Ontario Horse Racing Industry Performance Results [Fiscal Year 2017-18 Q1]

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Performance Management Excellence Group

PERFORMANCE MANAGEMENT EXCELLENCE GROUP (PMEG)

BACKGROUND

The Performance Management Excellence Group or "PMEG" is a horse racing industry working group, established and led by the Ontario Lottery and Gaming Corporation (OLG) with representation from Ontario Racing and government agencies, that is committed to building a sustainable horse racing industry by providing up-to-date facts and information related to the horse racing sector in Ontario.

OVERARCHING GOAL

Contributing to the efficient and effective management of funding through a systematic and integrated approach to performance management.

Members:

Ontario Lottery & Gaming Corporation (OLG)

Ministry of Finance (MOF)

Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA)

Ontario Racing (OR)

Alcohol and Gaming Commission of Ontario (AGCO)

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KEY PERFORMANCE INDICATORS DEFINED

#	Name	Definition	Unit of Measure	Data Source
1	Gross Bet on Ontario Races	▪ Total gross wagering on Ontario races	M$	Canadian Pari-Mutuel Agency
2	Total Count of Tickets Sold at Racetracks	▪ Total number of wagering tickets sold live at all racetracks across Ontario	Count	Racetracks
3	Average Ontario Yearling Sales Price	▪ Average sales price of Ontario yearlings sold at all Thoroughbred and Standardbred yearling sales (Ontario and abroad) *<u>Note</u>: Quarter horse yearling sales are conducted privately and, therefore, excluded from this metric.*	$/yearling	Canadian Thoroughbred Horse Society; Standardbred Canada; Ontario Racing
4	Average Field Size	▪ Average number of starters (not unique) per race in Ontario	Starters/Race	Equibase Company LLC; Standardbred Canada; Ontario Racing
5	Total # of Unique Starters	▪ Total # of unique horses starting a race in Ontario	Count	Equibase Company LLC; Standardbred Canada; Ontario Racing

EXECUTIVE SUMMARY [FISCAL YEAR 2017-18 Q1]

- For the first quarter of Fiscal Year 2017-18 (April 1-June 30, 2017), gross wagering on Ontario races increased by 4.3% relative to the same period the prior year, driven by growth in the Thoroughbred and Standardbred handle.

- Foreign wagering, mostly originating from the United States (US), was the only source of year-over-year growth for the first few months of the fiscal year (+8.5%) largely due to an appreciation of the US dollar vis-à-vis the Canadian dollar (+4.3%).

- The volume of betting tickets sold live, at racetracks across Ontario, saw a decline (-11.6%) compared to the previous year, mostly driven by a notable reduction for Thoroughbreds (-14.2%). This trend, though less pronounced, still persists when assessing the results on a per race basis.

- The Ontario horse racing industry continues to experience a decrease in the number of unique starters (-4.9%) relative to Fiscal Year 2016-17, with Thoroughbreds contributing to the bulk of this unfavourable variance partially due to less races conducted in Q1.

PERFORMANCE DASHBOARD [INDUSTRY]

Ontario Horse Racing Industry Performance Dashboard – Fiscal Year 2017-18 Q1 (Apr 1 - Jun 30, 2017)

VISION
To enable and grow a prosperous, dynamic horse racing sector positioned for long-term viability and success in Ontario

MISSION
Building a sustainable horse racing industry in Ontario through fact-based decision-making

VALUES
Accountability ● Integrity ● Respect ● Transparency

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	Year to Date		
	Actual	Prior Year	Change (%) [2]
More self-sufficient sector that sustains jobs			
Gross Bet on Ontario Races (M$)	262.8	251.9	4.3%
Total Count of Tickets Sold at Racetracks (Count)	2,321,856	2,627,377	-11.6%
Average Ontario Yearling Sales Price ($/Yearling)[1]	Data collected annually and not currently available.		
Average Field Size (# of Starters per Race)	7.9	8.0	-0.8%
Total # of Unique Starters (Count)	4,302	4,522	-4.9%

