



## **CHAIRMAN'S REPORT - MR MICHAEL TARANTO**

### **HRA ANNUAL GENERAL MEETING 8 NOVEMBER 2019**

It has been a positive year for harness racing in Australia and for Harness Racing Australia (HRA).

Of course, there are some issues of great concern, especially the industry revenue model, but it is important that we do not allow negatives such as this to colour our thinking to the point where we forget about celebrating the positives.

We have such a great product with which to work and celebrate. At the top of the list has been another year of outstanding and exciting racing showcased at some wonderful venues.

Following three terrific Inter Dominions held at Gloucester Park, the baton was passed to Harness Racing Victoria to host the prestigious event on 15 December 2018, which was branded *Tabcorp ID18*. Returning to Victoria for the first time since 2009, the Series was boosted when the Inter Dominion Event Committee (IDEC) approved the reinstatement of the Inter Dominion Trotting Championship, for the first time in since 2012.

Trotting and pacing Heats were held at Tabcorp Park Melton, and successfully showcased regionally at Ballarat and Cranbourne before returning to Melton for the Grand Finals where both Champions were crowned after dominant displays.

Tiger Tara NZ (Bettors Delight), steered by reigning Australian Driving Champion, Todd McCarthy, collected the trophy as part of what was to become a stunning year on the track and remarkable training performance by Kevin Pizzuto with victory in the Inter Dominion Pacing Championship for connections; Mikey Hawli, Courtney, Kevin and Tanya Pizzuto.

The Trotting Championship was dominated by another New Zealand bred, in Tornado Valley NZ (Skyvalley NZ), who was clinical throughout the series in a faultless display for driver, Kate Gath, and trainer, Andy Gath, before stamping his greatness in the Final and deliver the famous Inter Dominion Trotting Championship trophy to owner, Norm Jenkin.

Harness Racing Victoria are to be congratulated on the success of ID18 both on and off the track. While, as always, the Championships provided outstanding racing, the Ballarat & District Trotting Club require special mention for their innovative broadcast presentation from inside the track when hosting the second round of Heats. From a promotional perspective, a lasting reminder of the stunning advertisement and memory of Standardbreds trotting along the Yarra River during commuter rush hour has set the bar by which future hosts can continue to build profile and momentum into Auckland, ID19.

In the days preceding the Inter Dominion, Harness Racing Australia (HRA) held our inaugural National Conference at Flemington with great success.

The Conference was extremely well attended by people from across all industry sectors, who heard from a range of experts in the areas of breeding, wagering, broadcast and welfare. Highlights included the candid and honest observations and panel discussion among wagering providers, a deeper understanding of the importance of international cooperation, as well as an insightful youth session during which some of our sports best talent spoke passionately about the future.

A significant outcome from the Conference was the establishment of a formal Young Leaders Group. This new Group is Chaired by Todd McCarthy and includes a member from each State who participate in the industry in many and varies capacities: Brittany Graham, Kima Frenning, Ashlea Brennan, Brodie Webster and Mark Yole. As a group, they have already been active in the lead up to the AGM in Hobart where issues such as industry training and the introduction of drivers colors have been identified as key topics for debate.

It is clear that the industry is blessed with great talent, and it has been another outstanding season on our racetracks with a changing of the guard as new champions have emerged in the open class pacing and trotting ranks.

Perhaps the Inter Dominion was a way of rewarding persistency, dedication and commitment for Victorian based trainer Andy Gath for whom it took thirty years of training Standardbreds to win an Inter Dominion with the brilliant trotter Tornado Valley NZ (Skyvalley NZ). If Andy somehow needed any reminder of the difficulty of winning an Inter Dominion, the brilliant Dance Craze was victorious on the undercard, of course of daughter of La Coocaracha who he trained to an agonisingly unlucky second in the 'Inters' some seventeen years earlier.

After a year in which Tornado Valley NZ tasted defeat just once from 12 starts, the Skyvalley gelding was crowned Australia's Aged Trotter of the Year and Trotter of the Year.

