



Arabian Racing Organisation (ARO) Development Plan for Purebred Arabian Racing in the UK 2022-24 (Revised November 2021)

1. Introduction

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.'

ARO seeks to deliver its vision and mission in accordance with six key **values**. These are to:

- maintain a safe, competitive, environment and promote fair play – **integrity**;
- prioritise the welfare of the industry participants, both human and equine – **welfare**;
- set and monitor standards and create an example for the international community – **leadership**;
- encourage the next generation to participate in the sport of horseracing– **education**;
- balance tradition with progression and sustainability of the sport of Purebred Arabian racing – **legacy**;
- provide a diverse and inclusive sport in which everyone has the opportunity to achieve their potential and where fans of all communities feel welcome – **diversity and inclusion**.

The purpose of this revised Plan is to provide a framework and structure for the consolidation and development of Purebred Arabian Racing in the UK from 2022 to 2024 in the light of the significant changes to the context for that development that have occurred during 2021. The ultimate aim remains the same i.e. the transition of Purebred Arabian

racing into a professional sport fully under the auspices of the governance, regulatory and integrity responsibilities of the BHA. However, within, and as part of, that transition, the sport must also address additional or heightened issues that will strengthen its foundations and secure its future once it is fully integrated with the British Thoroughbred Horseracing Industry.

2. Context

1978-2020

Purebred Arabian racing began in the UK in 1978 and was established as the Arabian Racing Organisation (ARO) in 1999 under the patronage of the late HH Sheikh Hamdan bin Rashid Al Maktoum. 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. In 2019 there were 3 full cards (a total of 21 races) and an overall total of 46 races. 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 the racing programme was 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 were scheduled for 2021.

Even before COVID 19, however, the sport of Arabian racing in the UK 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.

In November 2019 ARO received a grant from the Racing Foundation to facilitate the process. The initial 'plan' was for the changes needed for integration to be put in place during 2020 ready for substantial changes to Purebred Arabian racing in the 2021 season. However, two major unforeseen factors emerged. Firstly, by March 2020 the whole of the UK racing industry was in turmoil. COVID 19 forced the cancellation of normality and replaced it with a climate of uncertainty and rethinking. Although, even with changed modus operandi, ARO was able to maintain a small momentum in the change process a second factor slowly emerged. With many decisions and actions on hold, the focus had turned towards the integration of Arabian Racing into the National Racing Administration System (NRAS). However, the complexity of the task was greater than all parties had expected and it became clear that there would be a need for a phased approach to change over a longer period of time. Ultimately, however, in late 2020, the problem became even greater. With the confirmation from the BHA and Weatherbys of the formation of a new company in 2021 (Racing Digital) to oversee a complete re-write of the NRAS over a three-year period from 2021-24, all proposals to change any aspect of the existing NRAS to incorporate Arabian racing were abandoned.

Ultimately, however, for the sport to grow, ARO recognised the need would still be there for the full 'integration' of Arabian horseracing with Thoroughbred racing in the UK as part of any new National Racing Administration System.

2021

2021 saw the slow return to a degree of 'normality' for the British Horseracing industry – through from the continued restrictions imposed by lockdown in the early part of the year to the return of full crowds in the late summer. ARO was able to plan and deliver a realistic programme of 22 Purebred Arabian Races including 4 Group races two of which were the important Qatar International Stakes at Goodwood and the UK Arabian Derby at Doncaster. With 103 registered horses, good size fields in all races, good prize money and some progress towards 'integration' it was, in many ways, a successful season. But the bare facts hide the reality of the challenges the sport now faced.

Of the 103 horses registered 39 were from Shadwell (38%) and of the actual 75 individual horses that ran during the season 31(41%) were, again, from Shadwell. Both the size of the

total horse population and the dominance of Shadwell horses within that population were already a significant challenge to the growth of the sport in the UK. With the death of HH Sheikh Hamdan bin Rashid Al Maktoum in March 2021 the fear was that this challenge would become even greater. This fear was realised when in the autumn all Shadwell's existing Arabian horses in training (apart from a very small number that had been leased out until 2022) were removed back to Dubai from the UK and from across the rest of Europe.