[1] *Average Ontario Yearling Sales Price is for Thoroughbred and Standardbred only. Quarter horse yearling sales are conducted privately and, therefore, excluded from this metric.*

[2] *The change vs. previous year colour status compares the performance results to the previous year's results using threshold ranges to allocate colours. Please refer to the colour status legend below.*

	Change vs. Previous Year Colour Status Legend				
	(red)	(blue)	(white)	(green)	(grey)
Gross Bet	<-5%	≥-5% up to <+1.2%	≥+1.2% up to <+5%	≥+5%	Not Applicable
Total Count of Tickets Sold	<-2.5%	≥-2.5% up to <0%	≥0% up to <+2.5%	≥+2.5%	Not Applicable
Avg Ontario Yearling Price	<-10%	≥-10% up to <0%	≥0% up to <+10%	≥+10%	Not Applicable
Unique Starters	<-2.5%	≥-2.5% up to <0%	≥0% up to <+2.5%	≥+2.5%	Not Applicable
	Actual Value Colour Status Legend				
	(red)	(blue)	(white)	(green)	(grey)
Average Field Size	<7.5	≥7.5 up to <8.0	≥8.0 up to <8.4	≥8.4	Not Applicable

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PERFORMANCE DASHBOARD [THOROUGHBRED]

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	Year to Date		
	Actual	Prior Year	Change (%) [2]
More self-sufficient sector that sustains jobs			
Gross Bet on Ontario Races (M$)	147.1	141.0	4.3%
Total Count of Tickets Sold at Racetracks (Count)	1,424,223	1,659,432	-14.2%
Average Ontario Yearling Sales Price ($/Yearling)[1]	Data collected annually and not currently available.		
Average Field Size (# of Starters per Race)	7.7	8.2	-5.3%
Total # of Unique Starters (Count)	1,439	1,555	-7.5%

[1] *Average Ontario Yearling Sales Price is for Thoroughbred and Standardbred only. Quarter horse yearling sales are conducted privately and, therefore, excluded from this metric.*

[2] *The change vs. previous year colour status compares the performance results to the previous year's results using threshold ranges to allocate colours. Please refer to the colour status legend below.*

	Change vs. Previous Year Colour Status Legend				
	Red	Blue	White	Green	Grey
Gross Bet	<-5%	≥-5% up to <+1.2%	≥+1.2% up to <+5%	≥+5%	Not Applicable
Total Count of Tickets Sold	<-2.5%	≥-2.5% up to <0%	≥0% up to <+2.5%	≥+2.5%	Not Applicable
Avg Ontario Yearling Price	<-10%	≥-10% up to <0%	≥0% up to <+10%	≥+10%	Not Applicable
Unique Starters	<-2.5%	≥-2.5% up to <0%	≥0% up to <+2.5%	≥+2.5%	Not Applicable
	Actual Value Colour Status Legend				
Average Field Size	<7.5	≥7.5 up to <8.0	≥8.0 up to <8.4	≥8.4	Not Applicable

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PERFORMANCE DASHBOARD [STANDARDBRED]

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	Year to Date		
	Actual	Prior Year	Change (%) [2]
More self-sufficient sector that sustains jobs			
Gross Bet on Ontario Races (M$)	115.4	110.5	4.4%
Total Count of Tickets Sold at Racetracks (Count)	872,406	942,151	-7.4%
Average Ontario Yearling Sales Price ($/Yearling)[1]	Data collected annually and not currently available.		
Average Field Size (# of Starters per Race)	7.9	7.9	0.3%
Total # of Unique Starters (Count)	2,663	2,771	-3.9%

[1] *Average Ontario Yearling Sales Price is for Thoroughbred and Standardbred only. Quarter horse yearling sales are conducted privately and, therefore, excluded from this metric.*

[2] *The change vs. previous year colour status compares the performance results to the previous year's results using threshold ranges to allocate colours. Please refer to the colour status legend below.*

