



Wednesday, December 6, 2017

**International Simulcasting –
The Expanding Asian Market**

Moderator:

Scott Finley: Country Manager, PMU-France

Speakers:

Klaus Ebner: Sr. Manager, Simulcasting and HPI Services,
Woodbine Entertainment Group

Michele Fischer: Vice President, Sales and Development,
Sportech Racing LLC

David Haslett: CEO, Sky Racing World

Atsushi Koya: General Manager, Japan Racing Association, New York

Ms. Liz Bracken: All right, great. ®

All right.

If we could get everybody back in, we're gonna — post time is post time.

We're gonna try to stay on schedule today.

All right.

Good.

Great.

As everybody's coming back into the room, there's a quick presentation that we'd like to make today.

Yesterday during the awards presentations, there was one that we had to delay.

It's a really important award to us and especially to our students.

Every year, Xpressbet awards a scholarship to a race track industry program student. It's not just a small scholarship; it's a \$5,000 scholarship.

It's certainly something that we like to introduce you to the student and also to the sponsor.

Today, we have our representative from Xpressbet, Gene Chabrier, vice-president of regulatory affairs and business development, to hand over the wonderful scholarship check to our student, Abel Zander, who wasn't able to make it yesterday because he wasn't allowed to miss a class.

If you have a student who'll turn down taking a \$5,000 check to miss a class, you know he's a great student.

If we could have you both up here and get a quick photograph.

They'd like it right here.

There's the *.

Okay.

I'm gonna get off the...

Mr. Gene Chabrier: Music and everything.

Impressive.

Female Voice: Perfect.

Thank you, guys.

Gene Chabrier: Are you graduating now?

Abel Zander: It's possible.

Female Voice: Thank you.

Abel Zander: I moved.

Female Voice: Your name spelling?

Gene Chabrier: C-H-A-B-R-I-E-R.

I'll give you a card.

Female Voice: Okay, perfect.

Gene Chabrier: All right.

Female Voice: Thank you.

Gene Chabrier: All right.

Female Voice: Thank you.

Male Voice: Thank you.

Gene Chabrier: Oh, yeah.

Male Voice: Thanks, Gene.

Ms. Liz Bracken: Okay.

We will get going with the International Simulcasting-The Expanding Asian Market.

Like sports betting, I think it's just in its infancy maybe for the United States being able to work in the Asian market but certainly good to explore it and discuss what's already happened and what could happen.

It's a very exciting market.

We have a great panel for you.

We're very happy that they're here.

Just to keep our sponsors up to date, this panel is sponsored by Sportech Racing and Digital.

It's a nod to Michele since she's on the panel.

The beverage break was Roberts Communications Network who's one of our major sponsors and does a lot for us.

Anytime I go international, usually it's a call to Scott Finley to say, "What's going on, and where is it going on?"

I'm really happy to have him here moderating today.

Currently, he is the country manager for PMU-France but has a wide breadth of knowledge on many countries.

Also, Jen Durenberger asked me to give a plug to Atsushi from JRA who's actually going to do the officiating panel later on and explain why Japan went to Category 1.

Stay with us this afternoon.

He'll be back at 4:30.

Okay, Scott.

Mr. Scott Finley: Okay.

Thank you, Liz.

It's good to see everybody here.

The industry talks at these conferences about so many issues and challenges that we faced.

Over the last 50 years, horse racing in North America, we were always the dominant number one gambling sport or gambling activity.

Starting with the growth of state lotteries over 50 years ago, the proliferation of land-based casinos, declining foal crops, stagnant handle, all sorts of things that we've heard about over this — at this conference and for many years at these symposiums, the one bright spot has been the tremendous growth of international simulcasting into North America and into other countries betting on North American product.

Even another challenge we might face based on what we heard earlier today is if the Supreme Court rules in favor of sports betting.

There's one other thing we have to look out for.

The continual growth starting with the introduction many, many years ago back in the early '90s, Hong Kong and Australia were the pioneers.

They were the first ones to bring their signals into North America.

It was all separate pool betting back then, many of those pools hosted at Woodbine.

You'll hear a little bit about that from one of our speakers today.

There's been UK, South Africa, Ireland, Sweden, France, Japan, the most recent one to come in.

Of course, we can't forget our friends at LARC that did a very innovative development joint venture with the Stronach Group to bring Latin American racing into this country.

Asia's been the last frontier.

It's a bit strange, because Japan has the largest betting pools in the world, \$40 billion.

Hong Kong's number 2 at 12 billion.

France is number 3 at 11 billion.

Actually, Hong Kong's 15.

France is 11 and change, depends on the exchange rate.

For the most part, with the exception of Hong Kong, you heard that from our first speaker today, it's all been separate pool betting.

There's lots of reasons for that, lots of challenges.

We're gonna address those today with the various panelists.

Let me introduce Michele Fischer.

Michele is the vice president for sales and business development in the Americas with Sportech, which many years ago was called Autotote when she first started, and then became Scientific Games Racing and now is Sportech Racing and Digital.

Michele's done a lot of interesting work in helping to develop the tote technology for United States customers in race tracks and ADWs to actually bet into the Hong Kong pool.

Michele.

Ms. Michele Fischer: Thank you, Scott.

Yes, Sportech is celebrating our 100th anniversary this year.

You had to put it altogether with many companies we've been to get to that 100 years.

That's what we're claiming.

It's an honor to be on this panel.

I know George Irvine and Jessica Ho would like to be here today.

They're the International Simulcasting Department at the Hong Kong Jockey Club.

This Sunday is the International Races.

They are very busy preparing for those races.

What I wanted to do today is I want to give you an overview of the simulcast history with Hong Kong and maybe a little bit of an overview of the relationship that Sportech has had with them.

Every racing conference that I've been to in the world, there's always a presentation from the Hong Kong Jockey Club.

They are the model.

They have innovations that we all look up to.

Commingled simulcasting has only been happening for two years.

You'll see from some of the stats we're gonna talk about they're going to be the leaders here, too.

What makes Hong Kong such a compelling product is they have two race tracks.

Their season is September to July.

In that season, they race 88 days at Sha Tin and Happy Valley.

It's really competitive racing.

It's your core product.

It's a single pool of horses, with the exception of the International Races when horses come in from other countries.

It's a pool of horses, a pool of jockeys, and trainers, and owners that give betters the opportunity to really know them and to model after that pool of horses.

They're lucky because they have — and they've designed it this way — they have an average of 12.7 runners a race last season.

It's competitive.

It has a high degree of integrity, so betters feel very confident in it.

More importantly, this is the thing everyone gravitates to, is the liquidity in the pools.

