

# Inside RUNNING



## From the CEO

Welcome to the first edition of Inside Running, the New Zealand Racing Board monthly newsletter. Inside Running will provide a regular update on initiatives we are introducing, provide insight into the health of our wagering engine (the TAB) and encourage contribution from different areas of the industry.

We are currently preparing the 2004/2005 financial results for our annual report. As a management team we are pleased with the results and the trends that have emerged over the past 12 months.

Over the last few months we have attended and presented at all three of the racing code Annual General Meetings. These have provided an opportunity for our chair, Warren Larsen, and myself to convey the current financial and strategic picture of the NZRB and provide a view of our future direction.

Attending the AGMs also provided us with another insight into the mood of the industry. We were heartened to have so many participants reinforcing the message that the future health of our industry depends on our ability to work together.

As an industry, we are facing increased competition from a plethora of entertainment options, all angling for the consumer dollar. To ensure we meet the targets that we have set, we will need to maximise every skill and asset that exists in all our clubs, codes and organisations.

This release of Inside Running provides some timely insights into the investments we are making to ensure the future health of the racing industry. Much of this investment revolves around our need to use technology as an enabler to meet our business objectives. In the section to follow we provide a broad stroke look at our investments in channel and broadcasting infrastructure.

Two areas of technological advance are very pertinent to our industry: the ongoing development of smaller and more powerful communication devices with transactional capabilities, and the further developments of higher capacity wire and wire free networks that anchor our broadcasting and retail infrastructures.

It is timely that Vodafone have recently released their 3G technology into New Zealand. Although the media have concentrated on the

consumer functionality, that is being able to see the person on the other end of the line, the real interest for us lies in the technology that allows one to view a real time streaming video on a personal telephone, and the capacity of the network to run these memory hungry applications.

We will watch with interest as the telcos aggressively market the new handsets to the New Zealand public, as this is the barometer by which we will be able to judge the commercial viability of the new technology for our purposes.

To enhance the entertainment value of racing we have invested significantly in upping the ante in our broadcasting products: Trackside TV and the newly introduced dedicated racing radio station, Radio Trackside.

These value-added services are bringing to our punters new preview programmes, Hong Kong races, racing news, racing personalities and much more. We believe that our Trackside channels must provide information and entertainment that complement the racing product and provide an insight into the industry behind the races.

Our broadcasting investments are already having an impact, with interest coming from advertisers and advertising agencies that see the 300,000 weekly viewers attracted to Trackside as a viable market for their advertising. Trackside is no longer simply a vehicle to show racing, it is now an entertainment brand that is attracting 20% of New Zealand television viewers weekly.

The Internet users amongst you will have noticed that there has been a dramatic upgrade of our website reflecting the huge growth – up 20 percent – of betting via the Internet. The Internet is now the source of some of the best form and information available to our customers.

We trust you enjoy this newsletter and wish you all the best for this season.

Graeme Hansen

# Investment in Channels is timely, prudent future-proofing

We are making many investments this year to improve our channels. They are wide ranging – from the face-to-face environment of retail to our presence in cyberspace and on radio and television.

By “channels” we mean all the ways in which we provide betting and racing entertainment – TAB agencies and socials, on-course raceday services, Phonebet, Touchtone, the TAB website, SKYbet and our broadcast services Trackside TV and Radio Trackside.

There are many projects, with one goal – to improve the services for delivering New Zealand racing to customers, to maximise returns to the industry.

Technology is a recurring theme. It's a key driver throughout the wider entertainment industry. To raise our profile and achieve our targets, we must use the best tools available and stay at the technological forefront.

While the costs involved may seem large, their downstream effect is cost-effectiveness – reducing operating costs, reaching more customers, and future-proofing our services and products.

## Retail

More outlets, better targeted technology, and a more appealing retail environment are retail's goals. The strategic focus is to increase and improve the retail footprint, and a range of initiatives are under way.

A new agency in Orewa, north of Auckland, is part of the expansion. It is a concept TAB, and a testing ground for a new look and new technology.

Due to open in October, it will sport the new livery and a lighter, brighter, cleaner look with new Sport and Racing branding to define separate areas within the site.

Flat screen TVs will carry LED captioning so customers know exactly what they're watching. Big screens dedicated to sport

and racing will show the main events live.

Passers-by will be able to use an information touch screen embedded in the front window. Sports customers will get the latest odds from a dedicated touch screen, and surf for information on an Internet portal offering access to pre-selected sites.

The second site to carry the new look will be Wellington's Inner City site in Brandon Street, with the fit-out tailored to its clientele.

Not all customers will embrace the high-tech approach, and it will be deployed strategically, in outlets and areas where it is most effective. The concept site will be closely evaluated, to determine what kinds of sites and customers respond best to the investment in technology.

