



Corporate Plan

2020
& BEYOND

Invest – Innovate – Differentiate

2017 – 2022



CONTENTS

From the Chairman	3
Overview	4
Growth and Opportunity	5
Vision and Mission	6
Our Corporate Values	7
Three Pillars of Focus	8
Our Strategic Principles	9
Participation	10
Infrastructure	12
Customer	13
Animal Welfare	14
Risk and Safety	15
Organisational	16
Business Development	17
Roadmap for 2020 and Beyond	18



From the Chairman

Dean Cooper



The 2020 and Beyond Corporate Plan represents a new era in the Tasmanian racing industry.

Nationally and locally we face many challenges. However there are many exciting opportunities that are now afforded by our sustainable position and an increasingly connected digital world.

Invest, Innovate and Differentiate are the three pillars of focus for Tasracing that will help shape our future.

This Corporate Plan identifies a number of objectives and initiatives that will build industry confidence, meet community expectations, address infrastructure issues and tackle some of the key national and local trends in underlying industry metrics. We will also develop an innovation plan, designed to leverage our digital assets to enhance the customer experience and increase industry revenue.

These objectives and initiatives were developed in consultation with our stakeholders and the industry at large. I thank you once again for your input and support in helping shape your future.

I encourage all participants to embrace these exciting initiatives as we continue to work together to help secure a sustainable racing industry in Tasmania.

On behalf of the Tasracing Board and Team, I am pleased to present to you a summary of our plan for 2020 and Beyond.

A stylized, handwritten signature in black ink that reads "Dean Cooper". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Dean Cooper
Chairman

OVERVIEW

Tasracing is the principal racing authority for Tasmania.

A State-owned company, it provides the strategic direction and funding to the three codes of racing in Tasmania – thoroughbreds, harness and greyhounds.

In accordance with its legislative responsibilities, Tasracing is responsible for the development of racing and breeding and the funding of clubs, as well as providing stakes, negotiating media rights, and managing racing and training venues. The Office of Racing Integrity (ORI) is responsible for maintaining the probity and integrity of each racing code.

Tasmania is a small, niche player in the national racing industry, with a small domestic market. It must therefore attract off-course wagering customers across Australia and internationally in order to achieve material revenue growth. To do this successfully, Tasracing needs to differentiate its product in order to compete with rival jurisdictions for wagering customers' attention. We intend to do this by developing innovative digital products and promotional tools that attract punters to our racing.

The racing industry contributes over \$100 million to the Tasmanian economy each year and has over 5,500 people engaged in the industry, either employed or as direct participants.

One of Tasracing's key strategic principles is to increase the racing industry's contribution to the Tasmanian economy.



GROWTH AND OPPORTUNITY

The journey over recent years has been challenging for the Tasmanian racing industry. Restricted investment in infrastructure and constraints in the stakes budget have impacted participants.

There are declining national trends across breeding, participation rates, club membership and attendance at race meetings. Animal welfare matters have also attracted community attention and investment is needed in order to protect and maintain racing's social licence.

Despite these challenges, the underlying performance of our key wagering metrics has been significant across all three codes. Wagering turnover, market share and international returns have all experienced strong growth.

There is demand for our racing product. Our small market is an attractive option for punters. Tasmanian bred animals have also had prominent national success.

Our plan for 2020 and beyond has a solid foundation.

Now that Tasracing's business model is financially sustainable, the company has the ability to invest, innovate and differentiate for the benefit of all Tasmanian racing participants. This is our opportunity.





VISION:

To become a globally competitive and sustainable racing industry.

MISSION:

To effectively and efficiently administer racing and to improve the commercial performance and economic contribution of racing in Tasmania.



OUR CORPORATE VALUES

R

RACING IS OUR PASSION

- We acknowledge our central responsibility to the sport of racing
- We are committed to animal welfare and the integrity of the sport
- We take pride in the presentation and performance of our tracks and facilities
- We support people to continually develop their industry skills

A

AIMING FOR EXCELLENCE

- We set challenging yet realistic goals
- We deliver our operations as efficiently as possible
- We are committed to continuous improvement
- We actively embrace and plan for change
- We value innovation and original thinking
- We place importance on managing risk

C

COMMUNICATING CLEARLY

- We recognise the importance of relationships
- We conduct ourselves professionally and communicate with respect
- We encourage the exchange of ideas
- We acknowledge the importance of customers and their experience

E

ENCOURAGING TEAMWORK

- We work collaboratively to achieve the best outcome
- We empower people so they can work to their potential
- We are inclusive and support diversity
- We recognise achievement and reward great performance



THREE PILLARS OF FOCUS

These three pillars of focus will drive our strategic principles, goals and initiatives.



