



Building Sustainable Growth:
Progress Report No. 5

October 25, 2013

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America's Best Racing Hits High Gear In Promotion of Breeders' Cup

Editor's Note: The Jockey Club and its affiliated companies have been implementing various initiatives recommended by McKinsey & Company in August 2011 and distributing occasional updates to keep the industry apprised of its progress.

This 7-page synopsis is the fifth progress report. Media outlets are welcome to use this information in any coverage.

Jason Wilson, vice president of business development for The Jockey Club, oversees these projects, with assistance from a group of managers from The Jockey Club and NTRA Communications and media professionals.

America's Best Racing

The multi-dimensional America's Best Racing initiative has been heavily promoting the 30th running of the Breeders' Cup throughout the fall, and the effort will be in high gear starting October 28.

The America's Best Racing promotional bus tour, known as the ABRV, and the six brand ambassadors will make visits to several popular spots in the Los Angeles area, including the Santa Monica Pier, the Fashion District and The Grove, a retail and entertainment complex in Los Angeles, during Breeders' Cup Week.

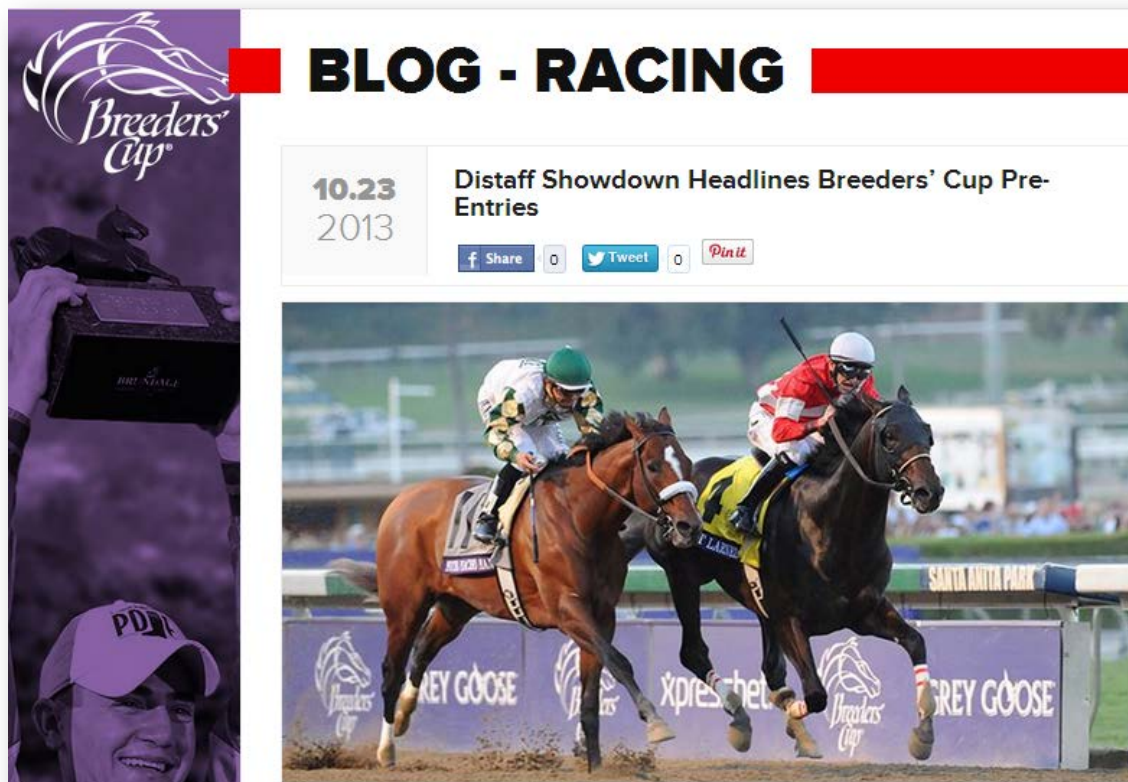
The ABRV will be on site at Santa Anita on Friday, Nov. 1, and Saturday, Nov. 2, as the ambassadors play host to a number of influential bloggers from the worlds of sports, fashion, lifestyle, travel and entertainment. (ABR entertained more than 40 bloggers during the Awesome Again Stakes Sept. 28 at Santa Anita.)



