



Arabian Racing Organisation (ARO) Development Plan for Purebred Arabian Racing in the UK 2021-24

Executive Summary (June 2021)

1. Introduction

This is a summary of ARO's Development Plan for 2021-24 – the full version can be provided on request. The purpose of ARO's Development Plan is to provide a framework and structure for the consolidation and development of Purebred Arabian Racing from 2021 to 2024 in the context of the transition of Purebred Arabian racing into a professional sport fully under the auspices of the governance, regulatory and integrity responsibilities of the BHA.

The Arabian Racing Organisation Ltd (Company Registration No: 3902941) is the sole authority for UK Purebred Arabian Horseracing. Its **vision** is to:

'build a successful and sustainable future for Purebred Arabian racing in the UK and to develop a professional sport that is fully integrated with, and accepted into, the British Thoroughbred Horseracing Industry.'

In furtherance of its vision ARO's **mission** is to:

'organise Purebred Arabian Horseracing in the UK within the licensing and regulatory requirements of the British Horseracing Authority (BHA); represent the interests of Purebred Arabian Horseracing in the UK and; work to ensure its ongoing development within the wider horseracing industry.'

2. Context

Arabian Racing has, in the past, maintained an annual programme of Arabian race-days at the UK's top racecourses along with a series each year of single races held on BHA Thoroughbred cards. These included the prestigious Dubai International Arabian Race series final at Newbury, the Group 1 Qatar International Stakes at Goodwood and the UK Arabian Derby held at Doncaster racecourse on the day of the St. Leger. In 2020 and 2021 the racing programme has been seriously curtailed in the light of COVID 19 restrictions with

only 14 single races held in the autumn of 2020 including 2 Group 1s and 22 races scheduled for 2021.

Even before COVID 19, however, the sport of Arabian racing had found itself at a crossroads. There were three main reasons for concern.

- Middle Eastern owners and sponsors of Arabian racing were seeking a fuller commitment to the sport in the UK;
- the perception both across the racing industry itself and across the wider racing public that Arabian racing as an amateur sport was a bolt-on, marginal, extra to horseracing in the UK; and
- a need to create an environment for the potential growth of the sport through increased commercial and sponsorship opportunities.

The ARO Board, and ARO's Patron, His Highness Sheikh Hamdan bin Rashid Al Maktoum, wished to see the sport grow but major obstacles were preventing this. The ARO Board sought to address the challenge strategically in partnership with the BHA and other key stakeholders.

For the sport to grow, ARO recognises the need, in the first place, for the full 'integration' of Arabian horseracing with Thoroughbred racing in the UK – reflected primarily in the integration and matching of the governance, regulatory and integrity functions in Arabian Racing with those of Thoroughbred racing and in the integration of Arabian racing into a new National Racing Administration System (NRAS) as it develops. However, ARO also recognises that it needs to promote and market itself more actively to the wider racing industry and to the general public.

'Integration' not only needs to ensure that the governance and administration of Arabian Racing matches that of Thoroughbred Racing, but it also needs to change the perception of Arabian Racing on, and off, the racecourse.

ARO's belief is that with all the following building blocks in place it will be in a position to create an environment for the potential growth of Purebred Arabian Racing as a sport beyond 2024 through increased commercial and sponsorship opportunities.

3. The way forward

3.1 Integration of Purebred Arabian Racing into NRAS

At the heart of the development plan is the need to create procedures that will enable races for Pure Arabian horses at licensed racecourses in the UK to be integrated within the industry's on-line administration system thereby providing seamless governance, regulation, administration and dissemination of information on, and of, all aspects of all horseracing, be that Purebred Arabian or Thoroughbred.

Recommendation(s) and action

- *ARO's priority should be that Purebred Arabian Racing is a seamless, fully integrated, part of the new Racing Administration System to be created by Racing Digital.*

Success Measure(s)

- *By 2024, all elements of the administration of Purebred Arabian Racing will be an integral part of a unified Thoroughbred/Arabian administrative system for the delivery of all horseracing in the UK.*

This recommendation is at the core of the Development Plan. However, there are many individual components of this administrative framework that, in themselves, need addressing if that full, seamless, integration is to be achieved.