Despite the announcement by the BHA in December 2019 that licensed trainers in the UK could train both Thoroughbred and Arabian horses in the same training yards there has been no take up to-date by existing Thoroughbred trainers, although there have been a number of enquiries. 2021 has not seen any increase in interest, or demand, for Arabian horses for training in the UK either from new or existing owners or trainers. The target for all existing 'legacy' Arabian trainers to be licensed by the BHA by the end of 2021 will not be met. The on-going pressures on the capacity of the BHA to deliver this process means that ARO has agreed with the BHA to continue to license these trainers for 2022.

Racing Digital was launched in the summer of 2021 and proceeded with its 'Discovery' phase, as part of which ARO was confirmed as one of the stakeholders to be consulted. As the new platform is built the implications for Arabian Racing will always be borne in mind. However, the reality is that it will be two to three years before the complete overhaul, including Arabian Racing, is in place and that ARO must, therefore, plan for several years of temporary measures to address the problems created by Arabian racing not being part of a fully integrated administrative system for the delivery of horseracing in the UK.

Some progress has been made. For example: ARO has brought prize money distribution in line with new BHA procedures announced during the year; in 2021 64%% of the jockeys for Arabian races were fully licensed professional jockeys; during 2021 the Tote and Britbet offered single bets on-line and on-course, William Hill and Skybet provided a betting market on line for Arabian races; on-course betting on Arabian races resumed with the return of crowds to the racecourses; following discussions with the ROA measures are being taken to allow owners of Arabian horses access to the benefits of ROA membership; and the HBLB provided some guidance notes to bookmakers that confirmed that betting on Arabian racing should count towards the Levy when bookmakers were doing their end of year submissions.

This progress has been piece-meal and the changes still fail to address the fundamental challenges faced while Arabian Racing sits outside the NRAS. Attempts to engage all bookmakers to create a betting market for Arabian races and thereby to create a starting

price for each race firstly depend on the provision, and format of the data required. ARO's discussions with Weatherbys and the Press Association have created an effective line of communication outside of NRAS but the bookmakers have then indicated that, secondly, there needs to be a demand for their services which, in turn, is dependent on media coverage. Media coverage remains ad hoc and discussions with RMG and TRP suggest that there needs to be a demand from the bookmakers before there is likely to be a commitment to cover every race!

Over the period from 1978 to 2020 Shadwell has been the biggest sole sponsor of Arabian Racing in the UK. There was no sponsorship from Shadwell in 2020 or 2021 and with the rationalisation of the whole business there is unlikely to be any for the foreseeable future, not only in the UK but also across the rest of Europe. Other potential sponsors within the Middle East have been reluctant to engage in discussions in the immediate aftermath of the death of HH Sheikh Hamdan bin Rashid Al Maktoum. Any potential commercial deals to capitalise on media rights for Arabian racing hinge on the resolution of the issue of betting and media coverage. Despite the move towards full integration within the regulation of the BHA, Arabian racing was still not included in discussions for 2022 between the BHA and the racecourses with regard to the fixture rate card and HBLB prize money distribution.

During 2021, with the help of Weatherbys, race-day race-cards have included details of the Arabian races as a seamless part of the day's racing programme. However, in 20 of the 22 races the Arabian race was the first on the card – the exception being two of the Group Races at Haydock and Doncaster. This undoubtedly affects public interest and betting turnover – in many cases the racecourses do not even acknowledge the Arabian race as being the first race of the day. Data suggests that betting turnover was much higher on the two races that were **not** the first race of the day.

In summary, ARO's Development Plan for the growth of Purebred Arabian Racing in the UK from 2022-24 must, therefore, address a number of key issues

1. **Integration** – ARO must continue its on-going dialogue with Racing Digital and the BHA to ensure that, once completed, Arabian racing is an integral part of any revised administration system for horseracing in the UK. This is at the core of the challenges Arabian racing faces moving forward but it will not, alone, resolve other key challenges for the sport.