In those 88 days last season, it was \$15 billion.

The evolution of them coming into commingling, as Scott said, they were one of the forerunners coming in as separate pool.

It didn't really work.

One of the reasons was they had such a tax structure, and commingling was not legal in Hong Kong.

They separate pooled.

The host fee was very high.

It made it not viable for them or the guest.

They spent many years lobbying their government to work on the tax structure and to work on allowing commingling.

That was legalized in 2013.

Then in 2015, they started taking commingled wagers.

In 2015, and it started a little differently.

I mean, as we know simulcasting in North America, all right, let's just open it up.

Everybody, come in.

It wasn't that way with the Hong Kong Jockey Club.

It's been a very slow growth because the way in which their tote was set up is that there's one link to every contract.

What they did is they initially contacted every big outlet and started at the top.

In the United States, what happened was it was four big ADWs.

It was TVG, Churchill Downs, Watch and Wager, Xpressbet.

They all have a direct link into Hong Kong.

There were limitations for everyone else.

This will prelude as to where we go.

That first year was pretty good, the first season. It was 3 percent of their turnover.

Then we skip into the last season in 2017.

Now it's 6 percent of their turnover in commingling.

What we've seen is there's continued to be some direct deals in.

With the limitation of links and how they choose to settle, Sportech came along.

There's some others as well.

We, in particular, went to them and said, "We have a lot of small customers." They're small customers that couldn't get a direct deal.

There was a lot of compliance and escrow with that.

That's still there.

What we did is we made a deal with the Hong Kong Jockey Club that in the United States, Sportech would be a conduit.

We can sublicense outlets.

We're up to about 20 outlets this season.

They contract through us.

We submit everything to the Hong Kong Jockey Club who approves it.

They look at their anti-money laundering policies and their pari-mutuel licenses. We're slowly growing it.

You can see from the map, normally they're biggest contributor to their handle is coming from the UK.

Betfred has a number of outlets going through them as well.

PGI does the same thing with the Isle of Man.

You can see on the map some of the other places.

It's interesting, as we look at the United States, we're a slow growth for them.

They're looking this year to be commingling to be 10 percent of all of their handle.

What we're seeing here is with the time differences, some of the challenges are it's an ADW signal.

I have two outlets that I can think of off the top of my head, Emerald Downs and Sam Houston.

They're bricks and mortar.

They're staying open to the wee hours of the night.

For the most part, in the United States, the challenge has been the time differences.

It's about, I think about anywhere between a 12 and 13-hour time difference from the East Coast depending on Daylight Savings Time.

As we've started that, some of the things that Hong Kong's done well all over the world is that they go into a market, and they say, "What do the local punters need? How do the local simulcast guests need to see the signal?"

They've contracted in the US with Roberts, so all the streaming and signals come the way we get every other signal.

Past performances are through the Daily Racing Form in a deal with them.

Every race meeting they're there.

All the tote companies, we download our entries into Equibase.

They provided that as well.

From a technical standpoint, it's easy to take the signal.

The challenge is, as I said, time differences just like any new signal, educating your punters, your betters as to what this is, what it's new.

We look at the numbers.

It's obviously very popular around the world.

We're still educating people that it's available and what we're doing with it.

The other thing is they have different bet types than we do.

Not all totes all over the world are able to take all of those bet types.

We're working at rolling those out.

Again, that's education.

It's looking at them.

We do the basic wagers here in the United States, which is win, place, quinella, quinella/place, tiers, double, pick three.

At Betfred in the UK, we're also offering the trio pool.

They have three more wagers that we're working on: the double trio, the triple trio, and then the six up.

Throughout the world, different operators are taking different bets.

We're all trying to get up to speed.

The Hong Kong Jockey Club is also analyzing what pools are popular in different places around the world and taking that into consideration.

There's three members of the technical team here today.

They participate in the 2020 meeting.

We're looking at what works in what jurisdiction.

Another thing that again we look at is we collate everything as we send the money over through ITSP.

They like to look at things on a bet by bet.

As simulcasting grows with the Hong Kong Jockey Club, we continue to see more innovation, ease of connectivity.

There's no doubt the pools are just gonna get bigger.

They're gonna be a leader here. Commingling has been a real game-changer for them.

I mean, when you look at back to the early 2000s to now, it's just the way to go and what they've done.

We're, like I said, up to about 20 outlets here in the US.

Mr. Scott Finley: Okay.

Thank you, Michele.

Very good.

Hong Kong is the leader for sure.

Now we're gonna hear about a new Asian product, Korean racing, which recently launched in North America.

Dave Haslett, it's always a pleasure to have Dave on the International Simulcasting panels, because he is the most international person I can think of in this room.

Started out in South Africa working for the South African Tote which became Phumelela, then went to the UK and ran the racecourse operations for the UK Tote.

He had to keep collecting countries.

He came to the United States, started working for Autotote, which again became Scientific Games Racing, which again became Sportech.

He's now the CEO and general manager of Sky Racing World, which is a partnership between Tabcorp in Australia and PGI Phumelela, Premier Gateway International.

Dave now distributes many countries' races in North America, but we're gonna talk initially about Asia, which would be Korea.

Dave.

Mr. David Haslett: Thank you, Scott.

Good morning, everybody.

I think I'll start off, as Scott mentioned, with South Korea.

I'd like to start off with just playing a short video to give you some background and some insight into the racing in South Korea and what the KRA do with their racing over there.

If you could play that short video, please.

[Video Playing]

Female Video Voice: With the seventh largest wagering turnover in the world, its horses making great strides in international competition, Korean horse racing is developing at an unprecedented pace.

Allow us to introduce the most progressive racing jurisdiction to the world.

KRA is the sole horse racing and wagering authority in Korea, operating three racecourses.

Seoul Racecourse has a 1,800-meter sand track and runs 22 Thoroughbred races over Saturday and Sunday every week.

Busan Racecourse has a 2,000-meter sand track and runs a weekly total of 16 Thoroughbred races on Fridays and Sundays.

Jeju Racecourse runs 17 races for native ponies on Fridays and Saturdays.

In addition to the racecourses, the KRA has stud farms in Jeju, Jangsu, and Wondang for the breeding and training of Thoroughbred race horses.

Thirty-one off-course betting centers nationwide accommodate 8 million visitors annually.

KRA runs 280 race meetings and 2,700 races annually, taking place every Friday, Saturday, and Sunday from 11:00 a.m. to 6:00 p.m.

The average number of runners in each race is 11.

In July and August, the races are operated during evening hours.

KRA runs 19 grade races annually, which have combined prize money of \$9 million US dollars.