Retail is working with data from Statistics New Zealand to map our market demographically, and identify strategic locations for optimum location of retail services.

The newly developed POD self service terminals are a key feature in the retail expansion. They are quicker, more reliable, and locally produced to our own specifications. They are already rolling out into both new and existing locations, and feedback has been positive. Self service terminals can provide a betting service in remote areas, where a staffed operation may be uneconomic; provide operator backup; or pave the way for a social or retail outlet where demand indicates. Most of the 100 in the first production run are now in place, and a further 200 are planned for deployment in the next two years.



## Trackside Television

Since 1 September the Channel has been on air 24 hours a day, offering an increasing lineup of locally produced and internationally-sourced programming.

Trackside is using the extended hours to broaden the channel's scope and viewer appeal, producing new programmes and sourcing them from overseas. Two shows, Irish "Only Fools Buy Horses" and Australian historic documentary "The Track" has already drawn viewers.

The new lineup includes the New Zealand Retro show, live to air on Sundays to review Saturday's racing highlights, and already attracting an enthusiastic following. The Ford Report has been extended to half an hour of local and international breeding news.

Here are highlights of the new-look Trackside lineup, along with screening times. For times of the replays, which may vary, click the Trackside Schedule link on the home page of [www.tab.co.nz](http://www.tab.co.nz)

**The Ford Report** – *Weekly premier Saturday 7.30am, with replays*

**The First Call** – *Saturday 9am*

**Hong Kong Race Coverage** – *Live from Sha Tin and Happy Valley, afternoons on Saturday and Sunday*

**Racing Replay Saturday** – *Sunday 9am, with replays*

**New Zealand Racing Retro** – *Sunday 10am, with replays*

**Australian Racing Retro** – *Weekly premier Monday 10.30am, with replays*

**Trackside At the Trials Review** – *Gallops weekly premier Monday midday, Harness weekly premier Tuesday midday, with replays for both shows throughout the week*

**The Racing Show** – *Weekly premier Monday 8.30pm, plus replays*

**The Box Seat Retro Show** – *Monday 9pm – with replays throughout the week*

**Racing World** – *Weekly premier Tuesday 1pm, with replays.*

**The Box Seat** – *Preview Show Thursday 11:05am.*

## Radio Trackside

The launch in April of a dedicated racing radio network was a milestone in broadening the reach and portability of racing entertainment, and improving customer service. The station already has a loyal and growing following, with new programmes in development constantly to further enhance its content.

The lineup focuses on the cream of New Zealand's racing experts presenting and talking about the best of racing throughout the week. The current feature programmes are:

### SATURDAYS

8am – 9am	The Starting Gates with Darren Tyquin and Butch Castles
9am – 10am	Simulcast of Trackside TV's First Call
10am – 11am	On the Sideline with Grant Nisbett
11am – 3pm	The Big Saturday with Peter Earley
3pm – 7.30	Darren Tyquin

### SUNDAYS

Noon – 4pm	The Sunday Roast with Butch Castles
4pm – 8pm	Talk Racing with Des Coppins

### MONDAYS

8pm – 9pm	Replay of Trackside TV's NZ Racing Retro
9pm – 10pm	Simulcast of The Box Seat Retro Show from Trackside TV

### TUESDAYS

2pm – 7pm	Peter Earley
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### WEDNESDAYS

Noon – 4pm	Tony Lee on Central Districts racing
4pm – 8pm	Drive Racing with Peter Earley