With champion Lazarus leaving Australasian shores, questions were asked as to who would take his 'pacing champion' mantle. It didn't take long to find the answer. Entering the Inter Dominion Pacing Championship following a dominant Victoria Cup win, Tiger Tara found his best form of the Series at the right time for trainer Kevin Pizzuto and driver Todd McCarthy. Memories of Tiger Tara free-wheeling out in front for McCarthy, and leaving star rivals breathless in his wake will be a lasting memory of ID18.

Later in the year, Tiger Tara added the Hunter Cup to his ID18 and Victoria Cup wins, making him far away the most dominant free for all pacer and the deserving winner of Australian Pacer of the Year and Australian Horse of the Year titles in addition to the APG Grand Circuit Champion title.

Whilst Todd McCarthy's Inter Dominion win may have been his most memorable win, it may not have been his most memorable experience in 2019. Following his victory in the 2018 Australian Drivers Championship (ADC), Todd was selected to represent Australia in the 2019 World Driving Championship in Sweden in May. Whilst not tasting much success in Sweden, Todd should be congratulated and proud for the way in which he represented Australia, himself and his family on the world stage.

While the full list of National Award winners are listed elsewhere in this document, special mention must be made to the nations leading driver, Chris Alford. It was a special year for Chris for winning his hundredth Group One, the first person to do so, as well as taking out the HRA J.D. Watts Award, for the nation's most winningest driver, for the 13<sup>th</sup> time - with an astonishing 422 wins!

After finishing runner up last year, Grant Dixon regained the title of Australia's leading trainer with an incredible 340 wins for the season. Dixon's title makes it 7 wins from the last 8 years and amazingly 11 titles in the last twelve years for the Dixon family – a terrific achievement.

As highlighted, there was a great deal of excellent racing during the past season, but with continued pressure on industry funding and revenue's, it must be asked whether the racing product is meeting market needs. Many people believed the handicapping system is in need of an overhaul, others feel the answer lies in improved programming, while others again the have a view that the broadcast presentation requires revamping.

After lengthy consideration of these and other philosophies/challenges facing the industry, HRA was tasked with the design of a new handicapping system which could provide competitive racing, full and balanced fields, wider prizemoney distribution, attractive wagering propositions, improved yield and providing racing opportunities for horses of all ages, abilities and gaits for a longer period of time.

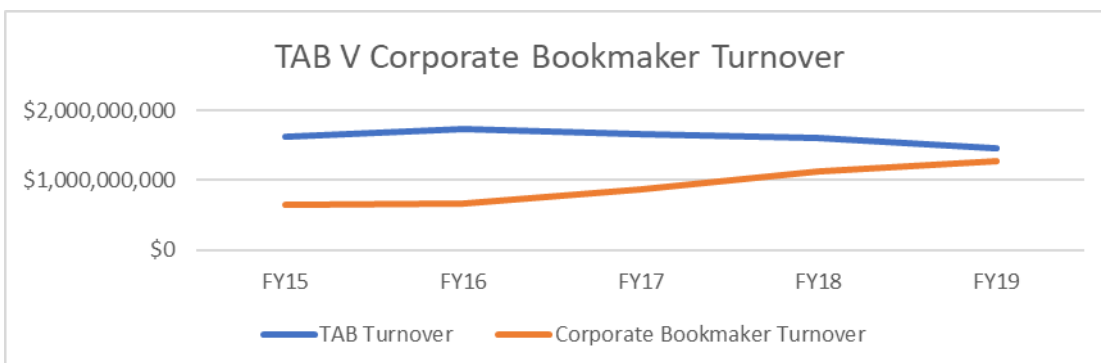
The culmination of industry submissions, workshops, analysis of historical data and predictive modelling all pointed to a ratings points based solution. And so it was that a National Ratings System was developed.

The resultant National Ratings System was implemented on 1 July 2019 with immediate effect. In the in two months since transition, the system is already showing some terrific results from a horse number, competitive racing and wagering viewpoint. I look forward to the evolution of this system over time, as the Ratings Review Team and state programmers consult with industry and continue the work towards positive wagering outcomes. A major review is to take place in February 2020, by which time a comprehensive 6-month analysis will be possible.