	Change vs. Previous Year Colour Status Legend				
Gross Bet	<-5%	≥-5% up to <+1.2%	≥+1.2% up to <+5%	≥+5%	Not Applicable
Total Count of Tickets Sold	<-2.5%	≥-2.5% up to <0%	≥0% up to <+2.5%	≥+2.5%	Not Applicable
Avg Ontario Yearling Price	<-10%	≥-10% up to <0%	≥0% up to <+10%	≥+10%	Not Applicable
Unique Starters	<-2.5%	≥-2.5% up to <0%	≥0% up to <+2.5%	≥+2.5%	Not Applicable
	Actual Value Colour Status Legend				
Average Field Size	<7.5	≥7.5 up to <8.0	≥8.0 up to <8.4	≥8.4	Not Applicable

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PERFORMANCE DASHBOARD [QUARTER HORSE]

Ontario Horse Racing Industry Performance Dashboard – Fiscal Year 2017-18 Q1 (Apr 1 - Jun 30, 2017)

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PMEG Performance Management Excellence Group

	Year to Date		
	Actual	Prior Year	Change (%) [2]
More self-sufficient sector that sustains jobs			
Gross Bet on Ontario Races (M$)	0.4	0.4	-3.8%
Total Count of Tickets Sold at Racetracks (Count)	25,227	25,794	-2.2%
Average Ontario Yearling Sales Price ($/Yearling)[1]	Data collected annually and not currently available.		
Average Field Size (# of Starters per Race)	7.4	7.5	-2.3%
Total # of Unique Starters (Count)	200	196	2.0%

[1] *Average Ontario Yearling Sales Price is for Thoroughbred and Standardbred only. Quarter horse yearling sales are conducted privately and, therefore, excluded from this metric.*

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	Change vs. Previous Year Colour Status Legend				
	(red)	(blue)	(white)	(green)	(grey)
Gross Bet	<-5%	≥-5% up to <+1.2%	≥+1.2% up to <+5%	≥+5%	Not Applicable
Total Count of Tickets Sold	<-2.5%	≥-2.5% up to <0%	≥0% up to <+2.5%	≥+2.5%	Not Applicable
Avg Ontario Yearling Price	<-10%	≥-10% up to <0%	≥0% up to <+10%	≥+10%	Not Applicable
Unique Starters	<-2.5%	≥-2.5% up to <0%	≥0% up to <+2.5%	≥+2.5%	Not Applicable
	Actual Value Colour Status Legend				
Average Field Size	<7.5	≥7.5 up to <8.0	≥8.0 up to <8.4	≥8.4	Not Applicable

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PERFORMANCE TREND DASHBOARD [INDUSTRY]

Ontario Horse Racing Industry Performance Trend Dashboard – Fiscal Year 2017-18 Q1 (Apr 1 - Jun 30, 2017)

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	Q1	Q2	Q3	Q4	YTD
More self-sufficient sector that sustains jobs					
Gross Bet on Ontario Races (M$)	262.8				262.8
Total Count of Tickets Sold at Racetracks (Count)	2,321,856				2,321,856
Average Ontario Yearling Sales Price ($/Yearling) [1]	Data collected annually and not currently available.				
Average Field Size (# of Starters per Race)	7.9				7.9
Total # of Unique Starters (Count)	4,302				4,302

[1] Average Ontario Yearling Sales Price is for Thoroughbred and Standardbred only. Quarter horse yearling sales are conducted privately and, therefore, excluded from this metric.

[2] Year over year change colour status compares the performance results for each quarter to the same quarter the previous year using threshold ranges to allocate colours.

