



HRNZ BOARD NEWS

Following is a summary of matters considered at the HRNZ Board meeting on 30 August. This meeting was chaired by Gary Allen (Vice-Chair) due to Pat O'Brien (Chair) being in hospital for surgery. It is understood that Pat is making reasonable progress from the surgery and best wishes are extended to him from everyone in the industry.

1. HRNZ GOVERNANCE REVIEW

The Board considered the governance presentation made recently at the Annual Conference and the proposal to reduce the HRNZ's Board size from 11 to 8. Feedback received from the Conference was considered along with the results of a "straw poll" undertaken with clubs and kindred bodies on their support for further consideration (or not) of this issue.

After considering this feedback, the Board resolved that this review will not be further progressed at this time. The Board believed there would unlikely be sufficient support for this matter if it proceeded to a Special General Meeting for this to pass, and as a result HRNZ's time was best concentrated elsewhere. It was felt the Board and HRNZ management would be better to concentrate on the value added objectives in the HRNZ business plan and improving the industry's overall position.

2. HRNZ BUSINESS PLAN 2011/12

The Board reviewed the latest draft of HRNZ's business plan for 2011/12 which had been amended following feedback received at the Annual Conference. It was noted comments on this document had just been received prior to the Board's meeting from the NZRB. It was agreed that these matters would be considered and incorporated into the plan which would be formally signed off at the Board's October meeting. The final version will be circulated and also available on HRNZ's website.

3. AUSTRALIAN STANDARDBRED BREEDING REPORT

The Board reviewed at length the recently released Harness Racing Australia (HRA) Standardbred Breeding report. It was considered that there were some positive initiatives in this that should be further considered by the Breeders Liaison Sub-Committee to determine if any of these could be similarly applied in New Zealand. In particular, it was felt the development of a National Breeding Credit Scheme had some merit and that the practicalities and funding options for a similar scheme in New Zealand should be considered.

The Board however has significant concerns with respect to the HRA report and the proposed significant increase in some costs. Of particular concern is the proposed:

- Increase in import fees; and
- New imported semen foal registration fees.

It is felt that both items will have a severe impact on the New Zealand industry. The increased import fee will adversely affect the export of New Zealand horses, particularly those sold at a value of \$50,000 or less. From New Zealand's perspective it is felt that a strong export market is crucial to providing owners with returns, mitigating costs and encouraging their subsequent reinvestment in the industry. The proposed new foal registration fee on imported semen would also be a major disincentive in the use of imported semen and would competitively disadvantage New Zealand studs in their trans Tasman activities.

It was therefore agreed that HRNZ would lodge a submission with HRA to seek a review of these matters. A copy of HRNZ's subsequent submission was published in last week's Harness Racing Weekly and is also available on HRNZ's website. The Board noted the correspondence of the NZSBA to HRA on this and agreed in principle with the comments made.

4. **OWNERSHIP AND PROMOTIONS - NZ TROTTING OWNERS ASSOCIATION**

In 2010/11 HRNZ set aside \$30,000 under the industry funding policy for the NZ Trotting Owners Assn (NZTOA) revitalisation. This was provided to the NZ Standardbred Breeders Association (NZSBA) which undertook administration services for the NZTOA. The Board reviewed a report from the NZSBA on activities over the last year and the recommended future directions for such funding.

With the NZTOA restructuring of secretarial services in 2010/11, the Board considered all of the funding set aside in 2011/12 was not required for NZTOA activities. The Board felt after making an allocation to cover NZTOA operational costs, a more effective spend of the funding would be to utilise the balance for ownership promotions. Accordingly the Board resolved:

"That \$5,000 be provided to the NZ Trotting Owners Assn as a contribution to its administration expenses for 2011/12.

That an additional \$25,000 be incorporated into HRNZ's marketing budget for 2011/12 for ownership promotions, with such activities undertaken in conjunction with the NZSBA administration team and approved by the HRNZ Marketing & Promotions Sub-Committee."