It also hosts an international meeting with two races, the Korea Cup and Korea Sprint, offering horses from many different countries competing for \$1.5 million in prize money.

Korea also enters its horses into international races overseas, such as Singapore, Japan, and Dubai.

Main Stay became the first Korea-trained horse to win a race at the Dubai World Cup Carnival, one of the world's premier racing festivals.

KRA also endeavors to attract overseas talent.

Currently, Seoul and Busan Racecourse boasts over 10 jockeys and trainers from various countries around the world.

They perform really well.

Total annual wagering turnover of KRA is \$6.8 billion US dollars.

That's the third largest in Asia after Japan and Hong Kong and seventh largest worldwide.

Since the first simulcast of a Korean race to Singapore in 2014, KRA has expanded its market and now regularly simulcasts more than 1,000 races per year to Singapore, Australia, and Malaysia.

KRA simulcasts the Korea Cup and Sprint to multiple nations in September.

KRA's international feed offers HD coverage of the races and various real-time information, such as media selection, progressive odds, as well as English language analysis and commentary for overseas racing fans.

In addition to the live race feed, it shows trackwork, preview program for feature races, and provides racecard, race analysis, and race comments by race caller.

The KRA's official English website also carries detailed race information about the horses and jockeys.

Korea is the fastest growing racing jurisdiction in Asia with a number of races, breeding statistics, and total amount of prize money steadily increasing for the past five years.

We invite you to see and feel the excitement and the thrill Korean racing has to offer at firsthand.

Thank you.

Mr. David Haslett: Thank you.

We at Sky Racing World launched Korean racing in the North American market in August of 2017.

I must say that it's been a fantastic experience working with the KRA.

They're fantastic partners to work with.

You can see from the video they're very progressive, and they are making great strides with the industry in Korea and internationally.

When we launched, we got some great coverage within the media from various publications.

I put up a couple of examples there of what was carried in, for example, the Paulick Report.

The one interesting one I wanted to point out there was the first day that we took Korean racing, brought it into the US market, that every race on the card was won by a horse that was sired in the USA, which was a fantastic way for us to kick it off for the USA market.

A couple of quick facts.

I know the video covered some of these.

There's a couple that I just wanted to highlight and point out. We bring Korean racing into the market 3 days a week roughly 50 weeks of the year.

Although they race there Friday, Saturday, and Sunday in South Korea, that effectively is our Thursday evening, Friday evening, and Saturday evening, is when it starts.

We bring an average of 10 races.

At this time of year with the clocks changing, we now bring 11 and 12 races.

Over the year, it averages 10 races per meeting.

The first race kicks right around 9:30 p.m. Eastern and goes through until around 3:30 a.m., sometimes 4:00 a.m. Eastern when we're taking the full card of 12 races.

The average is a little over 11 runners per race.

The field size is excellent.

As the video pointed out, the KRA provides us the video feed with English racecourse.

We have English commentary, which is a big advantage for the players in the USA market.

We put out free programs and form guides.

The key to this one is that we actually convert all of their data into the USA format, so the punters reading the form guide in this market at least can read it in a format that they are comfortable with and used to and can understand based on the USA market and USA format.

We provide handicapping picks, media selections, and we put out results, prices.

We also include replays, which are available after the races.

As Scott touched on in his opening remarks, we run separate pools.

Commingling is not permitted in Korea at this point in time.

We run separate pools, which are hosted by PGI on the Isle of Man.

As Scott mentioned, PGI is a joint venture between ourselves, Tabcorp, and Phumelela.

One of the key benefits of hosting separate pools — not many people say benefits — but one of them that does help us out is that we can structure it around the standard bet types that the market is comfortable with.

We use all the standard bet types that you would see in the North American market and the same rules that would apply to those bet types.

We generate graphics with those local odds.

We generate those graphics in Las Vegas, Nevada.

We put the local odds onto the video feeds so that when you see the video feed, you'll see the local odds for the separate pool that is hosted at PGI.

We generate those odds to \$1.00 units.

The video is distributed by our partners at RCN.

We distribute the KRA form via two key channels.

Equibase carries all the form for us.

Then equally, we carry it all on our own website where we provide not only the handicapping tips but the form guides, past performance, and all the information that the players in the market would expect to see.

Quick update on the current status.

Currently, we distribute the KRA racing through 52 ADWs and their affiliates.

We are currently going into 51 bricks and mortar.

That'll be the race tracks and OTB locations in the USA.

Just a summary of how that handle breaks down by wagering channel, 87 percent is coming through the ADW, which is not unexpected, and 13 percent of it comes through those bricks and mortar locations.

Since we launched in August, as more and more of the wagering outfits came onstream, we've seen month on month growth.

It's continuing to grow.

The first couple of days into December, we would expect December to be, to again be a month of growth.

It is growing month on month.

2018, we have a couple of expansion plans that we're working on.

Canada, we hope to get it into Canada.

Our partners in Canada being Woodbine and HPIbet have agreed to take it.

We are waiting for approval from the CPMA to be able to start distributing into Canada.

Then we're in negotiations at this point in time with some partners in the UK and Europe as well as in South Africa to take the KRA racing.

The one key point is all of these additional countries that we bring onstream, we — where their pari-mutuel wagering is permitted and where commingling is permitted, we bring them all into the separate pool that is hosted at PGI so that they all participate in the same pool.

I just want to give a brief update.

You saw some of it in the video.

The KRA is very involved and has very close ties with the USA racing industry and in fact invests a lot of time, money, and effort in the USA industry.

You saw from the video that they held the Korea Cup and the Korea Sprint, which was sponsored by Keeneland.

For those of you who haven't been there, there's a fantastic event.

If you can make it, I would try and get it on your calendar to go and see the international races there in September.

You saw a couple of USA trainers entered in horses and took them across.

When I was out there in September, I had a chance to spend some time with Kenny McPeck.

He certainly found the experience very interesting.

He said he has plans to go back if he has the opportunity.

We also see that the KRA is buying a lot of horses from the USA market and taking it back for breeding in the Korean market, which you saw from the video.

Then one other interesting thing is that KRA Stud actually buys and owns horses in the USA market that they race in the USA.

A lot of you may have heard of — Mr. Crow recently broke his maiden up at NYRA back in July.

That is actually a horse that is owned by the KRA Stud.

On the international stage, KRA is very active in the international industry.

They are members of the IFHA. In May of 2018, the KRA will be hosting the Asian Racing Conference in Seoul.

If any of you have the opportunity, it will be a great experience if you can make it out there in May of 2018.

Then you also saw from the video, the Korean Cup attracted entries from many different countries.

