

AUSTRALIAN PATTERN COMMITTEE (AusPC)
BACKGROUND AND RATIONALE TO DECISIONS

- CHAIRMAN MR. ALAN BROWN

There appears to be some confusion and misunderstanding about the process by which the Australian Pattern Committee (“AusPC”) considers applications for upgrades and potential downgrades of races within the Australian Pattern of races.

It may be helpful if I first explain the background and then the processes which AusPC follows when it considers these matters.

In December 2011 the Australian Racing Board (“ARB”) agreed to adopt the Asian Racing Federation’s Ground Rules which commenced for Southern Hemisphere countries from 1 August 2012.

These Ground Rules emerged from a desire at the international level to harmonise the way in which black type races (Pattern races) are assessed and introduced into, and upgraded and downgraded within the member countries which make up the ARF. The ultimate aim is to have all countries assess their Pattern races in the same way using similar ratings based processes so that eventually a group 1 race for example in say Ireland will be of a similar standard to a group 1 race run in say Hong Kong, South Africa or Brazil. That is not the case at present but the process to get us there has commenced.

The Asian Racing Federation (ARF) Ground Rules were adopted by all ARF member countries in late 2012 following almost two years of debate. I represented Australia in those discussions within the Asian Pattern Committee (APC) and as an ARF representative in International meetings.

Previously, each country adopted different approaches and methods to the way in which they assessed movements within their respective Patterns. The ARF Ground Rules are based on those which are followed in Europe. Australia has always closely followed the European model, so for us there was not a great deal of change we needed to make.

One of the major drivers for change was the desire of the APC to be able to report changes within the Asian Pattern to the International Race Planning and Advisory Committee (“IRPAC”), (like North America and Europe), rather than obtain the approval of IRPAC before any changes could be made to Pattern races within the Asia.

The other benefit sought to be achieved was that it provided a forum where proposed changes within each ARF member country’s Pattern could be debated. That perhaps has more relevance to members such as Singapore, Japan, Hong Kong and Dubai where changes to their Pattern have the potential to affect their immediate neighbours than would a change that might occur in Australia.

The European Pattern Committee (“EPC”) is concerned to ensure that any impact of a change to its Pattern races is fully considered before being approved. For example, a new Group 1 race in the UK could have much more of an impact on an existing Group 2 or Group 1 race in Ireland or France than an upgrade of a Group 2 race in Australia would have on Japan or Hong Kong.

The adoption of the ARF Ground Rules freed AusPC from debates, often of a very parochial nature and from other irrelevant discretionary considerations, on whether a change should or should not be made to the Pattern. It allows members of AusPC to focus on improving and

protecting the integrity of the Pattern. Often that means identifying opportunities or gaps in the Pattern and then working with race clubs or PRA's to develop certain races to eventually fill those gaps.

The ARF Ground Rules therefore provides for a largely ratings based assessment process for introduction to or changes within the Pattern. The benchmark for open Class Group 1 in Australia prior to the ARF Ground Rules was 110. Now it is 115. (In Europe, it is 115, but until recently, they permitted a 5 lb tolerance. Australia used 110, but with no tolerance. Thus we were pretty much the same.) For Group 2's, it is now 110 and for Group 3s, 105. (See copy of Asian Racing Federation Ground Rules attached) These benchmarks are now consistent throughout Asia, and Europe.

The ratings of our elite races are not set by us but by the World Thoroughbred Rankings Supervisory Committee ("WRSC"). Greg carpenter is only one member of that committee where he represents Asia. There are also representatives from Europe and North America.

To be upgraded to Group 1, the rules are now quite strict. So too are the Rules for downgrades and whilst there is presently a moratorium for a couple of years (to assist SA and NZ cope with the transition essentially) unless a race meets its benchmark within the Rules, there will be automatic downgrades in time.

No longer can AusPC consider such things as the importance a group race has to a race club, a sponsor or a carnival or state jealousies when determining if a group race should retain its status or be upgraded. What it means is that any race club with a race which is having difficulty maintaining its rating, must takes steps to improve the race whether by changing conditions, dates, prize money or the like, or face the prospect of an automatic downgrade in time if no improvement occurs.

AusPC considers the impact of potential upgrades or changes to races within the Pattern and the effect those changes or upgrades might have. However, so long as a race meets the necessary benchmarks, the minimum prize money levels set by AusPC, the change is seen as an improvement to the Pattern, and generally complies with the ARF Ground Rules, then the race will be considered for upgrade.

Australia agreed to join the ARF Ground Rules on a trial basis so it could assess how the rules were applied and the impact that may have on its racing industry. If applied fairly, I believe the Rules provide a platform for a transparent and easily understood system for the assessment process.