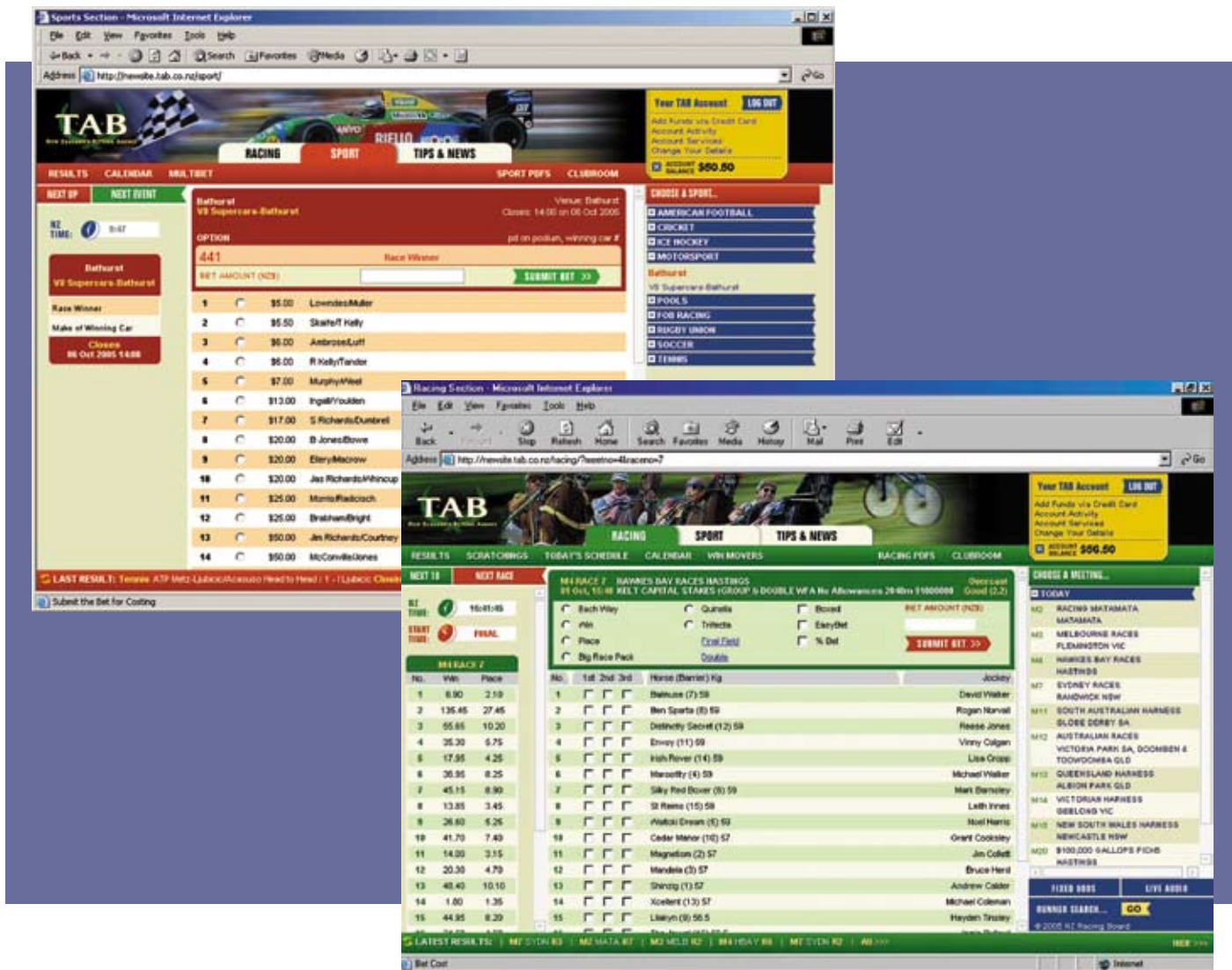
### THURSDAYS

Noon – 4pm	George Simon on the day's Northern region racing
4pm – 8pm	Drive Racing with Mark Rosonowski
8pm – Midnight	Under The Lights with Dean Lester

### FRIDAYS

Noon – 4pm	Karyn Fenton-Ellis around the South
4pm – 8pm	Drive racing with Mark Rosonowski
8pm – Midnight	Under the Lights with Aaron White

The hosts are subject to change depending on their racing commitments. When not broadcasting live, Radio Trackside carries a simulcast of Trackside TV during racing hours.



## Outside Broadcasting Operations

New OB (outside broadcast) vans will be rolling on-course from April of next year. The replacement of our current fleet of analogue vans with a new-era digital fleet involves a major investment. They provide a cutting-edge, industry-standard broadcasting platform to carry, and build on, the racing entertainment brand.

Reliability is a key issue on-course. Betting customers are visually driven – they don't like to back what they can't watch – so a totally dependable system is vital.

The new vans also provide increased capability to meet Trackside's advancing requirements – such as live production of The First Call and The New Zealand Retro Show, and the Big Screen productions on-course at key meetings this season. They have been equipped with future needs in mind.

The project includes re-cabling of some racecourses, training staff and recruiting lead technicians and operational staff in key areas.

## The TAB website – [www.tab.co.nz](http://www.tab.co.nz)

Since its launch in 1997 the TAB's website has consistently shown strong turnover growth, which has increased further since a major revamp began to roll out last September.

Key factors in the website upgrade are ease of navigation and a faster, simpler betting interface.

The site puts more and better information in front of online customers, targeted at both the expert and the novice. While a growing number of customers opt to place their bets online, you do not need an account to enter the site and view a wealth of racing and betting data. While much of it was available on the old site, it's now better laid out and quicker to access, and it includes:

- Scratchings
- Race Results
- Form on all New Zealand races
- Runner Search – details on all New Zealand runners, across the greyhound, harness and thoroughbred codes
- The racing calendar and the day's racing schedule

- Trackside TV screening schedules for the month
- Tips for key New Zealand and Australian races

One new feature is Win Movers, giving a view of the changing odds leading up to race jump. The Trifecta pool size is displayed with the odds information. The latest results appear at the bottom of the screen and are updated as soon as the information becomes available.

