



# THE NEW YORK RACING ASSOCIATION, INC.

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Presentation to:  
45<sup>th</sup> International Conference of  
Horseracing Authorities

Monday, 3<sup>rd</sup> of October 2011

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## MISSION

- Not-for-profit corporation to operate cost effectively while making investments with long-term payback & revenue return to industry stakeholders

## FRANCHISE

- 25-year franchise to operate thoroughbred horse racing in New York State

## GOVERNANCE

- Board of Directors is made up of 25 members: 14 elected, 11 government appointed

## RACING

- Conducts 246 days of racing yearly at Aqueduct Racetrack, Saratoga Race Course and Belmont Park

## NYRA STATISTICAL OVERVIEW 2010

ANNUAL REVENUES = \$255 million\* (USD)

*\*86% or \$221 million derived from wagering activity*

TOTAL HANDLE = \$2.2 billion (USD)

TOTAL PURSES = \$103 million (USD)

TOTAL RACES = 2,271

TOTAL RACE DAYS = 242

## HIGHEST QUALITY HORSE RACING IN U.S.

NYRA Has The Largest Number of Graded Stakes in the U.S.

	NUMBER
<b>GRADE I</b>	<b>38</b>
<b>GRADE II</b>	<b>38</b>
<b>GRADE III</b>	<b>31</b>

<b>TOTAL GRADED STAKES</b>	<b>107</b>
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<b>PERCENTAGE OF US</b>	<b>23%</b>
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**NYRA  
PERCENTAGE OF NATIONAL THOROUGHBRED INDUSTRY  
2011**

<b>METRIC</b>	<b>INDUSTRY (AVG)</b>	<b>NYRA</b>
<b>WAGERING PER RACE DAY</b>	<b>\$2,158,757</b>	<b>\$8,310,861</b>
<b>PURSES PER RACE DAY</b>	<b>\$193,341</b>	<b>\$420,900</b>
<b>WAGERING YIELD - \$1 OF PURSE</b>	<b>\$11.13</b>	<b>\$19.82</b>

# NYRA RACETRACKS

**BELMONT**



**AQUEDUCT**



**SARATOGA**



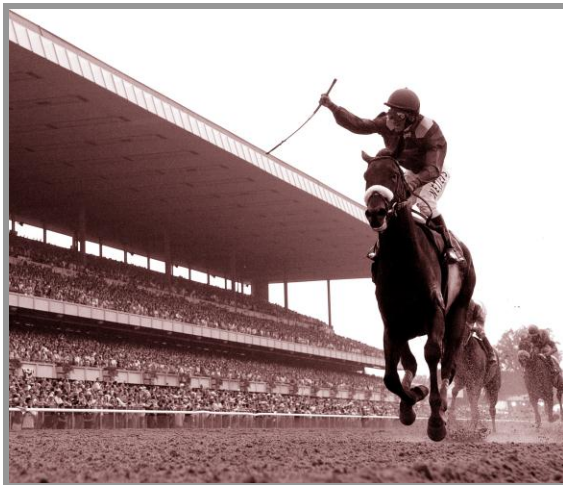
# AQUEDUCT RACETRACK



LOCATION:	QUEENS
2011 RACE DAYS:	115
DAILY AVERAGE ATTENDANCE:	4,300
DAILY AVERAGE TOTAL HANDLE:	\$6.9 MILLION
AREA OF SITE (acres):	210
NUMBER OF RACING SURFACES:	3
NUMBER OF BARNs:	14
NUMBER OF STALLS:	547