5. **STAKES POLICY AND MINIMUM STAKES GUIDELINES 2011/12**

At the Board's meeting consideration was given to the Stakes Policy and Minimum Stakes Guidelines to apply for the 2011/12 season. These were reviewed in light of the new Funding Policy which was outlined at the Annual Conference.

Despite the increase in percentage funding for all clubs, essentially the minimum stake levels have been retained at the same level in appreciation that turnover levels have declined in real terms over the last season.

The following criteria provides increased flexibility for clubs to set stake levels as they see fit and in line with their financial budgets. Obviously the stake levels proposed should be discussed with Darrin Williams (Handicapper) to ensure where possibly racing programmes complement each other within a region. The increased flexibility within the guidelines displays HRNZ's confidence that clubs will act in a financially prudent manner and maximise their stakes for the benefit of industry participants where possible.

	Mon	Tue	Wed	Thu	Thu night	Fri	Fri night	Sat	Sun	Holidays
Jul 10	\$5,000	\$3,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000

- Tuesdays stakes per race shall be \$3,000 - \$4,000;
- On all other days, clubs may programme two races for stakes of \$3,000 - \$4,000; and
- No races to be programmed for stakes between \$4,001 and \$5,000 so the balance of programming with Tuesdays and other days is not compromised.

Super Feature Meetings

- At least one Group race on the programme; and
- Minimum stakes per race of \$10,000.

Premier Meetings

- At least one Group race on the programme, ideally Group 1;
- Minimum stakes per race of \$10,000; and
- Increased flexibility for clubs to allocate stakes across races as they see fit.

The Handicapper has the authority to approve, on an exception basis, variations to these levels on consideration of regional racing programmes and combination of meetings.

6. 2011 CORRESPONDENCE ITEMS - SCRATCHING PENALTIES AND NUMBER OF BALLOTS IN MOBILE START RACES

At the AGM on 23 July 2011, two correspondence items proposed by the NZ Harness Racing Trainers and Drivers Association were approved. These items can be summarised as follows:

- Scratching Penalties - recommendation these regulations be mandatory for all clubs/race meetings; and
- Mobile starts and ballots - recommendation that there be only up to two emergencies in any mobile start.

Correspondence items are essentially recommendations from the Conference to the HRNZ Board for consideration. Accordingly both these matters were considered at the Board's meeting on 30 August. After giving full consideration to both matters, the Board resolved as follows:

"1. That an additional clause 17 be added to the Programming Conditions - General Regulation, effective 1 October 2011, as follows:

17. Scratching Penalties

The Scratching Penalties Regulation shall apply to all race meetings.

2. That clubs be encouraged to only provide for two emergencies in all mobile start events in line with the correspondence item approved at the Conference, however the final decision on this be left to the discretion of individual clubs.

3. That the situation with emergencies and more horses starting on the second line be monitored and further reviewed by the HRNZ Board in April 2012."

7. AMENDMENT TO THE APPROVED GEAR REGULATION - NOTIFIABLE APPROVED GEAR

The following amendments to the Approved Gear Regulation have been approved as follows and take effect on 17 October 2011:

A. Notifiable Approved Gear

	Current	New
HEAD GEAR	Fixed earplugs and fixed hood	1) Fixed deafeners
	Removable earplugs and removable hood	2) Removable deafeners
	Half blinds, full blinds, woollen blinds, telescopic blinds, etc	3) Blinds
	Pull up and pull down blinds	4) Sliding blinds
	Pacifier	5) Pacifier
LEG EQUIPMENT	Half hobbles	6) Half hobbles
		7) Free legged pacer
MISCELLANEOUS GEAR	No Whip	8) No whip

Note: The "B. Non-Notifiable Approved Gear" list will also be renumbered as a result of the above amendments.

All details of Notifiable Approved Gear already in HRNZ's computer system (Infohorse) as at end of business on 16 October 2011 will be migrated and merged (where applicable). For example, if it has been notified that a horse had "pull up blinds" when it last raced on 10 October, this information will automatically be migrated and merged to appear as "sliding blinds" on our system as at 17 October 2011.