2. **Horse population** – without a strategy for the growth of the Arabian horse population in the UK, and successful outcomes from such a strategy, there can be no future for the sport.
3. **Promotion of Arabian Racing – awareness**, and understanding, of the **brand** – knowledge of, and interest in, Arabian racing amongst the general and racing public remains low but it is equally important to raise this awareness amongst key racing stakeholders including trainers, owners and the racecourses.
4. **Betting and media coverage** – it is crucial that Arabian racing’s relationship with the bookmakers and media companies is resolved to create full coverage and demand for the product, thereby opening up the door for the development of new **commercial arrangements** to the benefit of the sport.
5. **Sustainable funding and organisational arrangements** – with these building blocks in place the role and responsibilities of ARO must be considered and a sustainable model must be found for the financing of Arabian Racing in the UK.

The concept of ‘growth’ for Purebred Arabian Racing in the UK cannot be one of simply increasing the volume of races. Rather, the ‘growth’ of the sport should 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 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 race-days; and
- the level of public awareness and understanding of Purebred Arabian Racing in the UK.

Collectively the measures outlined in this Plan provide a framework for growth as defined above.

3. The way forward

3.1 Integration - The development of Arabian Racing as a professional sport that is fully integrated into, the British Thoroughbred Horseracing Industry

Integration into Racing Digital's new platform

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.

ARO has received assurances from both the BHA and Weatherbys that as the new platform is developed by Racing Digital over the next three years, Purebred Arabian Racing and all elements of its governance, regulation and administration will ultimately be an integral part of the new system. It is a priority, therefore, that this is a key principle within the specifications agreed by the new company and its key stakeholders for the NRAS replacement.

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.*
- *ARO should liaise closely with the newly created Racing Digital to ensure that the full integration of Purebred Arabian Racing is a key element for any specifications agreed for the new platform*
- *ARO should liaise with the newly created Racing Digital to ensure that it is consulted on an on-going basis as to the details required to ensure the full requirements for Arabian Racing (horses, ARO races, trainers, owners, sponsorship, race entries, declarations, entries, jockeys, racecourse officials, prize money distribution, statistics, stable employees, gallop returns, press feeds, registration fees) are incorporated into the system.*

- *ARO should liaise with the newly created Racing Digital to identify, and confirm, any charges to be made against ARO for the development and inclusion of Purebred Arabian Racing in the new Racing Administration platform*
- *While elements of the new system are rolled out, ARO should continue to provide the initial data on horses and owners that will allow it to fulfil key administrative tasks manually (e.g. horse picklist, entries, declarations, horses leaving training, ownership registration, sponsorship registration, prize money payments).*

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

BHA Rules and Regulations

Historically there have been two separate Rule Books governing and regulating Thoroughbred horseracing and Purebred Arabian horseracing in the UK. In the past few years much has been done by ARO and the BHA to reduce the discrepancies between the two sets of rules and regulations. By 2021 further changes had been made in the light of the planned integration of Arabian racing with Thoroughbred racing to ensure a uniformity of approach that was acceptable and understandable to trainers, jockeys and owners. Only one or two differences between the two codes of racing now remain – for example, the acceptance of artificial insemination within the breeding of Purebred Arabian racehorses.

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.*

- *ARO should continue to liaise with the BHA Disciplinary Department to ensure that Racing's Rule Book is standardised to meet the requirements of both Thoroughbred and Arabian horseracing.*

Success Measure(s)

- *From 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*

Licensing of trainers

If the full integration of Pure Arabian Racing with Thoroughbred racing is to be achieved, then all trainers of Arabian horses need to be licensed by the BHA and all trainers of Thoroughbred horses should also be able to train Arabian horses i.e. a license with the BHA enables a trainer to train either Thoroughbred or Arabian horses or both. In December 2020 the BHA announced that existing licensed trainers will, from 2021, be able to train Arabian and Thoroughbred horses, should they wish to do so. For 2021 and 2022 the BHA has approved ARO as the appropriate licensing authority for trainers of Arabian horses using the tried and tested procedures and mechanisms that have proved to be effective and acceptable in previous years. Some aspects of these procedures may need to continue while the phased introduction of the new Racing Administration system unfolds from 2021 to 2024.

Recommendation(s) and action

- *All existing trainers currently training only Purebred Arabian horses in the UK who wish to continue training in 2023 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.*
- *The BHA should work with ARO and existing Purebred Arabian horse trainers, on a yard-by-yard basis during 2022 to agree what the requirements will be for them to be*

fully licensed by the BHA in 2023 and provide support and guidance where necessary during 2022 for this to be achieved.

