



CHAIRMAN'S REPORT - MR MICK LOMBARDO
AHRC ANNUAL GENERAL MEETING 31 OCTOBER 2003

In welcoming you to the Annual General Meeting in Hobart, I wish to initially reflect on the last twelve months and how we have progressed our industry's development collectively in this Member's Forum.

Change is both ever present and consistent. Council's role has now focussed on the analysis and interpretation of key policies and issues nationally confronting our industry. Given the relationships of our State Controlling Bodies and Principal Clubs some issues are more appropriately dealt with at the State level where the relationship of State and TAB commercially intervene and dictate outcomes optimising them at the State level.

Our industry's reliance on funding from TAB's is critical to our future where threats to them must be shared with our partners each State Government in maintaining our commercial market. Alternate revenue from sponsorship is universally down nationally as higher profile sports and events claim or maintain existing arrangements. Our appeal to our future customer market lies in developing a wider but unfortunately less lucrative approach in harness racing's traditional rural foundations whilst still maintaining our Metropolitan presence. The pursuit of turnover dollar requires a realignment of the expectations of our traditional customer and on-course attendee. To keep winning them over will require considerable patience and re-education to maintain and then to attract new devotees to our sport. The Standardbred and our industry's close proximity to it will be active ingredients in achieving this aim.

Unfortunately there is no ready acceptance of change in our industry where it impacts directly and significantly on the commitment of the industry participant irrespective of their role whether they are a driver, trainer or administrator. Volunteers are passionately committed to the maintenance of often long established arrangements and view change as an unwelcome and unwarranted threat to their vision of their localised future. State Controlling Bodies through their

charter have endeavoured through review and consultation to advance change from within their own State boundaries. The process often generates conflict and disagreement as a map of the future is developed often against entrenched parochial views. If this process and determination is commercially undertaken our industry will progress to an improved future of opportunity for all industry entities and participants.

State Governments are active shareholders in our industry and have intervened this year in establishing common code regulatory bodies in conjunction with other racing codes. They seem to me to have decided that integrity and regulation can only occur in separate entities under government control given recent developments in New South Wales, Tasmania and Western Australia. The danger lies when these bodies do not act in a cohesive and integrated manner aligned with each State Controlling Body but rather pursue an independent approach. Close consultation will dictate whether this is successful and occurs or not into the future.

Council itself is not immune to the evaluation and review process. This meeting will dictate its future organisational direction. In considering the proposals of the Working Party these are provided as distinct milestones in the process commenced earlier and worked through to date. Nothing is set in concrete in the recommendations proposed for discussion.

I would like to thank both Chairmen and the other participants for their carefully considered output on which Council can further debate the identified issues and bring them to resolution. Remember however that when you adopt the recommendations that you must then fund and resource them so the implementation is effective. In this way our national body can move on into the future with purpose.

Council has fulfilled many tasks of facilitation during the year and on three key areas substantial progress has been achieved. The DNA Genotyping Project nationally has been implemented with national co-operation. The Business to Business Software between the AHRC and Maxxam Analytics can only be called a success complimenting a difficult exercise in logistics where two partners trade internationally in the provision of services. The benefits of the AHRC On-Line and Australian Breeding on the national website continue to evolve and provide more information as it has been progressively developed. The website information and The Australian Trotting Stud Book provide a range of valuable information to all. These advances are significant.

Public Liability insurance continues to be a difficult but necessary important component in our business. Council's role in this has again been demonstrated as effective in both establishing our own industry's fund. They have continually reviewed and driven its implementation in a difficult international and domestic commercial market.

These are three successful instances where our industry has been able to undertake projects and implement them effectively and in a very smart way with limited resources at our disposal. They have all been delivered in a cost efficient manner and represent value for money for yourselves and our industry participants. The output of our two Review Working Parties will allow integration and centralisation of processes allowing us to go further down this path.

The World Trotting Conference in Canada was a highlight in this year's activities. It illustrated to me that Australia and its regional partner New Zealand are amongst the best jurisdictions in the world. We are highly regarded by our international peer group as innovative and professional in many of the commercial and other functions undertaken. Our market is both sophisticated and very commercially competitive despite the fact that our industry does not dominate the racing market like they do. The Australian approach to racing and its national distribution of product is similar to Canada but private facilities ownership occurs. Their racing is similar. Our racing product is sought for its ability and competitiveness. Gaming through slot machines and financing supports harness racing to achieve its results in their environment. Visits to racing facilities in Canada showed a greater reliance on technology and cameras in their racing operations. The role of stewarding was physically "invisible" to the on-course customer and punter but advised through modern public announcements. The use of cameras etc and brief communication between race day drivers and stewards was quickly undertaken by phone with ready acceptance. The racing was "the show" and it was presented quickly and efficiently from a customer viewpoint in clearing a meeting's race program. A thought to consider.

Council's activities have been performed by Chief Executive Rod Pollock and our staff. They have completed their functions to a high standard. This year Jo Carr the Council's Computer Manager after twenty three years of service retired. My thanks to all staff for their commitment in progressing Council's activities on behalf of all Members and the many industry participants who regularly consult them.

In conclusion thank you for allowing me to undertake the role of President over the past year. Your ready assistance whenever I have discussed issues with you or your staff has been

appreciated. I am confident in the success of our future as we collectively work for our industry and its participants.

Mick Lombardo
Chairman