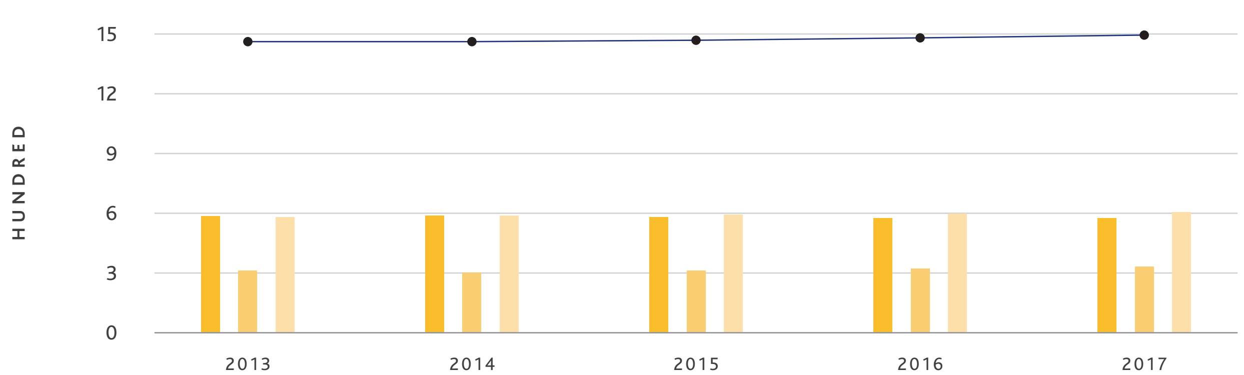
The Key Statistics which follow provide further detail on our sport's performance within key strategy areas.

FIXTURES

The 2018 Fixture List was published in July 2017 and was compiled with the objectives of growing ownership, competitive racing and customer engagement in mind. It also remains aligned with the sport's strategic objective to grow racing and betting.

It was agreed that the Fixture List should remain broadly similar in size to 2017, on account of current field size trends and number of horses in training. Focus has therefore been placed on optimisation of the Fixture List in order to satisfy the demands of the sport's customers, while continuing to support horsemen in servicing the fixtures.

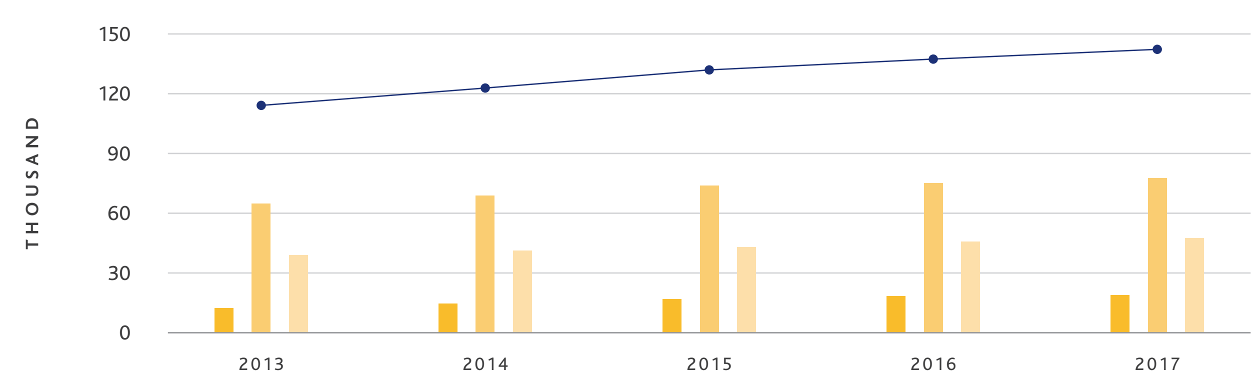
	2013	2014	2015	2016	2017
Flat AWT	581	584	575	572	571
Flat Turf	307	296	307	317	326
Jump	576	584	589	594	600
Total	**1,464**	**1,464**	**1,471**	**1,483**	**1,497**



PRIZE MONEY

2017 saw record prize money of £142.5m. Following the confirmation of the new Levy in 2017, a boost of £9.7m funding targeted at mid and lower-tier racing was announced. A new appearance money scheme and race incentive fund will improve returns to horsemen and aim to increase field sizes at Class 3 and below over jumps and Class 4 and below on the flat.

	2013	2014	2015	2016	2017
Flat AWT	11,559	14,019	16,096	17,758	18,194
Flat Turf	64,344	68,361	73,640	74,729	77,342
Jump	38,320	40,609	42,415	45,116	46,999
Total	**114,223**	**122,989**	**132,151**	**137,603**	**142,535**



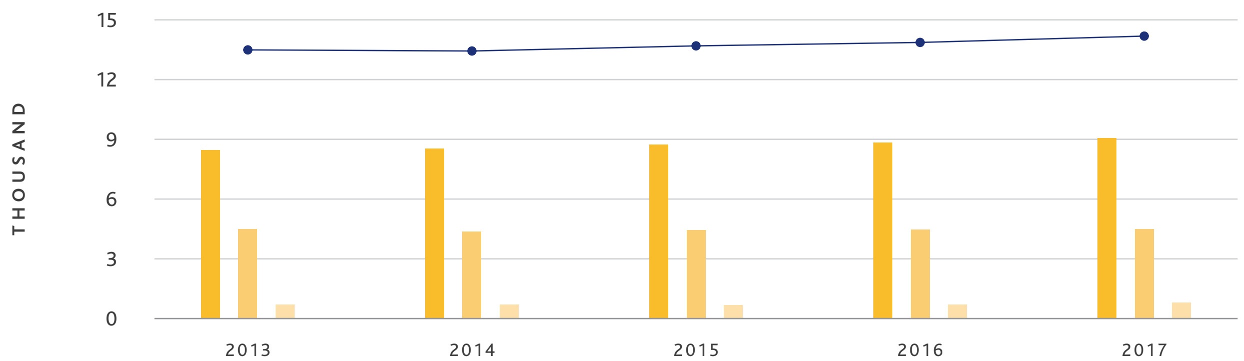
2017 RACING DATA

HORSES IN TRAINING (MONTHLY AVERAGE)

We continue to see modest growth in the number of horses in training. In 2017 the number rose to above 14,000 for the first time since 2011.