- *New Purebred Arabian trainers wishing to train in 2022 should also apply to the ARO office and should use 2022 to work towards fulfilling all the requirements of the BHA licencing process for 2023.*

Success measure(s)

- *From 2023 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. This will include, for example, the requirement for stable employees to be included in the SER (Stable Employee Register) to ensure that all matters relating to staff responsible for Arabian horses are administered uniformly.*

Racecourse officials, on-course systems and other operational issues

Currently most on-course officials' systems that the BHA use are standalones from the main NRAS database. They have been built either by the BHA or for them by a third party. They do often interface directly with the NRAS and the supply of information needed for future administration. For example, Weatherbys receives the race results from the Clerk of the Scales (weights, overweights, headgear etc.) and the judge (finishing position, distances, times etc.) alongside other information from the Stewards, Starters and Vets. It is not yet known if these on-course systems will be included in the new administration platform, but they will still be essential for the new system to be able to perform other key tasks for Purebred Arabian racing e.g. payment of prize money or future qualifications or penalties.

In addition to these systems there are a small number of operational issues that need to be addressed while the new Administration system is developed. These include procedures relating to the handicapping of Arabian horses and the integration of performance data into mainstream BHA systems i.e. trainer, jockey, owner results. At the moment, for example, jockey successes in Arabian races do not contribute to champion jockey calculations.

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*
- *ARO should continue discussions with the BHA to ensure that all appropriate discussions with regard to the day to day operational issues for British horseracing include Arabian races*

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.*

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 (e.g. the Press Association, the Racing Post, Timeform) via a simple and coherent licensing regime. Given that Weatherbys continues its role in providing data from the Racing Administration System to licensed clients it is vital that both Weatherbys has the Purebred Arabian Racing data as part of the Administration system **and** that ARO is included in RDC licensing agreements with 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 continue 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 introduced for the 2021 Purebred Arabian Racing season for RDC to provide ARO pre-race data for distribution to licensed third parties should continue in 2022*
- *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*

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 continue to work with the Racecourse Media Group (RMG) where appropriate but, from 2022, with the significant proportion of Arabian races to be held at Arena Racing Company (ARC) racecourses (see Race Planning), the focus should be on developing a stronger partnership with The Racing Partnership (TRP). RDD includes key racing information such as the going, withdrawals, jockey changes, race status, betting shows and results. TRP is the TV Channel for LBOs for Sky Sports Racing and ARC providing the betting shop customers with racing pictures and commentary along with associated betting data for the ARC racecourses and a number of independent racecourses (Fakenham, Ffos Las, Hexham, Newton Abbott, Plumpton and Ripon). This partnership is, therefore, crucial to the development of betting on Arabian racing and its TV coverage (see 3.4 below)

Recommendation(s) and action

- *ARO should focus its attention on liaising with 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 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 for the 2022 Purebred Arabian Racing season with ARC/TRP, and individual racecourses where Arabian Racing takes place, for media rights and the sharing of RDD.*

Race Planning

Currently ARO is responsible for the planning of a schedule of Purebred Arabian races which must then be approved by the BHA – this is not part of the annual process undertaken by the BHA Racing Department to compile the fixture list and all race programmes. While in the past the Arabian Racing fixture list has been a combination of stand-alone races as part of a Thoroughbred fixture and a small number of Arabian only fixtures, the future intention is, for there only to be a combination of internationally determined Pattern races and domestic stand-alone races as part of a card for a Thoroughbred fixture which in turn is part of the BHA Racing Calendar. Currently the stand-alone domestic races must be negotiated with the individual racecourse(s) by ARO and separate funding arrangements must also be agreed.

Moving forward, ARO believes that Arabian Racing in the UK will be better served if, apart from selected key Pattern races, **all** the single domestic races are held under the umbrella of one of the large racecourse groups. ARO believes that such an arrangement would strengthen its position in terms of discussions over media rights and TV coverage, provide a focus for further discussions on how to increase the betting pool on Arabian races and increase the potential of a commercial agreement with one key partner rather than the need to pursue a range of interested parties on an individual basis. With this in mind, ARO intends to continue discussions with ARC and TRP to build a relationship that associates the Arabian ‘brand’ with ARC racecourses and Sky Sports Racing.