If I recall, France was participating as well as Japan, USA, UK. Oh, and Hong Kong. I'm sorry.

They had a number of international participants participating in that event.

Just to sum up on the where we are with the KRA at the moment, you saw from the video as well that they KRA is currently distributing or exporting their racing into Australia, Singapore, Malaysia, Hong Kong, Macau, USA, and a limited number of races into or race meetings into France.

Now expansion in 2018, we are planning on getting it into Canada, UK, South Africa, and Europe.

That's my update on Korea.

I believe I'll be back up for another session a bit later on.

Thanks, Scott.

Mr. Scott Finley: Thank you, Dave.

We're making Dave do a double header today.

Just like the old days at Rockingham Park, racing in the morning, and then you come back for another card at 2:00 in the afternoon.

We now have the great pleasure of the Japan Race Association's Mr. Atsushi Koya who is the general manager of the New York office.

JRA is very progressive in that they assign their up and coming management executives to be based in New York for a period of time, perhaps London, perhaps Paris.

They get exposure all over the world.

Atsushi's actually done two tours of duty in New York.

He's been with JRA 23 years.

First worked in the New York operation back in 2001.

Then they brought him back for, again, a double header in 2014.

His real specialty, in addition to helping to develop the market for Japanese racing around the world, particularly in the US, recruiting American horses and Canadian horses to come to race in the big races at Japan, such as the Japan Cup.

He's also a very experienced steward.

He has developed a lot of model rules for disqualifications and other very important aspects of racing.

Today, he's here to talk about the JRA in general, horse racing in Japan, and a little bit about the international expansion of Japan Racing. Atsushi.

Mr. Atsushi Koya: Thank you, Scott.

Thank you, everyone.

My name is Atsushi Koya, general manager of Japanese Racing Association New York office.

I'd like to express my appreciation for this opportunity to speak about Japanese racing in this global symposium on racing in Tucson.

First, I will show you the short video about the JRA racing.

[Video Playing]

Horse racing is very popular in Japan.

JRA operates 10 racecourses, 2 training centers, 2 pre-training farms, 1 research institute, and about 42 ODBs at this time. JRA's races are held on weekends, Saturday and Sunday usually.

Featured races are broadcast live on TV nationwide.

All Grade 1 races are held on Sunday.

We had about 108,000 attendants on the Japan Cup day, November the 16th at — 26 at Tokyo Racecourse.

The wagering on the Japan Cup 2017, just one race, was about \$200 million US.

There are two horse racing authorities in Japan.

The one is JRA Japan Racing Association.

The other is NAR, which oversees horse races conducted by local governments.

NAR controls 15 racecourses.

The number of foal clubs in Japan is about 6,500.

About 4,500 horses are registered as JRA horses every year. Now let me explain some figures about JRA racing.

This is the number of races held at JRA racecourses in 2016, including 128 jump races.

Twenty-two Grade 1 races were held in 2016.

We have two additional Grade 1 races beginning this year: Osaka Hai in April and Hopeful Stakes in December.

Those are promoted to Grade 1 stakes beginning this year.

JRA's annual purse is about \$730 million US in total.

Average per race is \$210,000 US.

The Japan Cup purse is about 5.6 million. The winner of this year, Cheval Grand, was awarded \$2.6 million prize money.

There are four American winners in the Japan Cup in history.

The first one is Mairzy Doates 1981, Half Iced 1982, Pay the Butler 1988, and the Golden Pheasant 1991.

The average number of starters in JRA races is 14.4.

The maximum field is 18. About 17 starters were in Grade 1 races last year on average.

Betting turnover was \$24 billion US last year.

JRA usually conducts 12 races on a race day.

The post time of the first race about 10:00 a.m.

The last is around 4:30.

The first race is usually just the maiden race.

The average turnover of the first race is around \$1.5 million US. Arima Kinen Grand Prix race in late December is the most popular race in Japan.

The turnover record was \$800 million US in 1996 but now \$410 million US in 2016.

The ratio of the betting turnover is 65 persons from online betting, 29.6 at OTB, 5.4 on course betting.

The JRA online betting subscribers are about 4 million, with active accounts around 1 million at this time.

Japanese population is 127 million.

About 3 percent are JRA online betting accounts holder.

Ten million people watch the Japanese Derby on TV at home, and 120,000 attendants at Tokyo Racecourse this year.

JRA sends 287 races signal to eight countries on 24 race days this year.

We know some betting operators in overseas have requested JRA to increase the number of simulcast races.

We have not been able to meet their needs at JRA's simulcast policy is to focus the Grade 1 races.

There are other technical issues, such as consolidating the past performance database for the entire Japanese races in English.

Last, I would like to tell you about the — our international simulcasting.

The amended horse racing law was approved in 2015.

The JRA is now allowed to take overseas races to be wagered in a separate pool in Japan.

The first race JRA conducted overseas simulcasting was the Prix de l'Arc de Triomphe 2016.

The post time in Japan time was about 11:00 p.m.

The turnover was about \$38 million US.

Twenty-eight races are on the approved list for simulcasting overseas races by the Ministry of Agriculture, Fishery, and Forestry at this time.

Six races from US, six from Hong Kong, five from Dubai, five from Australia, three UK, two France, and one from Ireland.

The basic criteria to be listed for simulcasting are — the first one is the race is equivalent to the list of top 100 Group 1 and the Group — Grade 1 races published by the IFHA.

The second, the race had Japanese runners or entries in the history.

Same criteria applies to additional races.

The race must gain prior approval by the Ministry of Agriculture, Fishery, and Forestry.

The online betting is accepted at this time. However, the voucher betting will start beginning next year.

JRA's official racing channel, GREEN CHANNEL, broadcasts all of the relevant races.

It is the subscriber-based channel, but people can watch those races on broadcast satellite channel at home for free of charge for such international simulcasting races.

Thirteen overseas races were handled for international simulcasting so far. Average wagering was about \$12 million US.

To encourage Japanese punters for betting, it is very important that as much data and racing information should be provided, including key race footage.

We started international simulcasting last year.

There are a lot of work needs to be done.

However, I hope we — Japanese Racing Association could expand international simulcasting in Japan in near future and look forward to the new business with various partner in North America.

Thank you very much.

Mr. Scott Finley: Thank you, Atsushi.

Very interesting.

I love that video of those hundreds of thousands of people just rushing to get into the race track.

Don't you wish we had that every day of the year except at Churchill Downs on Derby Day?

That was very impressive.

Now, so far you've heard about common pool into Hong Kong but also separate pool for Korea and Japan.