An Official Notice will appear in the Harness Racing Weekly on 14 September, 5 October and 12 October 2011, and posted on the HRNZ website, notifying the industry of the amendments, along with the Notifiable Gear form.

8. TOTALISATOR RACES ADVANCED AMATEUR DRIVERS

The policy for the past two seasons has been that there be 10 totalisator races per season for advanced amateur drivers. A submission was received from the Auckland TC, proposing a relaxation of the current limits to allow the club options to programme additional totalisator races for amateur drivers. The ATC is looking to develop a series, complete with sponsorship that they believe will complement horse availability and field sizes in the region.

After due consideration the HRNZ Board resolved:

"There be a maximum of two totalisator races for advanced amateur drivers per month in the North Island and also two per month in the South Island, with stakes for these races between \$3,000 and no more than \$5,000."

With the transition away from Tuesday racing, obviously these races can be programmed at any race meeting apart from Super Feature or Premier meetings. The Board's view was that it would be up to the Amateur Drivers Association in each region to work with the clubs to determine their interest in staging such races. Essentially the Board's position is that the "market" will dictate how often these opportunities are filled. This change in policy is effective 1 September 2011.

9. INTER DOMINION UPDATE

The Board considered an update report on the Inter Dominion Events Committee's (IDEC) consideration of tender submissions for hosting of the 2013 - 2015 Inter Dominion Pacing Championships. The NZ Metropolitan Trotting Club tendered to host the series in 2013, with Harness Racing New South Wales tendering for all three years. The tender submissions have been evaluated by IDEC and an announcement of the successful tenders is expected by the end of September. A number of the details with respect to the tender applications are currently being further clarified by Harness Racing Australia.

10. REPLACEMENT SERIES FOR TROTTERS

An update was provided at the Board meeting with respect to progress in developing an alternative series for trotters to the Inter Dominions. A concept is being further pursued by HRNZ and the Auckland TC in conjunction with Mr Peter Chambers, which may see the introduction of a new challenge race in the 2011/12 season. Subject to details being confirmed, the ATC and HRNZ are hopeful this race might be able to be introduced at the 2012 Auckland Trotting Cup carnival. Alternative series options continue to be further reviewed in conjunction with Harness Racing Victoria and Harness Racing New South Wales, with it hoped an alternative to the Trotters Inter Dominions will be agreed on for 2013.

11. MEETINGS ABANDONED - REIMBURSEMENT OF CLUB EXPENSES

Consideration was given at the Board meeting to applications from clubs seeking reimbursement for expenses incurred prior to race meeting abandonments. Such abandonments could be classified into two groups:

- Those abandoned due to lack of nominations; or
- Those abandoned due to weather or other circumstances closer to the meeting.

It was considered that in the case of the latter, clubs will have been exposed to significant costs that they have limited ability to recover. With the code bulk funded a set amount by the NZRB, it was noted that the code's income at the close of the season is not materially reduced despite the meetings not being run. It was therefore agreed that the Chief Executive would be given authority to negotiate acceptable reimbursement for clubs which have had meetings abandoned in the 2011 calendar year. Further details on this will be determined and covered in a separate circular to clubs and kindred bodies.

12. OTHER MATTERS CONSIDERED

- Approval of new logo for HRNZ;
- Amendment to Rule 869(7B) - see HR Weekly 31 August 2011;
- HRNZ Board Sub-Committees and Portfolio Responsibilities 2011/12;
- Timetable for annual accounts - aim for these to be adopted at Board's November meeting;
- Confirmation of Group and Listed races for 2011/12 (covered under previous notice);
- Confirmation from NZRB of the finalisation of 2011/12 dates calendar;
- Discussion with respect to driver's colours and request for a report for the next Board meeting;
- Summary stakes analysis for 2010/11 season - noted that total net stakes were down 11.2% and average stakes per race were down 9.5%;
- Marketing and Promotions Sub-Committee to meet Wednesday 5 October to review and confirm HRNZ Marketing Plan for 2011/12;
- Treatment of "also ran stakes" on disqualification; and
- 2010/11 Annual Conference and Awards debrief and preliminary plan.