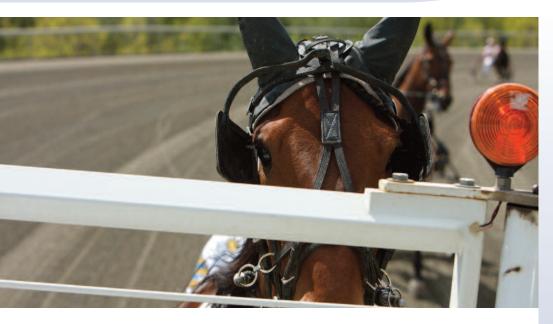
News and information for the horse racing community and the general public

June 2011 Dune 2011





ONTARIO RACING PROGRAM: 2011 IS A TRANSITION YEAR

Modifications and changes to be monitored

This is a significant year for Ontario's horse racing community.

With the implementation of the **Ontario Racing Program**, each and every person (and racetrack) in that community is encouraged to participate fully in this initiative to stabilize racing. This essentially means moving beyond the traditional focus of 'one racetrack' and 'one horse person.

No racetrack can operate in isolation. Every action impacts horse people and horse supply across the region in which that track operates, which can also impact at a provincial level as well. While some racetracks benefit from a strong local horse supply, even these locations typically attract other competitors. That's a key building block - the Ontario Racing Program is a provincial approach to horse racing, which includes **regional circuits**, and factors in **local** considerations.

An implementation team has been formed to assist the industry in the introduction and monitoring of the Program components.

Do you have a comment or suggestion? Do you have a question? Contact a member of the IM Group

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MESSAGE FROM CHAIR ROD SEILING

The Right Program, the Right Time...

The origin of the Ontario Racing Program was a broad consensus within Ontario's racing industry that the system "was broke" and required "fixing".

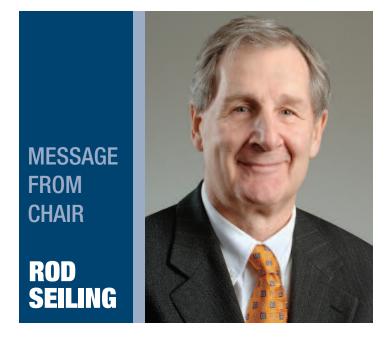
It was the hope that the industry could come together and provide that fix. Unfortunately that proved not to be the case. Nevertheless, the new Program represents the industry's collective thoughts via a 14 month consultation program facilitated by the ORC who stepped in to help provide the necessary "fix".

Before approving the recommendations emanating from the consultations that became the Ontario Racing Program, the ORC's Board met with every representative association. Each responded positively.

As we have recognized from the start, the Board views the Program as a work in progress. 2011 is a transition year. It is why we have an Implementation and Monitoring Group within the administration that can, and does, act when and where required.

Unfortunately, there are still some individuals who do not fully understand the objectives of the Program and a

More inside...



The Right Program, the Right Time...

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few who want to see a return to the old "supply" system wherein the customer was not on the radar screen. Recognizing the success of the Program to date, we are confident that by working together, it can still be better.

Horse racing in Ontario is very privileged. To continue with that status, it must be able to demonstrate that it is both a viable business venture and that the public supports it via its participation through betting and attendance. That in short is the objectives of the Ontario Racing Program.

The ORC has, and is doing, its part to help ensure that Ontario racing does not suffer the same fate as some of our neighbouring provinces and states. We are asking you to work with us to make it better for you.

Rod Seiling Chair

ONTARIO RACING PROGRAM: 2011 IS A TRANSITION YEAR

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Members of the Ontario Racing Commission (ORC) Implementation and Monitoring (IM) Group are Wendy Hoogeveen, Bill Fines, Mike Wilson, Rob McKay, and Ryan Dupuis. A key responsibility of the IM Group will be to monitor the results of the implementation – in some cases on a daily basis – identifying what is working and what needs adjustments. Making use of technical experts from the racing community, the team is responsible for establishing performance measures and continuing industry collaboration.

This will include regular updates and consultation meetings with racing participants - horse people associations, racetracks, breeders, and owners. Everyone involved recognizes that the Program needs to be flexible enough to change and accommodate regional issues if enhancements are not having the desired result.

No single racetrack operates totally independently," said Mike Wilson, a spokesperson for the IM Group. "For example, horses racing at a particular track often come from the surrounding region. That means, the success of tracks is linked and we are encouraged to see them work together.

The Program will be Agile and Responsive

Communication with the racing community is key to the successful implementation of the Program and all inquiries are welcomed. You can contact any member of the IM Group (416 213-0250) or email your questions and comments to: ontarioracingprogram@ontario.ca

THE IMPORTANT ROLE OF THE RACE SECRETARY

Race Secretaries are playing a key role in making the Program work. From the very beginning of implementation, the IM Group sought their input and this effort to work togther continues. These important officials are on the front line and have best knowledge of local and regional issues. Bi-monthly meetings are held with the secretaries and IM Group members make regular visits to the tracks.

The Ontario Racing Program gives Race Secretaries the opportunity to be creative and innovative in the design of condition sheets to ensure horses get raced on a regular basis.

An effective strategy already in place is the regular contact between Race Secretaries at racetracks in their region or those running similar classifications. These are natural alliances. Cooperation and coordination are key to success.