We have the king of separate pool international betting here today.

That's Klaus Ebner from the Woodbine Entertainment Group.

Woodbine was literally the pioneer.

They began to host the Hong Kong races initially at Hastings Park, which was eventually acquired by Woodbine way, way back.

They posted the Australian races for many, many, many years, and also the Japan races.

Klaus is the manager of simulcasting and track relations.

He's got a long and excellent experience with Woodbine Entertainment Group.

He sells and buys international and Canadian content throughout the world and North America.

He also sells the Japan races to willing and interested partners in North America.

Klaus is gonna tell us a little bit about the challenges that one faces when you bring in a — not only an international product but one where English is not necessarily the first language in that country and also what goes on in those tote operations and really hosting a separate pool.

Klaus, thank you for joining us.

Mr. Klaus Ebner: Thanks, Scott.

I'm far from the king.

We'll leave that one alone for next time.

Thanks, everyone for coming out.

Yeah, as Scott mentioned, we host a lot of the foreign pools or separate B pools here in North America for David and his team in Australia but also for the JRA, for their races.

We currently host 24 races from the JRA each year.

As Atsushi mentioned, we definitely want more.

We'll definitely push as much as we can to increase the number of races available to our customers in North America.

Through AmTote, we host the pools for both Japan and Australia.

Again, the racing starts at around 8:00 p.m. and then finishes up at around 3:30 to 4:00 Eastern in the morning.

We have a dedicated team of wagering managers as well as administrators who manage the Japan operation as well Australia operation.

A lot of the challenges we have, as Scott mentioned, is just the communication issue.

Definitely, we have a strong partnership with JRA in terms of making sure that the integrity of the pools is there.

That's, I guess, the biggest concern we have, is that we're doing our part for North America to ensure that the stop wagering is there and also that we have the most accurate information that we supply to all of our partners across North America in regards to scratches, jockey changes, turf changes, race conditions.

Again, it's very important that, from the start, that we have that communication established with the JRA.

It's been nothing but successful for us in regard to growing the product.

We started racing, common pool rather, with the JRA in roughly 2003 or so.

It's been going for, again, about 14 years.

It's been consistently growing.

We currently do on average around \$550,000 per card on Japanese racing.

It's really one of those things where we've seen more and more in the North American market where there is a strong demand now for late night content.

Where in the past, used to have customers we'd wager on for in our case our harness product and then going to Australia.

We feel like, and we can see now in the North American market that it's really grown in terms of a niche product where customers are demanding more and more content at night.

Definitely, you can see the numbers, that it's still a very healthy and untapped market.

Definitely, with the addition of Korea now, as David mentioned, we can only see the numbers in terms of the churn escalate as we go along.

Now in terms of the challenges, we do have a lot of challenges.

Bringing any new content into the North American market's very tough because you have to formulate that data to a North American better.

For instance, take for instance the JRA.

They have a structured method of racing where, as Atsushi mentioned, you have — earlier on the card, you'll have your maidens or your newcomers sometimes, so newcomers being a maiden race where a horse has not started at all in his career or her career.

Then you work up to a maiden race and then follow that by your — I guess it'd be your lower level allowance races, which is 5 million, Atsushi, 5 million yen or less in terms of earnings.

Then you go into 10 million.

Then you have your open class stakes followed by your graded stakes at the end of the card.

Again, it's all culminating into a big race at the end of the card.

Unlike North America, the JRA does only usually post one graded race per day per track.

There are a few instances where they may have two graded races on the card.

The JRA has worked very strongly to increase the knowledge base for English and wagering customers in North America.

They've developed the site japanracing.jp, which has been a pretty strong site for customers to utilize for both handicapping tips as well as information on all of the upcoming races, entries.

Then also, they have a — which is great now for American audience, for North American audiences, they — the Japanese program that's been converted to an English format.

Again, because of the conversion and the fact that the JRA has so much data, this is a quick example of how much data the JRA has.

I was in Japan last week for the Japan Cup.

I visited one of their training centers.

For any horse that steps foot on a training ground, they actually have a saddle cloth that has a tracking chip.

Anything that a horse does on the ground is actually recorded by the JRA.

We don't have the same case in North America where you may have a horse that's training off to the side, doing his own thing.

In Japan, it's every single movement for that — from a horse in terms of being trained is tracked.

Now mind you, would you like to have that data here in North America?

Yes, I'd definitely love to see that information here in North America.

That's for later on down the road.

Again, it's been a great partnership for us in terms of Japanese racing.

Again, I think with the language barrier and some of the challenges we have with the program, it's really about working towards the future in developing the past performance programs for Japan racing to have it to the next step where we've got even more information for the customer.

Mr. Scott Finley: Thank you, Klaus.

Yes, I remember the first day we took Japan racing at NYRA.

It was great.

I mean, first race was 9:30 p.m.

It was Aqueduct.

It was the winter.

Me and a few other die-hard horse players were standing there watching that maiden race with \$117,000 purse kick off the card, all first-time starters.

I played by breeding, and I lost.

Anyway, so we're gonna wrap things up with Dave again, second half of a double header, talking a bit about what's coming with the Singapore Turf Club, but also more importantly building on what Klaus has told us, the challenges that are faced when introducing international content, particularly from a market where English isn't the first language, into the North American market.

Dave, we'll let you wrap up.

Mr. David Haslett: Thank you, Scott.

Again, I have a short video, just an introduction to Singapore racing, which I think we'd just like to run now.

Then I'll do a presentation after that.

[Video Playing]

Male Video Voice: From its inception as the Singapore Sporting Club in 1842, the Singapore Turf Club has become the premier racing facility in the region, offering an exciting and entertaining racing experience.

The Singapore Racecourse is a world-class facility which provides an optimum racing experience for both our patrons and licensed trainers.

In order to enhance the racing experience for all stakeholders, the Singapore Turf Club leverages on state of the art technology from the advance veterinary aides to the Astrovision screen along with comprehensive totalisator information.

The Singapore Turf Club believes that responsible gambling is essential to the full enjoyment of the racing experience. The popularity of horse racing is evident.

Revenues generated by the Singapore Turf Club not only fund the local racing industry, but more importantly, we give back to the community which we operate in. Horse racing has long been called the sport of kings.

At the Singapore Turf Club, we strive to create an experience that's enjoyable and entertaining, whether you wish to catch the thrills at the public gallery, or in one of our exclusive lounges, or corporate boxes.

Wagers can be made confidently and conveniently while you indulge yourself in your passion.

Mr. David Haslett: Thank you.

Just really one start on Singapore.

Singapore has on a couple of occasions and over the past number of years brought races into the USA or the North American market, some of the international races.