Recommendation(s) and action

- *ARO should continue its discussions with ARC/TRP to create an exclusivity of the ‘brand’ with ARC racecourses for the Arabian races and Sky Racing for media coverage*

Success measure(s)

- *From 2022 all domestic Purebred Arabian horseraces will be held on ARC racecourses*
- *By 2022 ARO will have a commercial agreement with ARC/TRP over the race-day provision for domestic Arabian races and, through TRP, an agreement with Sky Racing for TV coverage of all Arabian races*

3.2 Horse population

The current figures for the population of Purebred Arabian racehorses as outlined on p4 above highlight a challenge that goes beyond the need for integration of Arabian racing into the National Racing Administration system. If the size, and quality, of the core pool of Arabian horses being trained in the UK in any one season is not increased, the future of Purebred Arabian racing in the UK will be threatened. The volume of domestic Arabian races in any one season must be appropriate for the horse population. The size of the horse population will determine the realistic rate of growth for the sport. The horse population should, over time, be appropriate for the domestic UK races but also contain the quality of Arabian horses to challenge for Pattern races both in the UK and overseas. In the light of the loss of the Shadwell Arabian horses in the UK this is a rebuilding process and will take a number of years to achieve. However, minimum target numbers for each year should be set which will in turn determine race planning.

To achieve this growth the strategy must now build on the remaining foundations of, and support for, the sport in the UK and across Europe and the Middle East **and** proactively use the awareness raising strategy (see 3.3) to increase interest in, and demand for, Arabian horses to race in the UK. This horse population strategy should include measures to:

- attract new partners/owners/sponsors in the Middle East to support, and engage with, Purebred Arabian racing in the UK;
- attract new trainers in the UK either new Arabian only or new existing thoroughbred trainers;
- attract new owners in the UK including syndicates, racing clubs etc;
- develop UK Breeders incentives and premiums;
- introduce additional incentives for trainers to enter horses in training for available races e.g. travel incentives
- improve the quality of breeding of Arabian horses in the UK by encouraging the use of stallions around the world through AI

Recommendation(s) and action

- *ARO should establish a small working party to plan, develop and implement a strategy for the growth of the Purebred Arabian racehorse population in the UK*

Success measures

- *In 2022 to have a minimum Arabian racehorse population of 80 in the UK eligible for, and actively participating in, Purebred Arabian races in the UK, and overseas;*
- *In 2023 to have a minimum Arabian racehorse population of 120 in the UK eligible for, and actively participating in, Purebred Arabian races in the UK, and overseas;*
- *In 2024 to have a minimum Arabian racehorse population of 150 in the UK eligible for, and actively participating in, Purebred Arabian races in the UK, and overseas.*
- *Could also have a target of 6 number of horses trained in the UK entered for Pattern races in the UK or overseas by 2024*

3.3 Creating awareness and the development of the brand

ARO must address the remaining two concerns that underpinned the original 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.

The reality is that, despite some progress, there is still a lack of awareness of Arabian Racing in the UK across the industry and with the general public, its historic importance to the horseracing industry and the potential of the benefits it brings to the growth and development of the industry as a whole.

These benefits are seen to include:

- attracting new, or retain existing, Middle East sponsors for Arabian racing in the UK which may, in turn, help attract new, or retain existing, Middle East sponsors for Thoroughbred racing in the UK;
- increasing the overall number of horses in training in the UK and increasing UK breeders of Arabian horses for racing;
- improving business sustainability for small to medium size trainers' yards by diversification into Arabian racing and attracting new start-up trainers;
- increasing the number of owners (and syndicates) of Arabian horses with the potential of also increasing owners (syndicates) for thoroughbreds;
- providing access to (sizeable) overseas prize money for owners and trainers in major Arabian international races with easy accessibility for owners to travel worldwide;
- increasing betting turnover;
- continuing, and developing, Group and Listed Arabian races in the UK;
- increasing NTF/ROA involvement/opportunities for Arabian trainers and owners to access benefits thereby boosting membership for those organisations; and
- increased training and development opportunities for apprentice jockeys and other key roles in the industry.