Invest

For the first time since the company's inception, Tasracing is now financially sustainable. From this solid foundation, it can begin to responsibly and sustainably invest in appropriate strategies for the benefit of the industry.

Investing in stakes will be a key priority to ensure industry funding streams grow. Investment in infrastructure will also be critical to address essential capital works needs. Investing in safety and welfare initiatives will have a heightened importance in order to maintain racing's social licence.

Finally, investing in people – employees, participants and club volunteers – will be vital, as our people are the lifeblood of our racing community.



Innovate

Tasracing's commercial success has been driven in part by its ability to deliver innovative solutions to contemporary challenges.

Thoroughbred night racing, StrideMASTER sectional timing and unique customer-focus strategies, including our digital Punters' Dashboard, have been and will continue to be key enablers.

Tasmanian racing's success in national and international markets will continue to be reliant upon continued innovation in all dimensions of our products, service delivery and customer initiatives.



Differentiate

In order to compete effectively in a crowded marketplace, we must differentiate our product in order to stand out.

Our single participant pool, superior form products and customer focus will provide the foundation for our differentiation strategy.

Our commercial success and ultimately our industry returns will be defined by our success in promoting innovations that make our racing stand out from our competitors in national and international markets.

OUR STRATEGIC PRINCIPLES

Our strategic principles represent key themes across our corporate plan goals and initiatives.

They were developed in reference to feedback from industry consultation and are aligned with our shareholder's statement of expectations.

Increase economic contribution

Safeguard animal welfare

Maximise commercial performance

Responsibly manage risk including safety

**Maintain tri-code presence in three regions
(South, North, North West)**

**Be a great place to work, with a dynamic
culture and appropriate organisational
capabilities**

PARTICIPATION

Maintain and grow participation in the industry by enhancing overall participant returns and delivering on other key initiatives



Invest

Key Initiatives:

- Implement a code funding strategy that targets the provincial national average in order to encourage participation whilst remaining financially sustainable and aligned to funding streams.
- Build on the success of the TasBonus Scheme and Harness TasBreeders Series, implement a sustainable breeding incentive program and yearling sales to assist with the continued supply of competitive racing animals.
- Build owner returns and experiences that align with the drivers of motivation and provides support to trainers, breeders and syndicators to grow ownership of racing animals.
- Support the growth of clubs through enabling strategies to enhance membership, governance, digital presence, safety and efficiency of operations.
- Develop a Next Generation participation strategy – getting young people into racing and to the track.

Code Funding Growth Strategy

On the assumption that financial performance is in line with expectations, Tasracing will target code funding increases of up to 4% each year comprising of:

- an annual CPI increase to code funding each year (up to 2% per year) and
- a further discretionary increase of up to 2% per year if financial performance is above expectations.

This will be applied to the annual code funding budget, which would then be subject to the code allocation model.



Our code funding growth strategy will deliver up to **\$112m** to participants over 5 years

PARTICIPATION

Maintain and grow participation in the industry by enhancing overall participant returns and delivering on other key initiatives



Key Initiatives:

- Implement a centralised, best-practice website solution for all Tasmania's racing clubs across all three codes.
- Leverage major state-wide sponsorship partnerships for the benefit of all clubs and to help promote Tasmanian racing to a wider audience.
- Continue to grow the Young Racing Tasmania initiative as a vehicle for thoroughbred clubs to attract the next generation of club members.
- Develop a Next Generation program to deliver marketing and other initiatives, supporting harness and greyhound codes to attract the next generation of participants.