Some of you may recall.

Singapore is now actively pursuing the opportunity to bring their racing into the North American market on a regular basis.

We anticipate that that will be happening early in 2018.

In the February, March timeframe, we expect Singapore racing to be available in this market.

There are 90 race meetings per year Friday nights and Sunday days in Singapore.

With respect to the North American market, that'll be Friday morning our time here and Saturday night.

Their Sunday racing would come on Saturday night.

Their race times would be on Friday mornings starting around 6:30 a.m. Eastern and Saturday night around 11:30 p.m.

I don't have any more on Singapore at this point in time.

It really was just to update everyone on the fact that Singapore will be coming into the market.

They anticipate being available in the market in early 2018.

Really, now what I wanted to do is, you've heard a number of presentations from the various panel participants here around South Korea, Hong Kong, Japan, Singapore.

There's a number of common themes that have been touched on and mentioned. Really, just as a wrap up, I wanted to touch on what some of those are and really discuss some of those.

Then I think Scott will probably like to open up for questions from the floor.

I'll just summarize them.

It's really pros and cons.

I just call them benefits and challenges.

I think every person on the panel who's spoken has mentioned some of the challenges.

I just want to talk about some of those because they are, in some cases, a benefit, in some cases, equally a challenge.

Just running down what we see as some of the benefits.

The time of day is a benefit, that although it comes in late at night, one key aspect is it does not compete with any of the domestic racing in the North American market.

As the nighttime racing for North America wraps up, you'll find that the Asian racing typically kicks off.

When Singapore comes in early morning, it'll come in before any of the domestic racing kicks off in the North American market.

Ms. Michele Fischer: Dave, when you say that, when we talk about the time of day being a benefit or a detriment, it's a big benefit on the ADWs.

Mr. David Haslett: Correct.

Ms. Michele Fischer: You don't see many bricks and mortars open at 2:00 a.m. I think that's one of the things we challenge when we're looking at bringing these in.

That's where —

Mr. David Haslett: Definitely one of the challenges.

Ms. Michele Fischer: - the majority of our handle is coming on a line.

Mr. David Haslett: It does restrict —

Ms. Michele Fischer: It's —

David Haslett: — the distribution from that point of view.

Yeah.

It does create a niche market for the Asian racing content in the market.

Then the next point, and you've seen it from not only the presentations from Japan and Hong Kong and equally the videos you've seen on Korean racing as well as Singapore racing, that the quality of the racing from all of these markets is fantastic.

I mean, the quality is really top class.

Top class horses, top class racing coming in from these markets.

The third point I want to touch on then, and this is probably one of the most important ones, is the integrity of racing in these markets is probably the — of the best in the world.

It is an unbelievably high standard around the integrity of racing and how they conduct racing in these markets and how they manage racing in these markets.

I think that's important for us to understand in North America, but equally for the punters to know that when they are watching and when they are following racing that they are comfortable knowing that the integrity of the racing from these markets is beyond reproach and certainly of a very high standard.

Another one of the pros is the field size.

I know that that gets debated in the North American market endlessly when field sizes drop down to the seven or eight level.

The field size, and again, I think you saw it in presentation from each one of these countries, is that the field sizes, everyone was 11 and higher.

I think in the case of Japan it was 14.4. You're seeing that the field size from these markets is excellent and that's it's always 10 — sorry, 11 or more runners.

Then the other thing — and again, this is not a finite list. I've only just highlighted some of the key points here — is its consistent product.

We know that, for example, in the case of Korea, every Friday, in our case Thursday night, Friday night, Saturday night, we'll have racing from Korea.

We know that the — what the schedule is from Hong Kong equally.

We know that coming from Japan. When Singapore comes in, it'll be throughout the year two days a week.

Those are some of the benefits which help us position Asian racing product in this market.

I'll probably spend a little bit more time on the challenges.

There may be a fair amount of debate around some of these points.

Again, not all of these apply to all of the markets. For example, Hong Kong doesn't do the separate pool anymore.

These are applied typically to races from all of these countries.

Although time of day is a benefit, equally it's a challenge.

As Michele pointed out, their distribution to the ADWs is great because they certainly operate their time of day.

Getting into race tracks and the off-track betting locations, it is limited.

Typically, you'll find it's only the locations in the — on the West Coast Pacific Time Zone and some in the Central.

A lot of the locations on the East Coast, 10:30, 11:00 p.m. at night, they're shutting down.

They are not going through until 2:00 and 3:00 a.m.

Then equally, from a technology point of view, I promised Scott that I'm not gonna get into a debate on the totes.

It is a challenge because a decision needs to be made.

At what point do you move from one session into the next session?

Do you, for example, keep the session going right through until 5:00 a.m. in the morning?

Is the decision made that there's already some racing coming in from France, or from the UK, or from another jurisdiction that is starting early?

You need to make some decisions about which races you're gonna take and where that changeover occurs, because that session needs to switch from the one day into the next day.

There are a number of challenges around that space about when that happens and how that gets structured.

At the moment, it's a little bit disjointed.

That's not necessarily a criticism, because wagering operators as well as the tote providers need to make that decision about where the appropriate cutoff time is and how they make that decision.

One of the challenges is, in many cases, the horses, the trainers, or the jockeys are largely unknown in the North American market.

Every now and again when there are international meetings, and you see trainers and jockeys participating, it's certainly a huge benefit to see that happen.

It is a challenge to start educating the punters and getting them comfortable with the trainers and the jockeys that they may be following or they may be interested in betting on.

Race data is another key element about, how do people get it?

Where do they get it from?

We, as in Sky Racing World, put a lot of effort into distributing it.

Equally within every one of the ADWs is, how do they distribute?

And the bricks and mortar locations.

How do they distribute that data and that information to all of the players, so the player's not just picking numbers by watching horses on a video feed?

It's how do they get the data that they can make an informed decision.

Talking about the separate pools, in the case of Hong Kong, it's now fully commingled.

Klaus touched on a number of the challenges around separate pools.

In many cases, commingling is not permitted.

It's just not allowed by law in those respective countries.

In those instances, we have to create separate pools.

One of the things that we push hard on and we certainly work hard on to try and solve when we work with our partners, like Klaus and his team at Woodbine, is making sure that we have all the right communications channels available to ensure that the integrity of the pools remains intact.

One of the areas that we do work with that tries to solve some of this is, where feasible, we try and set up RTSP links to be able to listen in to the host track or the host system in their country.

Now those links don't necessarily — there's no wagering going backwards and forwards because, as I mentioned, commingling's not permitted.