# BELMONT PARK



LOCATION:	QUEENS/NASSAU COUNTY
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2011 RACE DAYS:	91
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DAILY AVERAGE ATTENDANCE:	6,044
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DAILY AVERAGE TOTAL HANDLE:	\$10.6 MILLION (spring)
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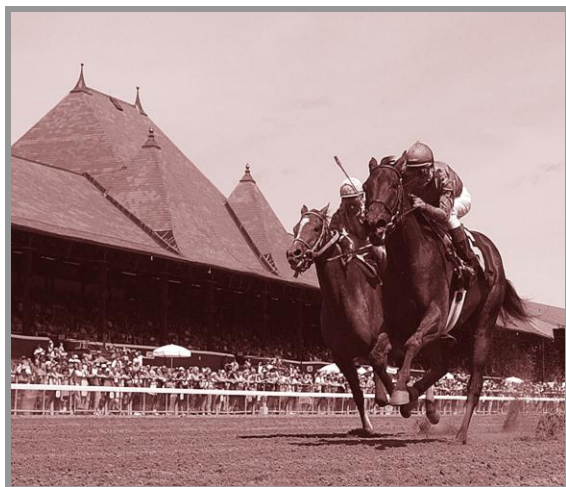
AREA OF SITE (acres):	445
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NUMBER OF RACING SURFACES:	5
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NUMBER OF BARNS:	61
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NUMBER OF STALLS:	2,200
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# SARATOGA RACE COURSE



<b>LOCATION:</b>	<b>SARATOGA SPRINGS</b>
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<b>2011 RACE DAYS:</b>	<b>40</b>
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<b>DAILY AVERAGE ATTENDANCE:</b>	<b>22,353</b>
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<b>DAILY AVERAGE TOTAL HANDLE:</b>	<b>\$13.5 MILLION</b>
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<b>AREA OF SITE (acres):</b>	<b>350</b>
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<b>NUMBER OF RACING SURFACES:</b>	<b>5</b>
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<b>NUMBER OF BARNs:</b>	<b>91</b>
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<b>NUMBER OF STALLS:</b>	<b>1,830</b>
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# NEW YORK CITY OFF-TRACK BETTING CORPORATION:


## CORPORATION CLOSURE & STRATEGIC RESPONSE



## NYC OTB

- NYC OTB was NYRA's largest customer and the wagering outlet in the US with almost \$1 billion in handle annually
- In December 2009 , NYC OTB filed for bankruptcy
- NYC OTB struggled to develop a plan of reorganization. A plan was approved by the creditors committee and the NY Assembly but was rejected and voted down by the NY Senate on December 7, 2010. NYC OTB closed immediately on December 8, 2010.

### NYC OTB: AS PERCENTAGE OF NYRA

	(in thousands)	NYC OTB	NYRA	NYCOTB %
	Total Revenue	\$37,626	\$255,299	15%
Purses	\$21,525	\$103,524	21%	
Net Revenue	\$16,101	\$151,775	11%	

- Upon closure of NYC OTB, NYRA also took an immediate \$20 million writedown on monies owed to NYRA by NYC OTB.
- NYRA took immediate action to regain revenue losses and support purses.



### **Transportation**

- Transportation services immediately available for customers throughout New York City to & from Aqueduct Racetrack
- Initial Bus Services: Free
- Long Island Railroad extended services from New York City

### **Cable Television Distribution & Expanded Programming**

- NYRA took over NYC OTB television channel support account wagering
- The NYRA Network is available on basic cable throughout New York City

# NYC OTB

## CLOSURE: STRATEGIC RESPONSE



### Belmont Café Simulcast Center



- Opened as a simulcast facility on December 12, 2010 during the Aqueduct Winter/Spring Meet at Belmont Park
- Enhancements include additional heating and cooling units, concession upgrades, new flat screen televisions and more wagering terminals and ATMs
- Total handle will exceed \$40 million

### Aqueduct Simulcast Center



- Aqueduct Racetrack remains open as a seven-day a week simulcast facility with extended hours during the Belmont and Saratoga race meeting for the first time.
- During Belmont Spring meet, facility handle totaled over \$23 million and will handle over \$45 million in 2011.