A strategic plan is needed to increase awareness of Purebred Arabian racing in the UK across trainers, owners and the racing and general public and to develop a 'brand edge', and a love for, or interest in, that 'brand'. That strategy needs to capture both the historic significance of the Arabian racehorse **and** focus on the benefits Arabian racing can bring to the development of the industry in 2022 and beyond. This awareness raising strategy should include measures to:

- develop a brand for Purebred Arabian Racing in the UK and ensure its consistent use across all ARO communications, marketing and events; and
- increase engagement with key stakeholders across the industry, including licensed trainers and owners, and the racing and general public by
 - increasing the use, range and quality of social media and its reach;
 - improving the existing ARO website to provide a comprehensive, dynamic and interactive, source of information and advice for participants in, and supporters of, Purebred Arabian racing in the UK;
 - increasing media coverage, and access to it, of Arabian racing in the UK; and
 - increasing the betting pool for domestic and Pattern Arabian races in the UK.

Recommendation(s) and actions

- *ARO should establish a small working party to plan, develop and implement a strategy to raise awareness of Purebred Arabian racing in the UK*
- *ARO should establish, develop and promote an Arabian Racing brand for the UK and ensure that the branding is used consistently across all elements of its marketing and communications, internally and externally*
- *ARO should increase its capacity to develop, deliver and manage this strategy through additional staff time for the existing PR and media Executive and/or through targeted consultancy with the appropriate experience and expertise*

Success measures

- *ARO branding is used consistently across all elements of its marketing and communications, internally and externally;*

Using 2021 as a baseline, success will be measured by a year-on-year increase in:

- *the volume of sponsorship for, and investment in, Purebred Arabian Racing in the UK;*
 - *sponsorship in 2021 £652529*
- *the number of BHA licensed trainers training Purebred Arabian horses or Thoroughbred and Purebred Arabian horses;*
 - *12 licensed trainers with Arabian horses in training in 2021*
- *the volume of domestic Purebred Arabian horses in training in the UK;*
 - *87 horses in training in 2021*
- *the number of owners of Purebred Arabian racehorses in the UK;*
 - *excluding Shadwell, 28 owners in 2021*
- *the volume of media coverage of Purebred Arabian Races;*
 - *Of the 22 Arabian races in the UK in 2021 5 were shown live on TV*
- *the availability of betting opportunities on Purebred Arabian races and the turnover on such opportunities;*
 - *3 major bookmakers providing off-course betting market in 2021 – the Tote, William Hill and Skybet*
 - *Britbet on-course turnover on Arabian races in 2021 was £46972*
- *the volume of social media coverage;*

- *As of November 2021, 4453 Facebook followers, 2113 Twitter followers and Instagram 545 (having joined in May 2021)*

3.4 Betting, TV coverage and media rights

In 2021 ARO continued to be frustrated with its inability to break the conundrum of the relationship between betting, TV coverage and media rights. TV coverage remained ad hoc claiming a lack of demand from the bookmakers; the majority of bookmakers failed to create an off-course market for the races claiming lack of access to the required data and lack of demand from the TV companies; and media rights remained buried within the existing media rights agreements held by the racecourses. Without widespread TV coverage and the necessary comprehensive bookmaker coverage there continued to be no Starting Price on Arabian races. In an attempt to address these frustrations, from 2022 ARO intends to work exclusively with ARC, TRP and Sky Racing to create a partnership that will unlock new commercial and media rights agreements, provide comprehensive coverage of all domestic Arabian racing and thereby create the demand for nation-wide on and off course betting.

Once full integration into the revised National Racing Administration is achieved the flow of data should become seamless but, in the meantime, ARO will take the necessary steps to ensure that PRD and RDD is readily available particularly through an upgrade of its own website. As part of the intended partnership with ARC/TRP/Sky ARO needs to secure agreements to vary the placing of the Arabian race on the race card wherever possible, possibly becoming the seventh race on the card rather than the first. This should increase awareness of the race on a race day and significantly increase the betting turnover.