We do use those links for informational purposes because the host or the person hosting the separate pools — for example, at Woodbine, they would then receive the messages with the scratchings, stop bettings, result, and obviously when the race goes official, so you know when to pay.

We do work hard in that space to make sure that, A, we have the communications channels set up for the race day control and race day operations.

Then the final point, and then I'm sure we'll get into a discussion on some of these, was the media coverage.

Although there's an extensive media coverage in the racing publications, be it DRF, and the Paulick Report, and Blood-Horse and any number of those publications, they cover a lot of the domestic racing.

With respect to some of the international, specifically Asian racing, it tends to be limited to the key events or the major events.

I'm sure there'll be some coverage this weekend for the Hong Kong — the International Races in Hong Kong.

Outside of that, you don't get a lot of coverage on what's happening on a day to day basis with certain horses or trainers or jockeys in certain races.

Again, we work hard with a number of our partners about how we distribute those news stories or that information out to these various channels so that people have access to it.

Again, it comes down to how do the players get information and make informed decisions so that they can start following the racing and ultimately make informed betting decisions.

With that, Scott, I think I'll hand it back to you and —

Mr. Scott Finley: Thank you, Dave.

Mr. David Haslett: — might open it up.

Mr. Scott Finley: All right.

I think we have time for questions.

I wanted to throw one out first to Michele because she's representing the only one of the Asian racing countries that now is commingling.

Of course, everyone loves those gigantic Hong Kong pools.

What are some of the differences?

What did Hong Kong Jockey Club and the US tote companies have to go through in order to get that commingling?

Ms. Michele Fischer: Wow.

That's a long process.

Mr. Scott Finley: Yeah.

Michele Fischer: I don't think we can go back that far.

Right out of the gate, I can tell you, I can speak on what Sportech is doing with the Hong Kong Jockey Club.

On a more global side of it, the — Hong Kong is definitely the most successful worldwide launch as far as pools due to the liquidity of the pools and their reputation.

As we sit here, and we listen, and obviously the JRA is the biggest racing entity in the world.

American betters do not always recognize that due to the education side of it.

As we were preparing for Hong Kong, in some ways it was very easy.

It was a job — for all of us that sell various Hong Kong signals, it's easy because it's — everyone knows who they are.

They know how wonderful they are and all of the points that we could go through.

Some of the challenges were just different types of tote systems.

Their tote system up until 2015 hadn't commingled.

They have their own system. Now you're looking all worldwide, and we're connecting to each other with some challenges with the ITSP.

There's always challenges with all the types of bets that are offered from different jurisdictions that may not be in this jurisdiction and educate — not only programming them on the tote.

Making sure that they can take them on an ADW platform.

Then it's the education with the punters and the betters of what these things mean.

It takes some time for them to watch them and figure out how they're gonna bet some of these races.

One of the things that we look here through all of the Asian product is — and Dave brought this up, and I just want to emphasize it even more — is that they have very solid on-track business in all of these jurisdictions.

They have very large field sizes. When they're getting ready to go out, they are a step up because they do so many things in their home country.

I mean, the media outlets in Hong Kong for horse racing, there's hundreds of them every day.

One of the things that I'm working with the Hong Kong Jockey Club is figuring out, how do we distribute media here in the US?

Obviously, we spoke about Equibase pps and Daily Racing Form. They have a whole YouTube channel in English and ratings.

How do you get that out to the public?

You can't put it on every ADW.

Challenges have been those.

The tote has taken a while.

I can tell you from the point I started speaking to the Hong Kong Jockey Club and we started doing this in the US, it was almost two years.

That was just compliance.

The tote was working at the same time.

I think around the world, we're all very close to being fully integrated with everything.

Mr. Scott Finley: Yeah.

We're getting closer and closer.

I mean, as international simulcasting has grown, I mean, every year here at Tucson, we have the International Tote Protocol Meeting led by Curtis Linnell and TRPB and brings different tote companies and different racing associations from around the world.

A win bet is a win bet.

An exacta's an exacta anywhere in the world.

The minute you get past those one and two-leg bets, it starts getting pretty crazy.

Now we're working on it.

We're getting a lot better.

In some respects, we're saddled by ITSP as a protocol, which the US demands and insists upon.

Every other major racing country has their own proprietary protocol. We're getting there.

All right.

I'd like to open it up to questions from the audience.

We've got a great panel here.

Anyone who has any questions on racing in Asia or any of the other countries, please step up and ask the experts.

Quiet audience.

Okay.

I do have questions.

Ms. Michele Fischer: We have a question, too, maybe.

Mr. Scott Finley: Oh, sorry.

Okay.

Audience Member: Just a very quick one.

Is there any chance that this relationship can work the other way where we can send our product out to Asia?

Mr. Scott Finley: Perfect question.

That's the one I was going to ask if nobody stepped up and did it.

I will direct that first to Atsushi because with the success of the Prix de l'Arc de Triomphe going into Japan, as a representative of French horse racing, my phone was ringing off the hook the following Monday morning with everyone from Churchill Downs to NYRA and many in between wanting to know, who do they have to talk to in Japan?

How do we get our races into Japan?

Atsushi, if you could please talk a little bit about some of the requirements.

I know you had some restrictions.

Legally, you couldn't even offer foreign racing.

Tell the audience a bit about how a North American race track might be able to get even one of its big races into the JRA.

Mr. Atsushi Koya: Yes.

This is a good question and a difficult question to answer.

As I mentioned in the — this is just the second year for us to be allowed to handle the overseas races for the simulcasting.

After the first simulcast racing, de l'Arc de Triomphe last year, we handled around \$40 million US wagering in Japan.

Then I have many response from the many racing operators about the same question. Now this is the second year.

The Ministry of Agriculture, Fishery, and Forestry takes steps carefully to increase the number of races.

That's why there are two criteria to be approved by the Ministry of Agriculture, Forestry — Fishery, and Forestry. ®

The race is in on the list of the 100 Grade 1 races by the IFHA.

The race had Japanese runners that were entered in history at this time.

It is very hard to be qualified for the many races in North America.

Just six races are on the list: The Kentucky Derby, the Preakness Stakes, and Belmont Stakes, and Breeders' Cup Classic, Breeders' Cup Turf, and the Breeders' Cup Filly and Mare Turf at this time.

It's hard to say for the future prospect of the simulcasting overseas in Japan.

I hope we can increase the number of races for the major Grade 1 races.

It is my opinion that it — to and in the — they start some business with the racing operators in the North America in the near future.

Mr. Scott Finley: Paul, hang on one sec.

I'll just say something else.

We talk about time of day as being a huge factor.