3.2 BHA Rules and Regulations

Recommendation(s) and action

- *Thoroughbred and Purebred Arabian Racing in the UK should operate under a shared Rule Book and set of regulations except where internationally agreed rules and regulations determine otherwise.*

Success Measure(s)

- *By 2022 all horseracing in the UK will conform to a set of uniform BHA rules and regulations that are binding for, and relevant to, all trainers, jockeys and owners*

3.3 Licensing of trainers

When the full integration of Pure Arabian Racing with Thoroughbred racing is achieved, then all trainers of Arabian horses will need to be licensed by the BHA and all trainers of Thoroughbred horses will then be able to train Arabian horses

Recommendation(s) and action

- *All existing trainers currently training only Purebred Arabian horses in the UK who wish to continue training in 2022 and beyond should be licensed by the BHA.*
- *From 2021 existing BHA licensed trainers to be able to train either Thoroughbred or Arabian horses or both.*
- *From 2022 all new trainers wishing to be licensed by the BHA whether that be for Thoroughbred or Arabian horses, or both, should complete the full BHA application process.*

Success measure(s)

- *From 2022 all trainers of Thoroughbred or Arabian horses in the UK, or both, will be licensed by the BHA and will, therefore, be required to meet, and abide by, BHA regulations.*

3.4 Purebred Arabian Races

When Purebred Arabian races are included in the new Racing Administration System, it will only be possible for all aspects of that system to work effectively (e.g. adding races to the system, race processes, proofing, pre-race data) if these races are part of the BHA Racing Calendar and as such part of the fixture and race programme planning process.

Recommendation(s) and action

- *ARO should be included as a stakeholder in the annual BHA Racing Fixture and programme planning process from 2021 in preparation for the 2022 Purebred Arabian Racing season.*

Success measure(s)

- *From 2022 Purebred Arabian Racing will be an integral part of race-planning procedures for all racing fixtures in the UK*

3.5 Racecourse officials and on-course systems

Recommendation(s) and action

- *All data provided by BHA racecourse officials (Clerk of the Scales, Judges, Stewards, Starters, and Vets) should include all Purebred Arabian races and be fed into the revised Racing Administration System*

Success measure(s)

- *By 2024, the new Racing Administration System will have access to all the relevant race-day data needed to fulfil all aspects of its administrative tasks for both Thoroughbred and Purebred Arabian racing.*

3.6 Pre-race data

ARO needs to ensure that it is included in the services provided by the Racecourse Data Company (RDC) to license pre-race data (information on a race-card including final fields, owners, trainers, jockeys, weights, colours, draw and ratings) to all third parties.. Given the proposed timescale for the completion of the totality of any new Racing Administration system through Racing Digital (i.e. a minimum of three years), it would be appropriate for ARO to make separate interim arrangements with RDC to ensure that data is supplied through alternative arrangements until full integration into on-line systems is achieved.

Recommendation(s) and actions

- *ARO should liaise with RDC to ensure that both short-term and long-term arrangements within the licensing regime for PRD are in place that ensure data provided includes that for Purebred Arabian Racing.*
- *ARO should also negotiate with RDC to ensure that ARO is in receipt of appropriate fees for the provision of such data.*

Success measure(s)

- *In the **short-term**, arrangements will be in place for the 2021 Purebred Arabian Racing season for RDC to provide ARO pre-race data to RDC for distribution to licensed third parties.*
- *In the **long-term** (with timescales in line with the development of the new Racing Administration System), pre-race data for Purebred Arabian will be supplied to licensed third parties through Weatherbys and RDC*

3.7 Media Rights and Race-day data

As with PRD ARO needs to ensure that Race-Day Data (RDD) includes Purebred Arabian Racing which is essential to powering a range of betting platforms and products. With RDD it is important for ARO to work with both the Racecourse Media Group (RMG) and the Arena Racing Company (ARC) alongside The Racing Partnership (TRP).