Numbers of flat horses in training are growing at a higher rate to jump horses.

	2013	2014	2015	2016	2017
Flat	8,440	8,525	8,715	8,827	9,035
Jump	4,452	4,309	4,397	4,435	4,452
Dual	632	635	616	639	734
Total	**13,525**	**13,469**	**13,728**	**13,901**	**14,221**

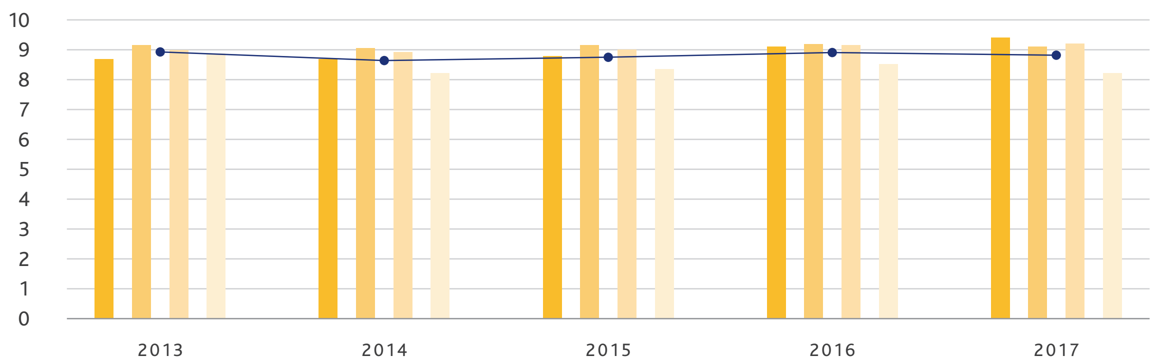


AVERAGE FIELD SIZE

2017 saw a continued recovery in flat field sizes, driven by all-weather racing.

Jump field sizes saw a reversal of the growth seen in recent years. This can be attributed in part to the particularly dry spring weather conditions, and subsequent ground conditions.

	2013	2014	2015	2016	2017
Flat AWT	8.70	8.69	8.80	9.11	9.41
Flat Turf	9.17	9.07	9.16	9.20	9.12
Flat	8.99	8.93	9.02	9.17	9.22
Jump	8.88	8.22	8.35	8.53	8.22
Total	**8.95**	**8.66**	**8.77**	**8.93**	**8.84**



2017 RACING DATA

NON–RUNNERS

There is early evidence that new measures introduced by the BHA towards the end of 2017 may have helped to reduce non-runners in Q4.

The following shows the rate of non-runners as a percentage of declarations:

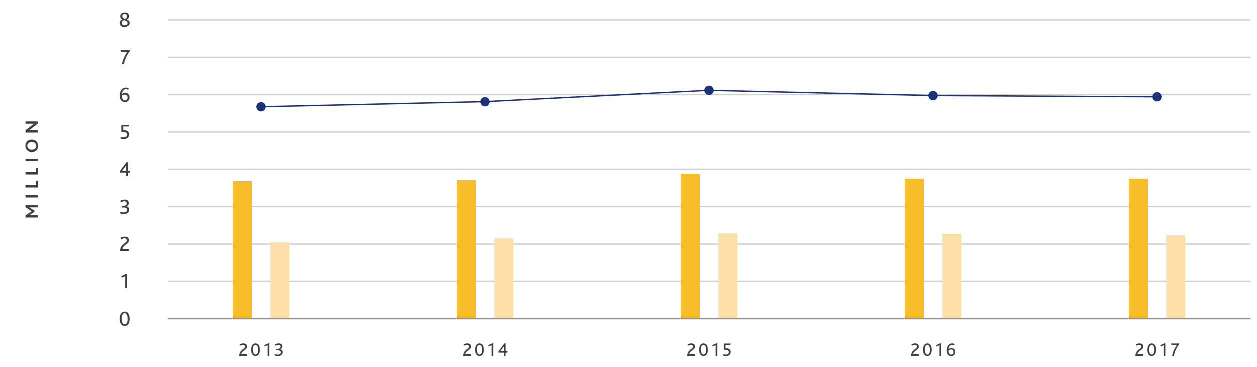
	2013	2014	2015	2016	2017
Flat	9.5%	9.6%	9.0%	9.1%	9.3%
Jump	7.4%	6.7%	6.5%	7.6%	6.6%
Total	**8.7%**	**8.6%**	**8.1%**	**8.6%**	**8.4%**

RACECOURSE ATTENDANCES

In 2017, total attendances remained at just under 6 million - the fourth best attendance figure in the last ten years and the third best in the last 15 years when minimising the impact of free racedays.

The summer months of June, July and August were boosted once again by Great British Racing's campaign promoting the fact that kids go free. The #StirrUpSummer campaign had a total digital reach of 22.1m, helping deliver a 2.2% rise in advanced ticket sales to family fixtures in the summer holidays (the highest on record).

	2013	2014	2015	2016	2017
Flat	3,662,365	3,690,873	3,866,064	3,737,774	3,736,035
Jump	2,023,444	2,129,963	2,262,008	2,249,393	2,217,714
Total	**5,685,809**	**5,820,836**	**6,128,072**	**5,987,167**	**5,953,749**

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