### **Aggressively Marketing the NYRA Rewards Advance Deposit Wagering (ADW)**

- Four convenient ways to wager: On track, Internet, Phone, Mobile Device
- Over 11,000 new accounts since the closure of NYC OTB that have generated \$56 million
- NYRA projects that account wagering will increase \$86 million or 75% to \$200 million in 2011
- ADW enhancements include the following:
  - Live video streaming of NYRA races and simulcast signals, beginning December 29, 2010
  - Quick and easy instant online sign-ups
  - “Express” Funding

# NYC OTB

## CLOSURE: STRATEGIC RESPONSE



### SUCCESSFUL EXECUTION:

## NYRA Revenues for the Eight Months Ended August 31, 2011

<b>REVENUE (\$'s in thousands)</b>	<b><u>2011</u></b>	<b><u>2010</u></b>
New York OTB	\$21,008	\$49,721
Export revenue	59,365	56,173
On-track	80,970	54,645
<b>Gross Wagering Revenue</b>	<b>\$161,343</b>	<b>\$160,538</b>
<b>Net Wagering Revenue</b>	<b>\$80,489</b>	<b>\$77,451</b>



**COMING SOON  
TO  
AQUEDUCT RACETRACK**



*\* Provided by Resorts World Casino New York City*

- New racino, entertainment & hospitality world destination in New York
- Operator: Genting group



# GENTING GROUP

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- Five publicly traded companies
  - Listed on Malaysia, Singapore and Hong Kong exchanges
  - Combined market capitalization of \$45 billion (USD)
- Only investment grade gaming company in the world with \$5 billion in cash for investment
- 51 casinos on 3 continents: Asia, Europe & US
- 58,000 employees, 45,000 in Integrated Resorts



# OTHER GENTING PROPERTIES

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RESORTS WORLD SENTOSA



- Singapore's first Integrated Resort
- \$4.4 billion investment
- Opened February 2010
- 15 million visitors per year

RESORTS WORLD MANILA



- Philippines' newest & most luxurious resort & casino
- Rejuvenation of Metro Manila as a tourist & entertainment destination

RESORTS WORLD GENTING



- Malaysia's only casino
- \$2 billion Integrated Resort
- 20 million visitors per year

# GENTING NY DEVELOPMENT

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## RESORTS WORLD CASINO NEW YORK CITY



- \$830 million investment
- 2 Casinos: 4,525 Video Lottery Terminals; 475 Electronic Table Games
- Event/Exhibition Space

# POSITIVE FINANCIAL OUTLOOK



## 2012 FORECAST VLT REVENUE WILL **TRANSFORM** NYRA AND THOROUGHBRED INDUSTRY\*

<b>NYRA</b>	<b>(\$'s in millions)</b>
Capital Fund.....	\$27.6
Operating Fund.....	\$20.6
<b>Thoroughbred Industry</b>	
Purses.....	\$44.8
Breeders Fund.....	\$6.9
<b>Forecasted Total Annual Fund....</b>	<b>\$99.9</b>