Earlier in the year, RWWA's new Business Model was also rolled out across Western Australia. I also look forward to the successful progression of this model in WA, which provides the opportunity for other States to benchmark themselves and learn from each other.

The introduction of the National Ratings System and RWWA Business Model comes at a critical time for the sport with national wagering statistics showing a 1.8% decrease in total wagering in FY19, which is on the back of an 8% increase the year prior.

Whilst the turnover from the Corporate Bookmakers continues to grow (up by 13.6% in FY19), turnover from the TAB's continues to decline (9.3% decrease in FY19). With the majority of industry funding being received from the TAB, it is vital that the sport work with all wagering service providers, but particularly the TAB's to drive revenue forward.



The negative impacts of the new Point of Consumption Tax (POCT) are also being felt by many States, with many corporate bookmakers passing on this 'cost' to the customer. Returns to racing and covering shortfalls is a priority that many States are working hard with governments to secure adequate compensation for, and HRA is assisting wherever it can.

During the year, the 26<sup>th</sup> World Trotting Conference (WTC) was held in Stockholm, Sweden, where Australia was well represented with 10 delegates attending the plenary sessions and Committee meetings.

The 5-day Conference had an extensive agenda covering the major issues confronting our industry globally. There were many fascinating presentations and robust debate in committee sessions on subjects such as integrity, marketing, wagering, animal welfare, breeding and ownership. Despite the obvious differences brought about by different cultures or the size of the industry in the various International Trotting Association (ITA) jurisdictions, we all have similar problems.

HRA was ably represented by Deputy Chair, Rod Smith, and Chief Executive, Andrew Kelly, the latter performing leadership roles including as Chair of the Equine Health & Welfare Committee (for a fourth Conference) and expert speaker on the Wagering Panel discussions alongside the PMU and ATG.

Andrew's leadership and contributions to world trotting were also recognised during the Conference where he was honoured with Life Membership of the International Trotting Association.

Improved collaboration, a willingness to exchange of ideas and a uniform approach to major issues were identified at the Conference as an important way forward for our sport. This is accurate, but not isolated to ITA Member countries or our global sport – it is the same for our sport domestically.

To this end, a two-day workshop of HRA Members has been set down for September to identify opportunities and rejuvenate the operations of HRA. I am both excited at the prospect and confident that the outcomes will provide opportunities for HRA to not only build on the excellent reputation and work it already does in so many areas, but to identify and lead changes within the industry which will reduce costs and or drive efficiencies across all sectors.

Critical to this will be the acquisition of Racing Information Services Enterprise Pty Ltd (RISE) by the HRA Members from Harness Racing Victoria (HRV) - which all parties are committed to. When complete, will be quite a historic event which should not be underestimated.

This reform ensures a national focus for RISE, and therefore industry's information and data offering, from a strategic perspective. As part of the acquisition, all parties have also committed to a large investment in a 'technology fund', which is designed to immediately modernise the company and deliver operational efficiencies, improved responsiveness and customer service.

Other advantages of this national collaboration will include Customer Relationship Management strategies, data commercialisation and the strategic prioritisation of projects.

There will always be challenges for a vibrant industry such as harness racing, but I firmly believe that with a positive outlook, unity of purpose and confidence, HRA and its Members will continue to rise to meet them.

While we are always striving for change and looking for opportunities to improve, one of the great underlying strengths of HRA remains the governance structure, and I wish to record a special thanks to the many people who serve our industry on these committees and working parties.

I'd also like to record my gratitude to the Members of the HRA Executive Committee – Deputy Chair Rod Smith, Treasurer Dale Monteith, Gary Crocker, Bob Fowler, Joel Wallace and Margaret Reynolds - for their support and valuable contribution.

We have an excellent, dedicated Chief Executive in Andrew Kelly, and his small team in the HRA Melbourne office do a fabulous job - your efforts are much appreciated.

HRA works closely with HRNZ on many issues and our thanks go to Chairman Ken Spicer and Chief Executive Peter Jensen and their colleagues for maintaining such a positive relationship.

Many thanks also to HRA's legal counsel, Dean Cooper for his endeavours during the past year - we are fortunate to have him as part of the team.

Michael Taranto  
Chairman