The site readily accepts new betting products. Multi is now online, and website customers can “Multi up” the day’s Top Six and Top 10 Favourites – an option not yet available through other retail channels.

The website development team have responded to customer demand, and are preparing All Up betting for online availability. It’s long been a popular product for expert retail customers, and website users have requested a slice of the action.

Website customers can follow the racing excitement online, by listening to Radio Trackside on the site via audio streaming. And you can track your account balance, which is displayed at all times and is updated after each bet.

There is also a wealth of information for new website users, and customers new to the world of betting.

In the expanded and updated Help section are instructions on how to bet on the website, with separate sections for racing and sport. There are glossaries of sports and racing betting terms, and “Racing 101”, a series of animations outlining the basics of racing and betting.

A translation option is in development to acknowledge the changing face of New Zealand’s community. It will cater to non-English readers, with Chinese the first language to be offered.

The upgrade has been greeted with enthusiasm, with nearly 20 percent growth in betting via the Internet since the upgrade commenced in September 2004.



## Racing & Sport 101

If you’re reading this, then you’ve probably forgotten that betting could ever seem difficult or confusing.

NZRB staff on-course observed that customers attending their first raceday, were enjoying the spectacle but not having a punt. They were keen, but embarrassed that they didn’t know how to place a bet – and there was nothing to guide them through the basics.

The result is Racing 101 – a guide taking novice customers step-by-step through the basics of reading a racebook, picking a runner, filling out a betslip and placing a bet.

Racing 101 has been produced as a leaflet for on-course customers. There is also a Racing 101 leaflet specially targetted to customers at TAB retail outlets.

Similarly, there is a series of TV-style “infomercials” that

run for 30-60 seconds. These appear on Trackside TV and also on the Big Screen productions that are appearing at key racedays around the country. They also appear on the Help section of the revamped TAB website, [www.tab.co.nz](http://www.tab.co.nz).

The Racing 101 project has worked so well, that sports betting is following suit.

Sport 101, a pamphlet available in retail outlets, guides new sports betting customers through finding option numbers and odds, completing a betslip, placing a bet and having a go at Multi.

The 101 series has been well received. When the Barmy Army invaded Ellerslie during the Lions tour, officials said Racing 101 helped the visitors to understand betting Kiwi-style, and helped raise turnover at the meeting.



## Big Screens

The New Zealand Racing Board is bringing the live Big Screen experience to racecourses around the country throughout the racing season.

The Big Screen was trialled last season at the Kelt Capital Stakes and Christchurch and Wellington Cups, and this season will appear at 30 key gallops and harness meetings, from Auckland to Invercargill.

The 40 square metre big screens are typically located on the inside track by the finishing post – at some of the bigger meetings there will be two.

On screen, racegoers get a close-up, varied view of action on course. It gives them a great view of the racing, and between the races at many meetings an MC or two will deliver a presentation of all the action on-course, plus entertainment and information.

A team of presenters including Dean Lester, Kerre Woodham and Andre Neill will front the fun. They'll be capturing highlights like Fashion In The Field, picnics in the carpark, interviews with revellers, tipsters, trainers, owners and jockeys, reflecting the atmosphere and offering a racing version of sports stadium big screen excitement.

The NZRB is funding the production costs of each the big screen event, plus half the screen hire cost. The On-course Operations arm of Trackside TV provides the technology, production expertise, and camera and sound operators, and liaises with the racing clubs.

Racing clubs are enthusiastic. Canterbury Racing Chief Executive Tim Mills has said, "The screen can really add value to the on-course experience, especially so for a course such as Riccarton Park where the action can be brought so much closer to the audience. Our Board was unanimous in its desire to see screens in place and we are pleased to have worked with the New Zealand Racing Board to achieve this outcome."

## Raceform

**TAB Raceform is getting a makeover, and it made its debut in the deep south, in time for the start of Spring Racing.**

The new format Raceform appeared for the first time in the Otago Daily Times, in a supplement titled "U-Bet" on Friday 26 August. It incorporates many factors to make the fact-packed presentation appealing to existing punters, and welcoming for new customers.

Collecting comments and runner data into one format, it uses colour when available at the discretion of the newspaper and a simplified presentation.

It utilises a clever "onion-peel" layout so that all races for one meeting appear on one sheet – making it easy for readers to find – and carry with them – just the info they want.

And it's the first time that comment for greyhound meetings has appeared in a newspaper form guide.

At present U-Bet appears only on Fridays and only in the ODT. It will be launched throughout the racing week, and then in the other major dailies, once the technical aspects of its production are bedded in. Meanwhile feedback has been outstandingly positive.