*\*Based on \$380 win per machine on 5,000 machines*



# SARATOGA RACE COURSE

## POTENTIAL FUTURE CAPITAL IMPROVEMENTS

Saratoga Capital Projects Consultation Provided By: **Turnberry Consulting**

## TURNBERRY CONSULTING

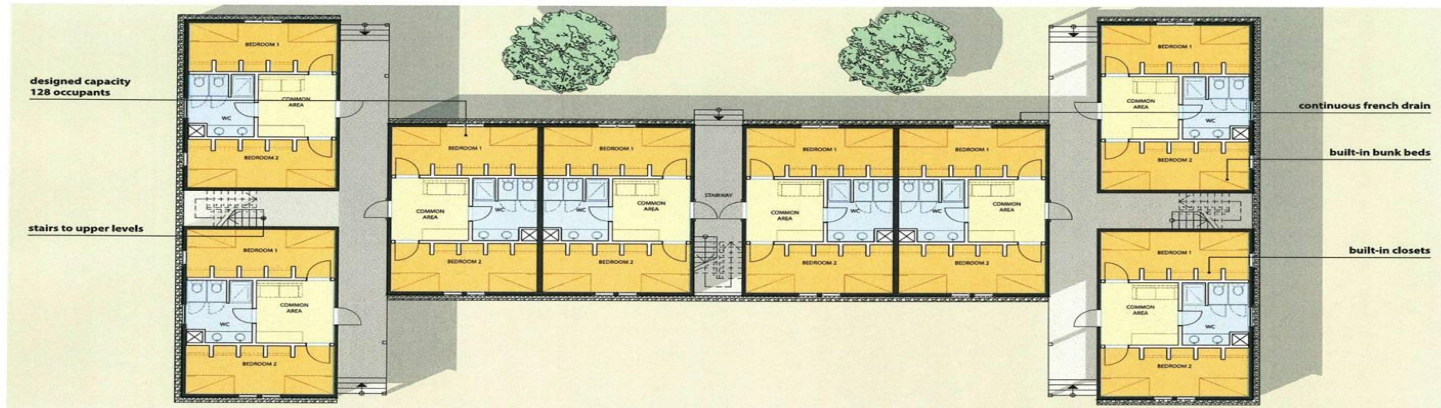
- London-based strategic consulting firm
- Specializes in racetracks and academic institutions
- Strategic review of all facility requirements for frontside, backside, and racing surfaces
- NYRA Capital Improvement Planning includes:
  - Saratoga Race Course backstretch housing and barn improvement
  - Saratoga Race Course frontside redevelopment
  - Belmont Park Backstretch housing and barn improvement consultation



# SARATOGA BACKSTRETCH



ELEVATION STUDY



TYPICAL FLOOR PLAN

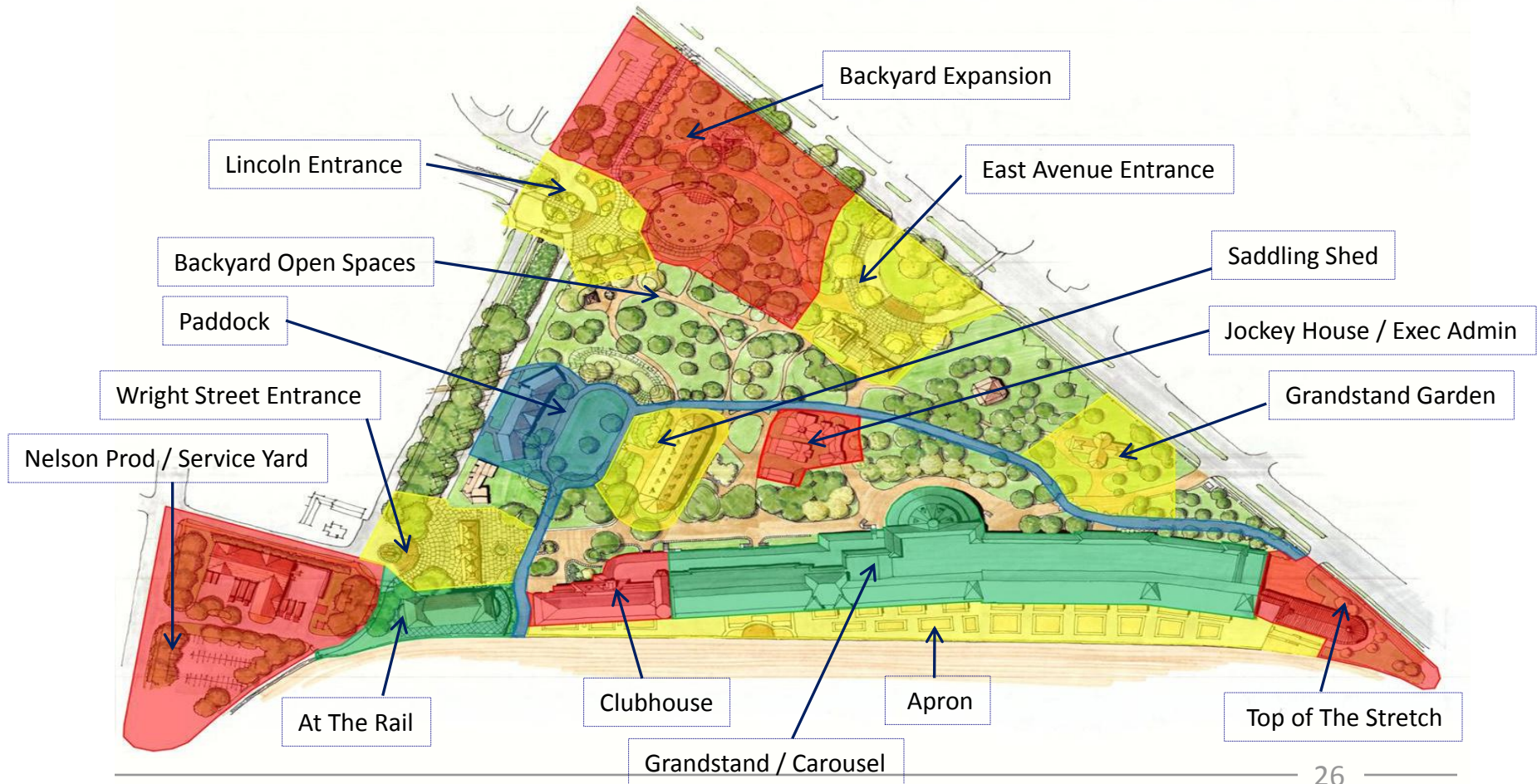
PLANNING  
ARCHITECTURE  
INTERIOR  
**BLACKBURN** ARCHITECTS, P.C.  
SARATOGA, NY 12158  
TEL: 518.584.1100  
WWW.BLACKBURNARCHITECTS.COM