Recommendation(s) and action

- *ARO should continue to negotiate with all major bookmakers, including the Tote, to encourage the use of PRD, RDD and the ARO website to include Purebred Arabian Racing in their betting markets on course, on-line and through LBOs.*
- *ARO should work with ARC/TRP and Sky Racing to ensure that all Arabian races in the UK are screened live on TV*

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*
- *All domestic and Pattern Arabian races in the UK screened live on TV from 2022*

3.5 Financial and organisational sustainability

Financial sustainability

ARO's current funding model means that Purebred Arabian Racing in the UK has been highly dependent on sponsorship – particularly from its Patron, HH Sheikh Hamdan bin Rashid Al Maktoum. In addition to sponsorship ARO draws an income from registrations, declarations, entries and through a limited, occasional, draw down from media rights. While sponsorship can, and should, continue to be a key part of ARO's funding model for the sport, there is now a need to look at a new funding model that can provide sustainability for the future of ARO and the sport of Purebred Arabian Racing.

With the Arabian race planning sitting outside the main BHA fixture planning and scheduling process, ARO is currently excluded from the fixture rate card funding arrangements that accompany that process. In addition, moving forward, with the BHA taking a greater responsibility for registrations, declarations and entries as part of the revised Administration System for Racing, this will result in the loss of some, or all, of ARO's income from these sources. Also, there may be additional annual charges from both the BHA and Weatherbys for the services they will then be providing for ARO and Purebred Arabian Racing. There may also continue to be fixture fees charged by the racecourses but it is hoped that any such charges will be addressed as part of any commercial agreement with ARC for the scheduling of the Arabian domestic racing programme on ARC racecourses.

Any model for financial sustainability must, therefore, be built around:

- commercial agreements with ARC/TRP/Sky Racing for the provision of data, media rights and media coverage for Arabian Racing in the UK;

- the development of new sponsorship opportunities with partners in the Middle East;
- the development of new sponsorship opportunities in the UK;
- the inclusion of Arabian Racing programme within the HBLB prize money allocation through the fixture rate card **or** a separate arrangement with HBLB for an allocation of prize money independent of the fixture rate card process.

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:

- *seek a commercial agreement with ARC/TRP/Sky Racing that, in return for the exclusive coverage of the domestic Arabian racing programme in the UK, provides an income from the provision of data and media access for Arabian races;*
- *either negotiate with the BHA for Arabian races to be included in the current arrangements with HBLB for the distribution of prize money through the fixture rate card **or** negotiate with HBLB for a separate arrangement for distribution of prize money for Arabian races;*
- *continue to seek additional sponsorship opportunities from the Middle East and from the UK;*
- *seek additional funding from the HBLB to underpin this three year strategy as Arabian Racing moves towards full integration from 2024 onwards.*

Success measure(s)

- *Commercial agreement with ARC/TRP/Sky Racing in place from 2022*
- *Arrangements for Arabian Racing inclusion in prize money distribution through HBLB from 2023*
- *Major sponsor secured for 2022 to replace Shadwell*

Organisational sustainability and governance

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. Once the integration process is completed, with many functions and roles passing to the BHA and/or the new racing administration system, ARO's role and mission is likely to be different. In a new era of professionalism, as a sport fully integrated into mainstream horseracing, ARO will need to ensure that it both has, and is seen to have, an appropriate structure that reflects that increased profile and one that provides the capacity for sustainability and growth.

In addition, 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. The ARO Board needs to ensure that it has the full range of experience and expertise that will enable it to perform its responsibilities effectively and responsibly during the transitional period from 2022 to 2024 in preparation for the completion of the integration process. In line with changes to ARO's mission, role and organisational structure beyond 2024, ARO's governance will again need to reflect those changes to ensure that governance is fit for purpose.

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 as integration proceeds and is ultimately achieved;*
- *The ARO Board should ensure that ARO has the capacity and expertise to deliver its mission and to meet the expectations of its role;*
- *The ARO Board should regularly review 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.*
- *The ARO Board should annually 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 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;*
- *A governance review of ARO will be completed annually;*
- *Membership of the ARO Board will be increased with additional members being appointed offering a range of wider experience and knowledge as appropriate to support ARO's development.*

3.6 Memorandum of Understanding with the BHA

It will be necessary at the conclusion of the integration process, or at an appropriate time(s) during that process, to formalise ARO's new relationship(s) with key stakeholders, particularly 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*

Success measure(s)

- *There will be a MoU between the BHA and ARO which confirms the roles and responsibilities of each body with regard to the planning, administration and regulation of Purebred Arabian Racing in the UK.*

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