Well, think about it in reverse.

The Belmont Stakes going off at 6:30, 7:00 p.m. would be, dependent upon time of year, 6:30, 7:00 a.m. or 7:00, 7:30 a.m. in Japan.

These are other considerations.

The key would be top quality Grade 1 races.

If you can do something creative like Churchill Downs and NYRA have done to develop a feeder program to get Japanese horses aiming towards the Triple Crown events, that really helps, because handle will just go through the roof if there's a Japanese horse running in that North American race. Paul?

Audience Member: My biggest challenge with bringing this stuff in is towards the data.

I'm not talking about past performance lines.

I'm talking about how to educate our players to handicap these races, because I spent hours looking online trying to find information about how the different grades relate to our grades or how I can explain it to our people.

It's not just the past performance lines.

It's things like grades and conditions and stuff like that.

Mr. Scott Finley: I can take a start at that.

Because there are so many different racing conditions and everything from class of races, to purses, to distances, and meters and furlongs all over the world, I've found that the best way to get the interest level up is with very comprehensive English language tip sheets or analysis on the races.

I know we do this for French racing.

I did some of this when representing the UK.

Now English is the right language there.

Dave, you may have something that you're doing in terms of online English language tips for — I know you do it for the Australian racing.

Mr. David Haslett: Yeah, Scott.

Paul, I feel your pain.

I understand where you're coming from. No, it is important.

I mean, we do a number of things apart from the tips and the form line.

We do it, for example, for the Korean racing.

We do it for the Australian racing, is what we try and do is make information available about these are how the races are conducted.

This is what the track is like.

This is typically how the races will unfold at this track and then equally about the grade of the races, et cetera. We try to make — we make that available certainly via our website.

You can go and read up on this is how our races are conducted in South Korea, for example, and equally in Australia.

I think the key part, and it's part of what Paul is probably touching on, is how do we distribute that widely enough to make sure it's getting to all of the customer base in North America?

Mr. Scott Finley: Any other thoughts?

Anyone else?

Okay.

Mr. David Haslett: Scott, just as a wrap up before — and I just want to go back to the previous question.

I know we heard about the Japan experience.

Certainly, I think, from our point of view, it's — and I'm coming back to the reciprocity issue.

We certainly are supporters of that.

We believe that that is important, to not only be able to bring racing into the North American market but equally take it back to the market.

We pursue that fairly aggressively with respect to what we do with Australia.

We've been bringing Australian racing in for a number of years.

We take a number of North American tracks back into Australia.

In the case of Korea, it's not permitted at this point in time.

You cannot take the international racing in. Equally, when we sit down with our partners, for example, at the KRA, we always put that front and center on our agenda by saying that we understand it's not permitted now.

We do believe this is important, that as and when the opportunity comes that it's great to bring your racing into the North American market.

Equally, we should look at it going the other direction. We always sit with our partners. That's always front and center.

In some cases, for example in the case of Japan, they're only allowed to take a limited number of individual races.

Again, I see that who knows who can — what's gonna happen in the crystal ball when you look into it?

I do see that changing over time.

I do see more and more of it happening as racing becomes more and more international.

I do see some of these markets opening up and the opportunity to take some North American racing back into some of these markets.

Ms. Michele Fischer: I think the reciprocity is already happening within the industry, not on the simulcasting side.

I think Dave had brought up earlier in his presentation that US horses are the foundation of many breeding programs in other countries.

I mean, look at Japan.

Sunday Silence had deep impact now as a leading stallion.

We have that reciprocity with horses.

While Hong Kong does not have a breeding program, they buy horses from all over the world.

As there's more horses populated worldwide racing in jurisdictions, they're gonna want to see them.

I think it's slow, the regulatory side of things.

We're already a global industry, a very small global industry.

It will come.

Mr. Scott Finley: That's a very good point Michele brings up.

I mean, okay, we all think about here's a race.

Let's get it on TV in another country.

Let's generate \$37 million in handle.

The breeding industry, Korea reached out to the Maryland Breeders over a decade ago.

Almost all of the sires in Korea originally have roots in Maryland.

It's just about, I mean, in French racing, one of the key things when France wanted to get their harness races, when Yonkers wanted to get their races into France, what the French really wanted, the French Trotting Association, they wanted the US stud book, the US Trotting Association, to recognize the French-bred Trotter, which is slightly different from a pure Standardbred, to be eligible to be in that Standardbred Stud Book.

That next level down about the equine side of the industry and the breeding side of the industry and the distribution of bloodstock globally is, in many times, in some of the other countries, that's actually more important than how many handle are we going to get on a given race.

We have one more — time for one more question.

Thank you very much.

Audience Member: Just a quick follow up on the data question for Dave.

I know you're always working with ADWs to introduce betters to international racing.

Can you talk about just maybe what marketing messages or promotions that you've found work best in converting those players to actually try betting on international wagering and keep them coming back to keep betting on it?

Mr. David Haslett: That's actually a good question 'cause it's exactly what we are challenged with every single day, is how do we take an international product, bring it into a market that's an existing market, and how do we generate interest in the market?

I think if I had to sum it up, the first stage that we go through in the market is just raising awareness of the product and making sure that we can start educating players, that here is a product that you may not have known was coming into the market, for example, at 10:00 p.m. at night or 11:00 p.m. at night or at 6:00 a.m. in the morning.

Because it's just ingrained in them that, oh, racing starts at 12:00 noon and finishes at 7:00 p.m.

They don't look beyond that.

We spend a fair amount of time in that initial phase about how do we just raise awareness of the fact that there is this product out there and then make sure that we can get it across on some of the key points I touched on about that this is quality racing, and the integrity of the racing is beyond reproach.

In phase one, that's our key messages.

Then right behind that, we follow that with, how do we get as much information in the player's hands as possible?

How do we get it — I mean, we take a view that, how do we get that information in players' hands for free?

Now that could create a different debate in this room that we may not want to get into.

From our point of view, we view it as information is what's gonna drive the handle.

How do we get that information? Whether it is videos, whether there's replays, whether it is past performances, whether it's tipping sheets, and we'll go through a whole gamut of these things.

Any way we can is, how do we get the information out there? How do we get it in players' hands?

They can start following it.

It's a big question.

We can debate it for some period of time.

Just to sum it up, I mean, our step one is raise awareness and make sure that people understand it's in the market.

They understand the quality of the racing.

Hopefully they can start — where can they access, and where can they watch it?

Then hopefully, they can start following it.

Mr. Scott Finley: Well, thank you, everyone.

Appreciate your attendance.

We will see you at an international race meeting soon. Thank you.