Through a partnership with Breeders' Cup and KNBC-TV, the NBC affiliate in Los Angeles, the ABRV will also be visible in news coverage throughout the week.

Breeders' Cup Week will also mark the launch of a week-long promotion with "Lulu's," a millennial clothing company that boasts of more than 360,000 Facebook followers.

The ABRV made appearances at Universal Studios Sept. 29 and at the Los Angeles Car Show Oct. 4. In late September, the bus visited six college campuses in the Los Angeles area, promoting Thoroughbred racing, the Breeders' Cup and Santa Anita Park's first College Scholarship Day.



The image is a screenshot of a blog post. On the left is a vertical purple sidebar with the 'Breeders' Cup' logo and a photo of a woman in a purple 'PDL' cap. The main content area has a red header with 'BLOG - RACING'. Below it, a date box shows '10.23 2013' and a title 'Distaff Showdown Headlines Breeders' Cup Pre-Entries'. There are social media share buttons for Facebook, Twitter, and Pinterest. The main image shows two horses racing on a track at Santa Anita Park, with jockeys in green and red silks. Advertisements for 'GREY GOOSE' and 'xpressbet' are visible on the track barriers.

Ongoing activities include Breeders' Cup ticket giveaway contests with social media influencers, an online contest promoting "Dress for Breeders' Cup Success" with Vineyard Vines gift cards, and a daily campaign on Facebook to promote the Breeders' Cup countdown, featuring photos, quotes and Breeders' Cup celebrity connections.

"With a premier two-day championship event, we wanted to use every tool and resource we have to reach out to prospective fans so they can enjoy the drama, pageantry and excitement of the Breeders' Cup," said Wilson. "At the same time, the marketing activities we have initiated for the Breeders' Cup closely mirror the outreach we have been doing all year long, especially with the ABRV and social media. We have introduced Thoroughbred racing to tens of thousands of individuals who had no exposure to it previously, and we have been delighted with their enthusiastic interest in the sport."

Planning for the 2014 Promotional Tour has begun and it will again promote many of racing's premiere events at both racing and non-racing sites and events.

AMERICA'S BEST RACING: BY THE NUMBERS

In the past nine months, hundreds of thousands of prospective racing fans have been exposed to the America's Best Racing initiative and brand.

ABR website (*followhorseracing.com*):

369,000 Unique Visitors

2,600,000 page views

Visits up 26%, unique visits up 46%, page views up 19%

Facebook: Over 2,000,000 people see ABR on consistent basis

Twitter: 15,000 followers

YouTube channel: Approximately 500,000 views of 300 ABR-produced videos

Bloggers: More than 200 bloggers with 500,000 followers entertained at pre-race or racing events.

ABRV: Seen by more than 2,000,000 people. Appearances at South Beach, Chicago Cubs game, Chicago Bears game, Kentucky Derby infield, Federal Hill and the Inner Harbor in Baltimore, on the Today show and at the SouthxSouthwest Festival.

Television:

In the television arena, The Jockey Club continues to prepare for the launch of a racing series for older horses on FOX Sports 1 in 2014.

In August, FOX Sports Media Group and The Jockey Club announced a multi-year agreement to air prominent graded stakes races starting in 2014 from many of horse racing's best known tracks on FOX Sports 1, the new sports network that launched on Aug. 17, 2013.

The newly created package of nationally televised races consists of up to 10 telecasts per year. Each telecast includes two top stakes races featuring the leading horses in North America. The agreement also includes international and Spanish-language rights, including the ability to air races on FOX Deportes, the nation's leading Spanish-language sports network.

Meetings have been underway with the business development and production teams at FOX Sports in anticipation of the February launch date for the series. In addition to finalizing the format and on-air talent for the FOX Sports 1 shows, the schedule of races is expected to be announced by the end of November.



Alternative programming was identified as another growth strategy in the television area in the McKinsey study and The Jockey Club continues to explore that sphere.

Thoroughbred racing does seem to be a popular milieu for a reality show, and other producers, unaffiliated with The Jockey Club initiative, have made headway in recent months.

Stable Wars Del Mar, which made its debut with FOX Sports San Diego and was subsequently picked up by two other regional networks, aired six episodes in its first season, and the producers hope to expand distribution in the 2014 season.

The unique reality television show filmed in and around the iconic Del Mar Race Track takes viewers behind the scenes to the drama between two colorful Thoroughbred stable managers, Scott Kaplan and Billy Koch, as they compete in heated turf wars both on and off the track.