	Year Over Year Change Colour Status Legend [2]				
	Red	Blue	White	Green	Grey
Gross Bet	**<-5%**	**≥-5% up to <+1.2%**	**≥+1.2% up to <+5%**	**≥+5%**	**Not Applicable**
Total Count of Tickets Sold	**<-2.5%**	**≥-2.5% up to <0%**	**≥0% up to <+2.5%**	**≥+2.5%**	**Not Applicable**
Avg Ontario Yearling Price	**<-10%**	**≥-10% up to <0%**	**≥0% up to <+10%**	**≥+10%**	**Not Applicable**
Unique Starters	**<-2.5%**	**≥-2.5% up to <0%**	**≥0% up to <+2.5%**	**≥+2.5%**	**Not Applicable**
	Actual Value Colour Status Legend				
	Red	Blue	White	Green	Grey
Average Field Size	**<7.5**	**≥7.5 up to <8.0**	**≥8.0 up to <8.4**	**≥8.4**	**Not Applicable**

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PERFORMANCE TREND DASHBOARD [THOROUGHBRED]

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	Q1	Q2	Q3	Q4	YTD
More self-sufficient sector that sustains jobs					
Gross Bet on Ontario Races (M$)	147.1				147.1
Total Count of Tickets Sold at Racetracks (Count)	1,424,223				1,424,223
Average Ontario Yearling Sales Price ($/Yearling) [1]	Data collected annually and not currently available.				
Average Field Size (# of Starters per Race)	7.7				7.7
Total # of Unique Starters (Count)	1,439				1,439

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Total Count of Tickets Sold	<-2.5%	≥-2.5% up to <0%	≥0% up to <+2.5%	≥+2.5%	Not Applicable
Avg Ontario Yearling Price	<-10%	≥-10% up to <0%	≥0% up to <+10%	≥+10%	Not Applicable
Unique Starters	<-2.5%	≥-2.5% up to <0%	≥0% up to <+2.5%	≥+2.5%	Not Applicable
	Actual Value Colour Status Legend				
Average Field Size	<7.5	≥7.5 up to <8.0	≥8.0 up to <8.4	≥8.4	Not Applicable

PERFORMANCE TREND DASHBOARD [STANDARDBRED]

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	Q1	Q2	Q3	Q4	YTD
More self-sufficient sector that sustains jobs					
Gross Bet on Ontario Races (M$)	115.4				115.4
Total Count of Tickets Sold at Racetracks (Count)	872,406				872,406
Average Ontario Yearling Sales Price ($/Yearling) [1]	Data collected annually and not currently available.				
Average Field Size (# of Starters per Race)	7.9				7.9
Total # of Unique Starters (Count)	2,663				2,663

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Avg Ontario Yearling Price	<-10%	≥-10% up to <0%	≥0% up to <+10%	≥+10%	Not Applicable
Unique Starters	<-2.5%	≥-2.5% up to <0%	≥0% up to <+2.5%	≥+2.5%	Not Applicable
Actual Value Colour Status Legend					
Average Field Size	<7.5	≥7.5 up to <8.0	≥8.0 up to <8.4	≥8.4	Not Applicable

PERFORMANCE TREND DASHBOARD [QUARTER HORSE]

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	Q1	Q2	Q3	Q4	YTD
More self-sufficient sector that sustains jobs					
Gross Bet on Ontario Races (M$)	0.4				0.4
Total Count of Tickets Sold at Racetracks (Count)	25,227				25,227
Average Ontario Yearling Sales Price ($/Yearling) [1]	Data collected annually and not currently available.				
Average Field Size (# of Starters per Race)	7.4				7.4
Total # of Unique Starters (Count)	200				200

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	Year Over Year Change Colour Status Legend [2]				
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Total Count of Tickets Sold	<-2.5%	≥-2.5% up to <0%	≥0% up to <+2.5%	≥+2.5%	Not Applicable
Avg Ontario Yearling Price	<-10%	≥-10% up to <0%	≥0% up to <+10%	≥+10%	Not Applicable
Unique Starters	<-2.5%	≥-2.5% up to <0%	≥0% up to <+2.5%	≥+2.5%	Not Applicable
	Actual Value Colour Status Legend				
Average Field Size	<7.5	≥7.5 up to <8.0	≥8.0 up to <8.4	≥8.4	Not Applicable

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