INFRASTRUCTURE

Provide efficiently managed racing and training infrastructure aligned with participant and customer expectations



Invest

Key Initiatives:

- Work with industry to finalise an Infrastructure Plan, focussing on activities which will deliver necessary asset investment and address safety and compliance requirements.
- Build a dedicated centre for the Greyhound Adoption Program.
- Develop a long term environmental impact and assessment study for each venue.
- Continue to investigate opportunities to realise efficiencies and enhance service levels.



*Proposed capital expenditure and operational expenditure as per Corporate Plan forecasts.

CUSTOMER

Focus on wagering customers by understanding their needs, building relationships with operators and creating value through innovation and great customer service



Innovate

Differentiate

Key Initiatives:

- Develop an Innovation Plan which delivers a roadmap for maintaining relevance in national and global markets.
- The plan will detail how we will grow customer demand through:
 - *Leveraging our position as the first racing jurisdiction in the world to use GPS technology for sectional timing and live data publication*
 - *An innovative form database for wagering customer use*
 - *Live streaming all Tasmanian racing via tasracing.com.au and racing club websites*
 - *A market leading dashboard interface for tasracing.com.au*
- Grow national market share by undertaking a digital marketing strategy which focuses on a distinct customer value proposition – based on innovative digital products and a distinct participant pool.
- Grow on-course attendance by leveraging major sponsorships, improving brand awareness and enhancing the on-course customer experience.



ANIMAL WELFARE

Promote and enhance animal welfare in accordance with community expectations



Invest

Key Initiatives:

- Build a dedicated, fit-for-purpose centre for the Greyhound Adoption Program (GAP).
- Implement a new strategy for the GAP, focussing on the new GAP centre and improved pre-testing regime and foster care arrangements, in addition to relevant legislative changes.
- Continue to build on the Tasracing Off the Track Program (OTT) by increasing awareness of the attributes of retired racehorses and improving their desirability in equestrian markets.



RISK AND SAFETY

Responsibly manage risk and safety to protect our participants, employees, assets and shareholders



Invest

Key Initiatives:

- Undertake an external review of WHS across all sites, implementing necessary changes.
- Invest in systems and processes which support a best practice WHS operating model.
- Continue to manage a proactive and supportive injury management process.
- Finalise legal arrangements for venue licences and stables, confirming user expectations and obligations.
- Further enhance Tasracing's risk management framework, including the improvement of risk reporting.



ORGANISATIONAL

Ensure suitable skills and systems are employed throughout Tasracing's operations, assets and governance structures



Invest



Innovate

Key Initiatives:

- Continually promote our RACE values through leadership, policy and cultural initiatives.
- Continue to make Tasracing a great place to work.
- Migrate IT infrastructure to a cloud solution and continue to seek digital solutions to enhance efficiency and effectiveness.
- Invest in people and resources in order to align Tasracing's operations with its legislative responsibilities, industry challenges and strategic priorities.
- Promote and encourage innovation across our services, structure and deliverables.
- Develop and implement a corporate social responsibility program that is aligned with our RACE values and environmental obligations.



BUSINESS DEVELOPMENT

Explore new business opportunities to increase revenue and to promote the Tasmanian racing industry



Invest

Key Initiatives:

- Protect and build international revenue by continuing to solidify existing relationships and exploring emerging market opportunities.
- Investigate partnerships with government and commercial entities, which will enable Tasracing to leverage its assets and provide additional benefits to racing participants.
- In partnership with stakeholders, identify and explore options to enhance the entertainment and function options for key racing venues.



A ROADMAP FOR THE FUTURE

The Tasmanian racing industry has an exciting future and a strong platform for growth.

Racing participants – trainers, breeders, owners, jockeys, drivers, club volunteers and employees will all benefit from:

- Investment in a stakes growth strategy which will deliver up to \$112 million to participants over 5 years
- Investment in assets and infrastructure, up to \$43 million over 5 years, providing necessary upgrades to racing and training venues and addressing safety concerns
- Innovation in digital solutions, which will promote our racing product domestically and internationally, and increase revenue to industry
- Differentiation of our racing product and digital tools to promote Tasmanian racing, build wagering revenue and enhance industry returns
- Investment and focus on animal welfare, ensuring that we retain our social licence to operate
- Investment in our people, building skills and capability in order to deliver on our plan



Invest – Innovate - Differentiate



Disclaimer: All forecasts and projections are subject to actual business performance and shareholder approval.