GBI RACING

International Simulcast Panel, Symposium on Racing and Gaming
Tuesday 7th December 2010

GBI Racing

- **GBI Racing is a 50/50 joint venture between At The Races and Racecourse Management Group**

- **Launched in March 2010**

- **Represents the rights to all British and Irish Racing**

- **Targeted at maximising revenues from international 'Bricks and Mortar' betting outlets and certain online wagering platforms**

- **Importantly, GBI is a rights holder not a Tote.**

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What's Our Product?

- **1800 fixtures per year**

- **All year round racing**

- **Flat Turf, All Weather, Jumps**

- **Afternoon, Twilight and Evening fixtures**

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Who Are Our Key Customers?

A number of them are represented on this panel:

- France - PMU

- South Africa - PGE

- Australia - TABCORP

- Singapore - STC

- Italy - UNIRE

- Hong Kong - HKJC

- Turkey - TJK

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Key Challenges – Rights

- **From March 2004 to March 2010 British and Irish horseracing was represented in the marketplace by two rights holders, At The Races and Phumelela.**

- **This was sub optimal for the sport for a number of reasons:**

  - **No collective strategy for rights exploitation and distribution**
  - **Often confusing for the customer base**
  - **No marketing support for the product**
  - **Opportunity to be played off against each other**
  - **Potential for pricing disparity**

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Rights – Solution

- The creation of GBI Racing brought exploitation of all British and Irish racing under one commercial roof

- The benefits are obvious:

    - British and Irish racing managing its own rights
    - Coordinated and collective sales, distribution and marketing strategy
    - More effective relationship management
    - Cost efficiencies
    - Ability to maximise revenues by being able to adapt to customer requirements.

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Key Challenges – Product

- The creation of GBI Racing effectively entailed a complete relaunch of how our sport presented its live racing content to the international market.

- How would we maximise the value from 1,800 fixtures a year now it all sat within one company?

- Naively, our original thought was that we should look to produce a single 'Best of Breed', glossy, graphics rich, highly produced service.

- But that's not what our customers want – many are operating their own pools, they want a 'vanilla' experience whereby they can incorporate our pictures into their own production and overlay their own graphics and prices

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Product - Solution

- So that's why we now offer 5 different services comprising:

GBI Racing feed	UNIRE,Tabcorp, TKJC, US.
Clean Feed	PMU and PGE
Bespoke Singapore	STC
Bespoke Hong Kong	HKJC
Bespoke Australia	Tabcorp

- As the number of bespoke services increases we are looking at MPLS, point to point IP and IPTV as flexible and cost beneficial alternatives to satellite distribution.

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Key Challenges – "We're Not A Tote"

- We differ from many of our colleagues in that we exploit rights, we're not a Tote.

- But…is that a problem…should we be pursuing a strategy to drive commingling into the UK and Irish Totes?

- After all, connectivity through to our domestic Totes is easier now through operators such as Sportech and i-Neda.

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"We're Not A Tote" - Solution

- The answer is - we let the market decide.

- There are clear issues in commingling which include the low UK win takeout rate of 13.5% and also the relatively small size (liquidity) of the UK and Irish pools.

- …and for GBI Racing there is a financial cost to offering commingling which has to be factored into any simulcast fee.

- Those who commingle: PGE, US, Holland, Germany, various online bookmakers.

- Those who operate their own separate pools: UNIRE, Turkish Jockey Club, Australia, France, Singapore, Hong Kong.

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Other Key Challenges

Regulation:

- The regulatory framework in markets around the world dictates what we do.

- There is very little we can do to influence the approach any one market takes.

- But…in most cases regulatory change presents us with opportunities as usually it means markets are opening up.

Localise the product to drive wagering:

- Support customers with marketing and sponsorship initiatives

- Create local language websites eg: Italy, Turkey and Singapore

- Invest in local language provision of data/form/racecard

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