How will this work in practice? Consider this key fact:

Focusing on racing regions or 'circuits,' the Race Secretaries have the opportunity to work together, share horses and horsepeople, and get more racing in play.

Scenario #1

Kawartha Downs has too many Maiden pacers and can not get them all in with the new purse structure of the Program. Meanwhile, there have been times when Georgian Downs/ Flamboro Downs did not have a lot of Maidens. In this instance it would be mutually beneficial for them to work together to solve this, especially since all three racetracks hold Signature cards and Georgian and Kawartha Downs are both 5/8 mile tracks.

Scenario #2

Grand River Raceway has too many horses in the condition classes designated 'nw last 3 starts' and is unable to split the classes to get all the horses raced. Flamboro Downs regularly has a problem finding horses for these types of classes at its track. This is a good week for both Race Secretaries to work together. It also makes sense for other reasons. They are both:

- 1/2 mile racetracks.
- been designated in the same region.
- card Signature cards only.
- attract the same class of horses.
- have many of the same Drivers/Trainers competing at both tracks.

Scenario #3

With the implementation of the Program, a natural 'Grassroots Circuit' exists between Woodstock, Clinton and Hanover Raceways. It means there will be racing five days a week, all summer long. It is very important for the Race Secretaries of these tracks to work together since they will be sharing the same horses and horse people.



NEW PURSE LEVELS MEAN MORE COMPETITIVE RACING

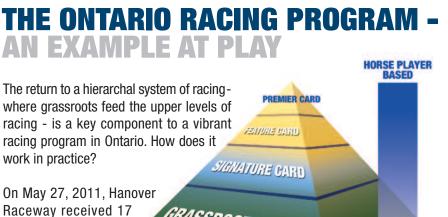
Key fact: In 2011, changes have been made to purse levels so that the entire industry will benefit.

This does mean shifting away from traditional thinking - from a purely local perspective to one that is regional and provincial in scope. One of the key goals of the Program is to allow for more balanced, competitive racing conditions - that means you could have a better chance to earn purse money in your class of racing whether it be Grassroots or Signature.

The purse account will remain what it always has been - for the benefit of horse people. Some tracks are showing signs of a purse underpayment. Members of the IM Group have been meeting with industry representatives for input on how any and all underpayments of purse accounts will be used. Key fact: it will only be invested for the benefit of all horse people.

New purse levels - and a track's ability to apply for added money and Special Event cards - should mean competitive racing, at levels close to 2010.

As with all aspects of the implementation during this transition year, the IM Group will be closely monitoring purse levels. Variances can be made, as well as recommendations on dealing with any underpayments.



GRASSROOTS CARD entries for - NW of \$3.000 in their last

six starts. Also eligible NW \$60,000 lifetime. Eight horses were selected for the June 1st card. But what of the other nine horses?

Within two days, one of the horses went to Woodstock, and six of the horses entered at Grand River Raceway, which offers Signature level cards. That means, if those horses had in fact raced at Hanover, they would not have had the Signature level opportunity.

Integrity Matter

A publication of the Ontario Racing Commission, the provincial agency which governs, directs and controls horse racing in any or all its forms in the Province of Ontario.

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FAN BASED

Ontario Racing Program: The Principles

- 1. Enhance live racing and provide benefit to the agricultural sector in Ontario.
- 2. Provide a fair return on investment over the short term while protecting value for owners and communities over the long term.
- 3. Provide customer-focused, competitive racing by recognizing both supply and demand.
- 4. Leverage and support horse racing's partnership with the public sector by using government's investment to enhance the economic sustainability of Ontario horse racing.
- 5. Encourage and provide incentives for live racing.
- 6. Be simple and objective.

A SPECIAL EVENT CARD

As illustrated in the Hanover Raceway example, special events are an excellent way to apply for additional increases in overnight purse money. Designation as a special event card provides access to increased overnight purses on that day. which would normally raise the total daily purse for that day over the maximum permitted.

Key fact: Tracks can achieve the level of flexibility they need to showcase harness racing in their communities.

What qualifies as a "special event?"

A special event card is a card centered on a significant added money event and/or promotions.

A special event card is intended to increase customer interest, excitement and attendance.

A special event card takes into consideration the impact on racing at other tracks in the region, in keeping with the framework of the **Ontario Racing Program.**

Here is a summary of some activities in the 2nd quarter of 2011:

- · A series of posters/newsletters have been distributed to all race offices and distributed on line
- · Bi-monthly meetings with Race Secretaries are ongoing
- · Quarterly meetings continue to be held with the Industry Advisory Group
- · Regularly meetings are ongoing with horse people's groups and members at large
- Applications from racetracks and/or horse people's associations for variances/changes were processed, including ...
 - > approved a variance to upper level purse permitted for Hiawatha Horse Park to \$60,000
 - > approved a variance to the maximum daily purse level permitted for Sudbury Downs to \$60,000
 - > approved nine Special Event Cards, added money events and use of purse money for schooling races for Hanover Raceway but declined a variance to the maximum daily purse level for Grassroots cards to \$60,0000
 - > approved a May Special Event card for Western Fair
 - > approved a new added money June/July event for WEG Beat The Heat Pacing Series
 - > approved a new added money June event for Kawartha Downs Anniversary Pace

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