Recommendation(s) and action

- *ARO should liaise with both RMG, ARC/TRP and the individual racecourses to ensure that RDD and media rights agreements are inclusive of Purebred Arabian Racing.*
- *As with PRD ARO must also negotiate with RMG, ARC/TRP and the individual racecourses to ensure that ARO is in receipt of appropriate fees for the provision of such data.*

Success measure(s)

- *ARO will have an agreement in place as soon as possible, and no later than for the 2022 Purebred Arabian Racing season, with RMG, ARC/TRP and individual racecourses where Arabian Racing takes place, for media rights and the sharing of RDD.*

3.8 The Tote and betting

Integrating betting on Purebred Arabian Racing into the main horseracing betting markets will:

- raise the profile of Purebred Arabian Racing;
- increase revenue opportunities from third party betting organisations; and (perhaps most importantly)
- open the door for a stronger partnership with HBLB that creates further revenue opportunities through the Levy arrangements.

Recommendation(s) and action

- *ARO should negotiate with all major bookmakers, including the Tote, to encourage the use of PRD and RDD to include Purebred Arabian Racing in their betting markets on course, on-line and through LBOs.*

Success measure(s)

- *The primary success measure will be for Purebred Arabian Racing from 2022 to be included in the betting markets of major bookmakers, nationally and internationally, on-course, on-line and through LBOs*

3.9 ARO's role and organisational structure

ARO's role is changing, and will continue to change, as the integration process gathers momentum and is completed. Simultaneously its organisational structure needs, at each stage of development, to be fit for purpose.

ARO must address the remaining two concerns that underpinned the argument for integration with thoroughbred racing i.e.

- the perception, both across the racing industry itself and across the wider racing public, that Arabian racing remains a bolt-on, marginal, extra to horseracing in the UK; and
- there needs to be an environment for the potential growth of the sport through increased commercial and sponsorship opportunities.

If *perception* is indeed a core challenge, then some fundamental short-term measures are recommended.

Recommendation(s) and action

- *The ARO Board should consider what the mission, and therefore the role, of ARO within the sport of Purebred Arabian Racing will be once full integration has been achieved.*
- *The current role of Commercial and Finance Director should be re-defined as Chief Executive - the ARO Board should review the role and responsibilities of the Commercial and Finance Director and, in the light of that review, consider the appropriateness of re-defining that role as that of a Chief Executive.*
- *ARO should produce a Comms strategy to raise the status, profile and understanding of Purebred Arabian Racing in the UK amongst breeders, trainers, owners and the general public - the Chief Executive (Commercial and Finance Director) should, together with the PR and Media Executive, with additional consultancy if required, produce a communications strategy for consideration and approval by the ARO Board*
- *The ARO Board should consider the need for additional Comms consultancy support to manage and deliver the new Comms Strategy.*

Success measure(s)

- *ARO's mission and role will be reviewed on an annual basis to ensure that these reflect the new responsibilities of a sole authority for Purebred Arabian Racing in the UK once integration has been achieved*
- *By 2024 ARO's organisational structure will reflect its new mission and role*
- *The review of ARO's organisational structure will be completed and initial revisions, where agreed, in place by July 2021*
- *A new Comms Strategy will be agreed, and funding in place to implement it, between July 2020 and March 2021 in preparation for the 2022 Purebred Arabian Racing season.*

3.10 Governance

ARO's governance needs to be fit for purpose in the context of the organisation's changing role as the sole authority for Purebred Arabian Racing as a professional sport and an integral part of horseracing in the UK.

Recommendation(s) and action

- *The ARO Board should undertake a Governance Review of the organisation. As part of this review the Board should confirm its function, roles and responsibilities in the context of ARO's role as the sole authority for Purebred Arabian Racing in the UK both during the integration process and beyond. It should undertake a skills audit of its current members, match this against the range of skills, knowledge and expertise that are required/needed for the Board to fulfil its full set of responsibilities and, where necessary, recruit additional Board members against any skills, knowledge or expertise shortages identified by the audit.*

Success Measures

- *A governance review of ARO will be completed by September 2021*
- *Membership of the ARO Board will be increased in size by December 2021 with additional members offering a range of wider experience and knowledge to support ARO's development during the integration process.*
- *New governance arrangements will be in place by 2024 to reflect any changes to ARO's mission, role and organisational structure.*

3.11 Funding

Given the volatile, and unpredictable, nature of sponsorship, ARO must develop a model of funding for the sport which is sustainable in the medium and long-term – a model which ensures that there is a core component of its income which is generated by its day-to-day operation. In the short-term, however, ARO may need to seek additional financial support to under-pin some of the actions outlined in this Plan which will lay the foundations for the development of that sustainable model.