Horse Players, an hour-long series produced by Go Go Luckey that will air on the Esquire Network, focuses on bettors trying to qualify for the National Handicapping Championship. The show is tentatively scheduled to debut early in 2014. Each episode will follow a group of handicappers “as they travel the country in search of instant riches — and compete for the title of America’s top handicapper.”

NTRA Communications:

The NTRA Communications team, under the direction of Stephen Panus, continues to implement a public and media relations strategy designed to highlight and profile an array of diverse storylines throughout the Thoroughbred industry.

In the course of publicizing the Breeders’ Cup, Triple Crown, the launch of the ABRV and the brand ambassadors, jockey Rosie Napravnik, Saratoga’s 150th Anniversary, and other events and personalities, NTRA Communications has generated stories in the following high-visibility mainstream outlets:

The Wall Street Journal, 60 Minutes, Men’s Journal, Barron’s, Bloomberg, Huffington Post, ESPN, The New York Times, Town & Country Magazine, Bleacher Report, SB Nation, USA Today, and Forbes.

NTRA Communications continues to lead the digital efforts of America’s Best Racing and recently launched the popular #TrendingNow feature on its digital platform. #TrendingNow focuses on what culture vultures and horse racing royalty have to say about what’s #TrendingNow! — [Click here to see more.](#)

ABR released a Jockey “POV glasses cam” video recently (Jockey Johnny Velazquez riding at Keeneland, finishing 3rd). This video has generated approximately 20,000 views to date and it has appeared on [DeadSpin](#) and [sportsillustrated.com](#) ([Sports Illustrated – Extra Mustard: Where Culture Meets Sports](#))

Other digital media placements of video include [Bleacher Report](#) and [Bloomberg](#).

OwnerView

Creating a central resource to encourage ownership of Thoroughbreds and provide accurate information on trainers, public racing syndicates, the process of purchasing and owning a Thoroughbred, racehorse retirement, and owner licensing was one of the recommendations emanating from the comprehensive economic study of the sport.

In May 2012, The Jockey Club and the Thoroughbred Owners and Breeders Association (TOBA) launched Thoroughbred OwnerView ([ownerview.com](#)), a free website that reduces the barriers to ownership and serves as a comprehensive resource for current and prospective Thoroughbred owners. It features a wide range of information regarding owner orientation, trainers, public racing syndicates, licensing, and racehorse retirement, among other topics.

Since that launch, there have been nearly 95,000 unique visits and 740,000 page views. During the months of July and August 2013, the number of unique visitors to OwnerView increased 20% over May and June of 2013.

OwnerView website traffic continues to increase, thanks in large part to enthusiastic and widespread promotion throughout the Thoroughbred industry. Currently, there are more than 110 industry organizations promoting OwnerView on their websites, in their publications and through social media outlets.

The screenshot shows the OwnerView website interface. At the top, there is a navigation bar with links for Home, About, Contact, and Log in. Below this is a search bar and a main menu with categories like Find a Trainer, Syndicates, Owner Profiles, Ownership, Licensing, Publications, and Aftercare. The main content area is titled "Racetracks by Purse Size" and includes a sub-header "Racetracks with Daily Purses > \$400,000 in 2012". A table lists three racetracks: Aqueduct, Belmont Park, and Churchill Downs, with columns for Track Name, Track Image, Avg Daily Purse, Median Purse, Open MSW, Race Dates, and Region.

Track Name	Track Image	Avg Daily Purse	Median Purse	Open MSW	Race Dates	Region
Aqueduct		\$461,000	\$42,000	\$58,900	Winter-Spring Meet Jan 2 2013 to Apr 21 2013 Fall - Winter Meet Nov 1 2013 to Dec 31 2013	North East
Belmont Park		\$658,000	\$55,000	\$64,000	Spring - Summer Meet Apr 26 2013 to Jul 14 2013 Fall Meet Sep 7 2013 to Oct 27 2013	North East
Churchill Downs		\$495,000	\$28,600	\$53,000	Spring Meet Apr 27 2013 to Jun 30 2013 Summer Meet Sep 6 2013 to Sep 29 2013 Fall Meet Oct 27 2013 to Nov 3 2013	Mid-West

OwnerView recently introduced four new features:

- The **Racetrack** section provides owners with a list of racetracks in North America grouped by daily purse distribution and details about their racing facility and contacts.
- The **Veterinary** section includes information about the role of the veterinarian in managing Thoroughbreds, plus listings for veterinary clinics and mobile practices.

