

STRATEGIC PLAN FY18-FY21 UPDATE

VISION

TO BECOME THE #1 SPORTING INDUSTRY IN THE SUNSHINE STATE

PURPOSE

TO CHAMPION GREAT RACING AND EVENTS WHICH CONNECT QUEENSLAND COMMUNITIES

TIMELESS VALUES

- MAKING A DIFFERENCE
- ACHIEVING EXCELLENCE
- EARNING AND SHOWING RESPECT
- DOING WHAT WE SAY
- VALUING TEAM ABOVE SELF
- DEMONSTRATING GREAT LEADERSHIP

5 GOALS TO BECOME QUEENSLAND'S NO. 1 SPORTING INDUSTRY BY 2021

5

5 ICONIC RACE EVENTS (ONLY 2 TODAY)



4

4 NEW WORLD CLASS RACING FACILITIES



3

\$300M+ OF REVENUE (\$216M IN FY18)



2

\$250M+ TO PARTICIPANTS (\$175M IN FY18)



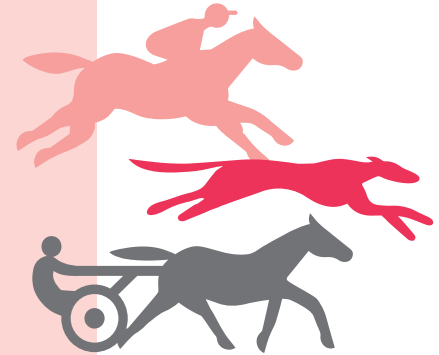
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1 MILLION ATTENDEES AND PARTICIPANTS (890K IN FY18)



KEY PURPOSES

- 1 Lead** and facilitate the commercial aspects on behalf of the industry relating to wagering, racing calendar, infrastructure and media rights.
- 2 Engage** and support race clubs and venues through licensing, funding assistance and shared services.
- 3 Transparent** allocation and distribution of returns to participants.
- 4 Promote** and market the three codes of racing.
- 5 Develop** and construct new and existing racing facilities.
- 6 Partner** with the Queensland Racing Integrity Commission (QRIC) to deliver world class integrity and welfare outcomes.
- 7 Provide** training and career pathways for industry.



KEY CHALLENGES & RISKS

REVENUE DRIVERS

- Wagering yield is declining, impacted by the move away from high (pari-mutuel) to low margin (fixed odds) wagering.
- The impact of regulatory changes such as the impact of POC tax, Race Field Fee (RFF) increases, etc.
- QTAB performance and/or delays with realising merger benefits.
- Government support for racing events and communities.
- The off-shore leakage and popularity of alternate sports wagering.

DYNAMIC COMMERCIAL LANDSCAPE

- The arms race in interstate prize money and venues.
- Diversity of stakeholders with competing interests.
- Reduction in foal and puppy crops.
- Club modernisation and commercialisation.
- Media partner delivery of benefits with competing jurisdictions.

ASSET REPLENISHMENT

- Current Racing Infrastructure Fund (RIF) needs to last 30 years.
- Ageing facilities require upgrades and maintenance.
- Racing needs to maximise the value of assets.
- Racing Queensland doesn't have a comprehensive view of racing assets.

CHANGING CUSTOMER DEMANDS

- Racing has an ageing participant demographic.
- Racing is a mature product.
- Innovation is required to engage new audiences.

NON-TAB COMMUNITY RACING

- Queensland has the highest proportion of non-TAB community racing (non-revenue generating) in Australia.
- Country Racing is vitally important due to the critical local and social impact it has in regional Queensland communities.

WELFARE & INTEGRITY

- Industry challenge to meet the highest standards and community expectations in integrity.
- Meeting increasing community expectations regarding animal welfare.
- Reputational risk from integrity issues.
- Participant welfare (e.g. concussion, serious injury, mental health).

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OBJECTIVES & PERFORMANCE MEASURES



COMMERCIAL

Manage and drive the commercial performance of the business of racing in Queensland

How the objective will be achieved:

- 1 Grow wagering revenue and increase alignment with wagering operators.
- 2 Maximise opportunities from QTAB/Tabcorp.
- 3 Drive partnerships e.g. TEQ, government agencies, commercial partners, etc.
- 4 Produce a racing program that is conducive to maximising wagering and increasing major events.
- 5 Convert non-TAB race meetings to TAB race meetings.
- 6 Maximise media rights renewals.
- 7 Drive innovation.
- 8 Improve organisational efficiency.

PERFORMANCE MEASURES:

- Grow and diversify revenue
- Develop and launch iconic events
- Winter & Summer carnivals enhanced
- Partnership with commercial bodies



INDUSTRY SUSTAINABILITY

Create a sustainable racing industry in Queensland

How the objective will be achieved:

- 1 Grow returns to participants.
- 2 Grow attendance via an events strategy.
- 3 Enhance club liaison and reporting to support clubs to improve performance.
- 4 Enhance club funding model to support improved self-sufficiency and viability.
- 5 Develop and implement strategies to support ownership of racing animals.
- 6 Working closely with QRIC to ensure integrity and welfare standards, including supporting animal retirement initiatives.

PERFORMANCE MEASURES:

- Grow returns to participants
- Grow attendance
- Increase participation
- Enhance club funding



DEVELOPMENT & CONSTRUCTION

20 plus year plan to meet operational requirements, customer expectations and leverage industry assets

How the objective will be achieved:

- 1 Implement a long-term development and construction plan for the three codes of racing, including a project management and governance framework which includes club or code engagement principles.
- 2 Work with clubs to ensure they have appropriate maintenance and capital expenditure programs in place.
- 3 Identify development opportunities to extract value from land holdings (e.g. Albion Park, Deagon, etc.).
- 4 Prioritise and deliver improvements for non-TAB country racing facilities.
- 5 Enhance asset operating model after review of asset condition.

PERFORMANCE MEASURES:

- New greyhound and harness tracks delivered
- 4 metropolitan standard thoroughbred tracks (Brisbane premium enhancements)
- Development opportunities to extract value and support with club diversification
- Improve community racing facilities



ORGANISATIONAL

Develop organisational capability and capacity to improve performance and efficiency

How the objective will be achieved:

- 1 Revise RQ values and create new behavioural framework.
- 2 Enhance management information systems for better decision making, improved productivity and increased commercial returns.
- 3 Enhance the talent management framework and succession planning.
- 4 Ensure compliance with whole-of-government policies and procedures.
- 5 Develop an RQ culture of excellence and transparency.
- 6 Mobilise resources and improve capability for content development, club development and events.
- 7 Develop a plan to become an Employer of Choice.

PERFORMANCE MEASURES:

- Grow engagement
- Recognition as an Employer of Choice by FY21
- Grow digital traffic and engagement



COMMUNITY

To be a significant contributor to the Queensland community through great racing and events

How the objective will be achieved:

- 1 Measurement and promotion of the racing industry's contribution to the economy and community.
- 2 Engagement with participants and key stakeholders to identify industry career pathways and training needs.
- 3 Develop and implement integrated marketing strategies with key partners.
- 4 Develop and execute a comprehensive communications plan to always communicate the narrative of the Queensland racing industry scale and economic contribution.
- 5 Partner with local communities.

PERFORMANCE MEASURES:

- Grow economic and community contribution of racing
- Grow student enrollments
- Grow recognition of industry scale and impact
- Grow community partnerships