Recommendation(s) and action

ARO should:

- *ensure that as an integral part of the BHA's planning for all horserace fixtures and programmes, Purebred Arabian Races are also an integral part of any funding arrangements for the delivery of racing in the UK;*
- *discuss with the Tote, and through the Tote with other major national bookmakers, a contractual agreement for the provision of data for Purebred Arabian Racing;*
- *discuss with RDC a contractual agreement for the licensing of Purebred Arabian Racing data;*
- *discuss with the racecourses, RMG, TRP and SIS contractual arrangements for the provision of media rights for Purebred Arabian Racing;*
- *discuss with the BHA a new financial fee for annual services – registrations, declarations, entries, on-course reports;*
- *discuss with Weatherbys/Racing Digital annual fee arrangements for the inclusion of Purebred Arabian Racing in the Racing Administration System.*

Success measure(s)

- *ARO and Purebred Arabian Racing in the UK will, year on year, be financially viable; and*
- *ARO will attract additional funding/sponsorship to: increase the quality and range of services provided for the sport: deliver its Comms Strategy; and raise the status and profile of the sport in the UK.*

3.12 Building the capacity for growth

The short-term priority (2021/2) for ARO is the continued integration of Purebred Arabian Racing into all aspects of the planning, administration, regulation and funding arrangements for horseracing in the UK. This, in itself, will be a significant step forward for the sport. However, because of the uncertainties surrounding the Coronavirus pandemic **and** the introduction of a new Racing Administration System through Racing Digital over a period of at least three years (2021-24), this will be an incremental process within a time frame outside of ARO's control. The reality is that it will not be until 2024, at the earliest, that the integration jigsaw will be completed. The expectations for 'growth' must be seen in this context.

Any expectations for 'growth' for Purebred Arabian Racing must also be placed within, and based upon, the wider context of the questions as to the capacity for the horseracing industry as a whole to continually increase the volume of racing. For example:

- are there already too many racing fixtures placing unrealistic demands on the capacity of the constituent parts of the industry to deliver?
- does an already crowded fixture list place too much pressure on the human and equine welfare of its participants?
- do the racecourses have the capacity to increase the number of races within their allocation of fixtures?
- is the horse population large enough to fulfil the requirements of the racing calendar and to provide competitive racing at all levels?

The concept of 'growth' for Purebred Arabian Racing in the UK cannot, therefore, simply be one of increasing the volume of races. Rather, as the integration process continues from

2021 to 2024, **the ‘growth’** of the sport should, within the existing or marginally increased number of Purebred Arabian races, and particularly through its new Comms and marketing strategy, be **seen in terms of:**

- the volume of sponsorship for, and investment in, Purebred Arabian Racing in the UK;
- the number of BHA licensed trainers training Purebred Arabian horses or Thoroughbred and Purebred Arabian horses;
- the number of Purebred Arabian horses bred for horseracing in the UK;
- the volume of Purebred Arabian horses in training in the UK;
- the quality of Purebred Arabian horses in training in the UK;
- with more horses in training, the quality and number of Purebred Arabian horses entered, declared and running in Arabian races;
- the number of owners of Purebred Arabian racehorses in the UK;
- the placement of Purebred Arabian races within race-day scheduling i.e. not always the first or last race on the card;
- the volume of television coverage of Purebred Arabian Races;
- the availability of betting opportunities on Purebred Arabian races and the turnover on such opportunities;
- the volume of media and social media coverage;
- the profile of Purebred Arabian races at racedays; and
- the level of public awareness and understanding of Purebred Arabian Racing in the UK.

3.13 Memorandum of Understanding with the BHA

Recommendation(s) and action

- *ARO and the BHA should, together, draw up a Memorandum of Understanding (MoU) that confirms the roles and responsibilities of each body with regard to the planning, administration and regulation of Purebred Arabian Racing in the UK. The MoU should also confirm any financial arrangements agreed between the partners resulting from the shared planning, administration and regulation of the sport*