

EDITORIAL

Zigging or Zagging?

Mark Shaw is an informed, interesting, influential and inspiring man. Well known as Nottingham's leading creative media and marketing guru, he may yet prove his worth in harness racing matters. He is a friend of American marketing maestro Marty Neumeier whom he met at Palo Alto in California. Those of you who are students of the breed will know that Palo Alto is the site of the farm of the Governor of California, Leland Stanford and the single most influential breeding establishment for the development of the early Standardbred. It was also the place where Englishman, Edward Muybridge developed his photographic system recording principally the motion of horses' trotters and gallopers which went on to become cinematography films. But back to Mr Neumeier. He believes that in order to get ahead you need to be different and do it well. If your competitor is zigging then you must start zagging. Differentiate and you will stand out from the crowd. The recent Internet Totalisator initiative is big time zagging for us.

If you have read and understood any of the last three editions of this magazine and had quick but regular glances at our website you will be reasonably well informed. If you have relied on what the lad told you, you will not be well informed. It amazes me how little most of you know. One of the country's leading trainers told me at the York dinner dance he knew nothing of this initiative. His interest picked up when I said if it is half successful we could be looking at a minimum of £1000 per race.

So here are the main points:

1. We are trying to establish an alternative to bookmaker gambling which can be enjoyed on course and off course via the internet.
2. This system works everywhere else. We will in theory be able to offer betting on international harness racing (Subject to

agreement which is likely to be readily available) such as The Little Brown Jug, Prix d'Amerique etc.

3. We are in control of what happens.
4. It should put new sources of money into the sport and open up our product to gamblers hitherto unaware of harness racing in Britain.
5. Turf TV is interested in taking harness racing, if we can show that we can deliver. In theory this should pump more money into the sport.
6. We have had numerous meetings both amongst ourselves and with respected and experienced totalisator operators ETote/Data Tote being guided by David Hood formerly of William Hill.
7. A contract is likely to be agreed where E Tote and the BHRC agree to the delivery of pictures and data and in turn the BHRC contracts with promoters to supply the film of the race (the pictures). Money would return to the promoter directly. Money is likely to be divided up on this basis:
 - a) On track: of every £100 bet, £75 returns to the gambler, £17.50 goes to the track, £7.50 to E Tote.
 - b) Off track (Internet) there will be a £5 log on fee. This is split 50/50 between the track and the service provider. Of every £100 bet, £75 is returned to the gambler, £5 goes to the track, £12 to ETote, £8 in tax /audit charges.
 - c) These amounts may well change (to harness racing's benefit if the business is successful).
8. The promoters are likely to buy the equipment needed to operate. The BHRC has already invested heavily in an upgraded computer system set up to a large extent to deliver this facility. We are taking legal advice on the copyright of data and the contracts on offer. There are a number of taxation and legal issues to resolve but nothing so far which seems insurmountable. The Levy Board and the Totalisator Board (Thoroughbred Racing) are not interested in

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what we do so we have no Scud Missiles lined up against us. We are in contact with the Gambling Commission re pool betting. 9. In an ideal world pictures can be streamed from either grass tracks or permanent venues. York, Corbiewood and Amman Valley may well have kiosks specifically set up for this (they are already in place at York). Grass Tracks would need a van/trailer a bit like a burger bar to operate from. There will be a period of at least four to six weeks where the tote will operate on-track without streaming whilst they get to grips with operations.

10. There are no guarantees in this, however we have tried everything else over the last 50 years without ever really moving away from what is in essence sweepstake racing. We know that bookmakers generally rely on big bet business and Totalisators operate on small and exotic bets. We have a good idea how much profit the William Hill series yielded and in David Hood's words there is an appetite out there for harness racing.

However there are certain issues:

1. Transfer of pictures. This can be done by satellite or phone line (ADSL). We have ever changing advice! Satellite not ADSL, no go for ADSL, no go back to satellite. The latest advice now puts us firmly in the ADSL camp and we are trying very hard to reconcile the upload speeds necessary for ALL locations. However it is likely that tracks near to centres of population will get a good enough connection. Those way out yonder will not. There is a very strong possibility that the important grass venues could have their own on-site satellite. But we are not second guessing this and promoters will have to work with the BHRC to get this sorted. Technology is advancing and what might be a poor connection this year might be a good one next year.

2. Join up. The biggest asset harness racing has is the people in it. They are also the biggest problem. We can succeed on this if we work together but there is varied evidence of that happening. York and Corbiewood are fully committed. The Northern Grass Tracks

are on board subject to the picture transmission being possible. Amman Valley looks like doing it. Wales and the West have all but thrown the towel in. Tir Prince are not remotely interested, yet they have the equipment and are the most urban of any track. There are loads of stories going round, generally completely wrong about the project, what I have said, want etc etc. The disinformation bandwagon is rolling. The outline above, brief though it is, is factual and correct.

However using the famous words of Mrs Thatcher to her Cabinet:

Bring me solutions not problems. This project has a lot of knockers. It also has a lot of converts. People, in the know who three months ago were dead against it and are now leading the charge to make it happen. But to the sceptics, I would say: Tell me what we need to do to get money into this sport. Please.

So what happens next? When the upload speed is resolved we call another meeting and it's cards on table time. We either do it or we don't. By very early May we should know where we are going. ETote will need about six weeks lead in. On the basis it happens I would expect Appleby Spring meeting to just be too early, which is sad because Appleby is one of my favourite meetings and they are likely to be able to get a good enough service. Our friends in Ireland are also on board and if racing returns to Portmarnock, as expected, I think Ireland will be able to link in to this as well. All in all, a lot of positives but some problems to resolve. Bit like breaking and developing a young horse.

The office is starting to do a bit of zagging. This magazine at A5 size is smaller than the old Calendar. If we go down this route it will probably save us about £2000 a year. What do you think please. For those of you who don't read the Calendar relying on the ubiquitous old ad for your information, it won't matter. For the rest of you, I would be

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very grateful for your comments. If we move to electronic licensing that will also save us money. Do you need a licence in your pocket? You are either paid up or not.

Another of Mark Shaw's mates is an advertising expert, who was head of the computer giant Apple's marketing department. He talks of 'Brand Advocacy'. Traditional marketing strategy generates responses of about 2.5%. Brand advocacy - promoting a brand..say Coca Cola or Kellogg's cornflakes delivers about a 25% trust quotient. However if a friend recommends something, we will trust it to levels approaching 90%. The trick is to get people to be 'Brand Advocates'. If all of you told people all of the time about the good

things in harness racing it would transform the sport in terms of attendance, ownership and participation. Talk about 'non trying' (which is rare), road racing (which we are not), doping (which is almost certainly very infrequent) and you are not helping. Concentrate on all the good things and you are a powerful brand advocate. Of course this might mean a change, you may well be zigging not zigging!

Gordon Garnett