All changes to Australia's Pattern of races up to Group 2 level are determined by AusPC and the ARB. Changes at Group 1 level require the approval of the APC, whose primary role is to ensure that proposed changes do not negatively impact upon the pattern of races within the ARF region and that they generally comply with the ARF Ground Rules.

Under the ARF Ground Rules, the following protocols apply to downgrades and upgrades within the ARF Member countries Pattern.

Downgrades

Under the ARF Ground Rules, for downgrading, subject to the transitional provisions, if a Group 1 race is more than five pounds below the relevant parameter for each of the previous three years, a warning letter is issued. If the Annual Race Rating ("ARR") is more than five pounds below the parameter for four years, the APC will consider the race on its merit.

For Group 2 and Group 3 races, if the ARR is more than three pounds below the parameters for each of the previous two years, a warning letter is issued. If the ARR is more than three pounds below the parameter for each of the previous three years, automatic downgrade will occur.

Upgrades

Under the ARF Ground Rules, races must achieve both a Pattern Race Rating (“PRR”) and an Annual Race Rating (ARR) for the last year equal to or above the applicable parameter in order to be considered for upgrading.

A PRR is the average of the Annual Race Ratings achieved over a three year period.

The ARR is the average of the Official Ratings of the first four horses in a race.

The Official Ratings is the highest rating of each horse achieved in that year, agreed by the WRSC.

The AusPC criteria for upgrades are even stricter than the ARF Ground Rules. We insist that for upgrades a race must meet the required benchmark at all three of its last running’s (as opposed to the latest running and three year average under the ARF Ground Rules).

While the ARB approved the recommendations of the AusPC recently to upgrade seven races from Group 3 to Group 2 and 33 races from Listed to Group 3, this was a result, in part, of a reassessment by AusPC following adoption of the ARF Ground Rules. Whilst the number of upgrades might appear high, all those races meet the required benchmarks set by the ARF Ground Rules. At that level, the ANZCC set the ratings and AusPC is confident that those ratings will stand robust scrutiny. They have never been challenged at an international level. In fact, as mentioned earlier, AusPC has more strict criteria for upgrades than is otherwise allowed under the ARF Ground Rules. The AusPC intends to continue with the more strict criteria.

The fact that nearly all races that have been upgraded recently are in the sprinter/miler category merely mirrors our current horse population and the strength of our industry in that area. AusPC would be delighted if there were more staying races that could be considered for upgrades. The fact is there are none that qualify under the Rules just at present. Various state Principal Racing Authorities and race clubs, some more than others, are actively encouraging staying races by adding them to their programs and providing prize money to encourage participation. Ultimately that should reflect in improved ratings and upgrades within the Pattern.

There has been some debate about whether Australia has too many group races compared to other countries around the world. The starting point with that debate must be with the ratings and the guidelines set by the international community.

The ARF Ground Rules provide that wherever fair and reasonable circumstances permit, the number of Group 3’s should be more than the number of Group 2’s and there should be more Group 2 races than Group 1 races and the total number of Group 3 races should exceed the total combined number of Group 2’s and Group 1’s. The new numbers fit within those guidelines.

Approximately 3.08% of all our TAB races carry black type. That compares favourably with France (3.4%), Germany (6.9%), Great Britain (3%), Ireland (4.7%), New Zealand (4.7%), South Africa (5.1%) and UAE (10.6%).

Europe conducts about 24,500 races annually of which about 85 are Group 1's, 96 are Group 2, 208 are Group 3 and 420 are Listed, a total of 815 black type races. Australia conducts about 19,100 races and has 71 Group 1 races, 88 Group 2 races, 146 Group 3 races and 284 Listed races. Europe as a whole is at 3.3% whilst Australia, with the second biggest racing and breeding industry in the world, is at 3.08%.

Australia also compares well when you look at the number of races in each Group category as a percentage of the total number of black type races run.

With its enormous racing and breeding industry, Australia should be proud of the strength and quality of its racing. We have always had world class horses here but not enough travelled to Europe to show what they could do. Much of that had to do with the excellent prize money at home.

It was not really until 2003 when Choisir set Ascot alight that the rest of the world started to take notice. Then followed horses such as Takeover Target, Miss Andretti, Starspangledbanner, Scenic Blast, Star Witness, Ortensia, So You Think and Black Caviar and the message has now really been driven home that the Australian bred galloper is as good as, and in some categories, better than, the rest of the world..

We therefore should not be too shy about upgrading races when they meet the necessary parameters. After all, it is the black type races that attract the best horses, the owners, breeders, racegoers, sponsors, media and punters and when a race club has developed and nurtured a race to the required standard, and it will enhance the Pattern and otherwise complies with the Rules, then why shouldn't it be rewarded accordingly.

Alan Brown

Chairman

Australian Pattern Committee

22nd March 2013