**SARATOGA RACE COURSE MASTER PLAN**  
NEW YORK RACING ASSOCIATION | SARATOGA SPRINGS, NEW YORK



NEW HOUSING CONCEPTUAL DESIGN - FLOOR PLAN & ELEVATION  
3/16" = 1'-0" AUGUST 10, 2011

# SARATOGA FRONTSIDE





# SARATOGA FRONTSIDE



**New Parade Ring, Jockey Quarters and Racing Office**

# SARATOGA TODAY





# SARATOGA IN THE FUTURE



**SUMMER AT SARATOGA  
NBC/NBC SPORTS NETWORK**

**MCKINSEY REPORT**

- Television is an important tool for building awareness amongst potential fans.
- Putting more thoroughbred racing on television could be an effective way of raising awareness and improving perception of the sport.
- The programming on thoroughbred racing's dedicated cable channels (i.e. HRTV and TVG) is aimed at core fans.
- In 2010, there were fewer than 50 hours of horseracing on national TV versus up to 175 hours during the mid-2000's.



## NBC/NBC SPORTS NETWORK

[Click to watch video](#)



## SUMMER AT SARATOGA NBC/NBC SPORTS NETWORK

*NYRA and NBC partnered to produce a national series of Graded Stakes at the 2011 Saratoga Meet*



DATE	RACE	NETWORK
July 23	TVG Coaching Club American Oaks (GI)	NBC
July 30	Diana (GI) and Jim Dandy (GII)	NBC Sports Network
August 6	Whitney Invitational (GI) and Test (GI)	NBC Sports Network
August 7	Alfred G. Vanderbilt (GI) and Honorable Miss (GII)	NBC Sports Network
August 13	Sword Dancer Invitational (GI)	NBC Sports Network
August 20	TVG Alabama (GI)	NBC
August 27	Travers (GI)	NBC
September 3	Woodward (GI)	NBC Sports Network





The future is very bright for The New York Racing Association and New York thoroughbred racing & breeding industry.

Thank you:

International Federation of Horseracing Authorities,  
fellow presenters and audience members