- The **Stallion Farm** section provides a state-by-state list of stallion farms from the *Blood-Horse* stallion register. Each stallion farm includes a profile page about the farm, contact information and links to their respective stallions
- A new mobile version of OwnerView enables owners to navigate OwnerView on their smartphones using a layout that is smartphone-friendly

On Oct. 22, OwnerView announced that it is now offering prospective owners an opportunity to obtain personal guidance and education about the Thoroughbred industry from neutral OwnerView personnel. This free service, known as the “OwnerView Host,” is intended to help further educate people about the variety of options and considerations about becoming a Thoroughbred owner while maintaining the highest level of integrity. Topics will range from business plans, purchase options, and state incentive programs to licensing, tax and insurance considerations, and aftercare.

InCompass

InCompass released the statistical portion of the Condition Book Matrix product in mid-August. This product, an outgrowth of the Scheduling Tool that was previously developed by InCompass to reduce the number of conflicting post times, enables a racing secretary to view historical statistics on races as they are considered for inclusion in the racing plan and ultimately published in the condition book.

An immediate view into how a race has performed in the past is displayed as races are written or reviewed. Information available includes the number of times a condition has been offered, times used on a race card, and the percentage of times used. Other information includes average number of entries, starters and handle.

Statistics - 08/10/2013 - C10 - AOCNW1/XMCorC16000 [NW1 X]								
Condition	Written	Used	Percent	Divided	Off	Entries	Starters	Handle
Last Run - 09/01/2013 (2 days - R7)	--	--	--	0	--	1	0	--
2013 September	2	0	0%	0	--	0	0	--
2013 April	27	15	55.56%	0	--	-7	-7	-\$135k
2012 September	19	9	47.37%	0	--	-7	-7	-\$130k
2012 April	21	14	66.67%	0	--	-8	-8	-\$148k

*Multi-leg wagers are excluded from handle data

This tool gives racing secretaries the information necessary to determine which races to offer and which to exclude from their condition books. Eighteen customer racetracks are using the product and many others have expressed interest in using the service in the near future.

Phase III development is underway and will include functionality to identify horses on the grounds or in the region that are eligible for each condition. This will give racing secretaries another tool to determine which race conditions should be offered based on available inventory of horses. This feature, known as “the brain,” is scheduled for launch in January 2014.

As was mentioned in the last progress report, InCompass now offers a full array of marketing and customer relationship management (CRM) consulting services under the banner of InCompass360.

InCompass360 enables racetrack management personnel to view customer activity in all areas of contact, including advanced deposit wagering, live wagering, attendance, ticketing, group sales, marketing, point-of-sale systems, and racing data.

In recent months, InCompass has begun expanding its CRM offerings. The InCompass360 system offers customized customer rewards programs for fans and direct interfaces into totalisator systems for posting of those rewards. Also, a new campaign management system is underway that will enable racetracks to focus their marketing efforts on system-identified segments of their fan base and track the efficiency of those efforts.

Games

In the two years since McKinsey and Company recommended the use of social games to draw new fans, several such games for horse racing enthusiasts have been developed or updated. These include My Fantasy Stable, Road to the Roses, Fantasy 'Capping, Blazing Silks and Horse Racing Fantasy.

The Jockey Club strategy on games has evolved from producing and distributing its own games (Major League Horse Racing and Thoroughbred World) to supporting and distributing games developed by others.

Major League Horse Racing, a free weekly game that follows horses as they try to reach racing's main events, will be discontinued. Over two seasons, Major League Horse Racing was able to attract more than 6,500 people.

Thoroughbred World, a social game for Facebook and mobile users, will not be re-launched as previously reported. More than 100,000 people played Thoroughbred World during its beta test.

The Jockey Club will introduce a light mobile game called Lil' Horses later this year. Lil' Horses is based on the popular game Lil' Birds. The game will be beta tested in Canada before being introduced to the United States.

“A small percentage of social games reach expectations after they are launched,” said Wilson. “Based upon our research, however, we believe the Lil' Horses game is a lower risk way to enter the mobile gaming market and attract a large audience, while a greater portion of our overall marketing resources will focus on the television, digital and promotional efforts that have consistently demonstrated solid growth.”