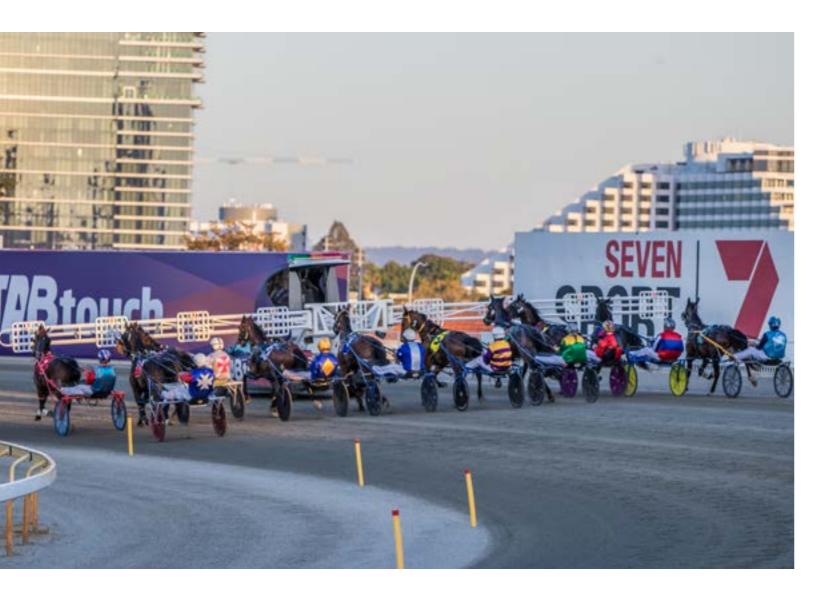
HWA

JANUARY/FEBRUARY 2019

NEW HARNESS BUSINESS MODEL



CONDITIONED RACING SYSTEM

SUSTAINING THE FUTURE OF HARNESS RACING IN WA

LAST NOVEMBER, RACING AND WAGERING WA IMPLEMENTED A NEW BUSINESS MODEL FOR HARNESS RACING IN THE STATE AS A CONDITIONED HANDICAPPING SYSTEM WITH A VIEW TOWARDS ENSURING LONG TERM SUSTAINABILITY IN THE CODE, WRITES TIM WALKER.

Last November, Racing and Wagering Western Australia implemented a new business model for Harness Racing in the state.

The business model was introduced with a view towards ensuring there would be long term sustainability in the code.

The new model, as a conditioned handicapping system, ensures horses that are successful as juveniles don't enter the open class system as maidens and they race against horses in a similar class.

While these horses that performed well at juvenile level can't drop back to maiden races, the system still allows them to slowly work their way into open class.

As a result, the new model looks to ensure competitive racing and a reduction in short price favourites.

The new model looked into race circuits, stakes tiering, meeting schedules, race programming and handicapping and internal business systems and practices.

Colin Smith, a former handicapper of the West Australian Trotting Association who also helped in the creation of the new model, said it tried to ensure an even playing field for all participants.

"We introduced the new system looking to reduce the number of short price favourites and spread more of the money around to the participants," he said.

"We wanted to increase the number of first time winners as well as the number of three and four-year-olds that win races.

"In Harness Racing, we had some horses that would be five or six classes better than other horses, but come September 1 and the new season they would become even."

According to Smith, in season 2003/04 there were 248 different thoroughbreds that recorded their first win, while there were only 101 Standardbreds that matched that feat, despite there being more than 400 additional Harness Races held.

Trainer-driver Aldo Cortopassi said juvenile horses dropping back to race in significantly easier races had been a problem for Harness Racing for some time and felt the code could learn from Thoroughbred Racing.

"In the gallops, if you win a race, or run well in a good race, you get weight on your back," he said.



"This is a major evolving system and, like any system, it has a few glitches and some areas of it need tweaking" - Aldo Cortopassi

"In the trots, you often see good quality horses dropping back and winning maidens.

"A lot of trainers would work the system, even I did too."

Cortopassi said it was important for Harness Racing in WA to keep evolving and embrace the new model.

"I don't mind the system because I have a range of different horses." he said.

"You really have to study the nominations and work out what race is suitable for your horse.

"Harness Racing has been stuck in a holding pattern for a long time now.

"This is a major evolving system and, like any system, it has a few glitches and some areas of it need tweaking.

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"For the most part, you have a lot of horses of the "Until you go through the motions of it, it's pretty same calibre racing against each other."

As well as the improved standard of racing, Cortopassi said the new model could have a positive effect on the breeding industry.

"The old system had an impact on the breeding industry." he said.

"People would hold on to their horses for a long time and they didn't have to buy new horses.

"They wouldn't look interstate or to New Zealand to buy horses because they knew the horses they had in their stable would be able to drop back."

From the perspective of up and coming trainerdriver Kyle Harper, who won the Group 1 Golden Slipper with Franco Edward last year, the transition to the new model was never going to please everyone.

"Nobody likes change, especially when it comes to business," Harper said.

"I was against it to start with, I didn't like it at all and the most part of that was because I didn't understand it.

hard to understand.

"I'm getting a pretty good grasp of it now and I'm actually not disliking it.

"As time goes on, it's getting better and better."

Harper said Kaptain Kenny was one horse in his stable that had benefited from the new model.

The gelding won just five of his first 56 races, but in a prosperous period between December and February he was able to win three races in four starts.

"Under the new model, Kaptain Kenny has essentially been able to win what would under the old system be an MO race twice," Harper said.

"He's no world beater, but he's been able to find the right races."

Despite the success he's had with Kaptain Kenny, Harper said he had faced some problems finding suitable races for his star three-year-old Franco Edward.

While Harper acknowledged it was important not to let juvenile feature race winners drop back

too far below their class, he hoped there could be room for some concessions for them in the new system.

"The biggest issue I have with a horse like Franco Edward is there's no real penalty free two and three-year-old races," he said.

"In a sense that is good because it stops the Derby winner dropping back.

"There still needs to be more incentive for the younger horses and a bit more opportunity for them in the new system."

Cortopassi said he had also been involved with pacers who had started to reap the rewards of victory as a result of the new model.

"A horse I drove for Matt Henwood at Narrogin last month Baron Jujon has been an example of one who has benefited," he said.

"We have seen a lot of hobby trainers who have been able to get their horses into races they can win without having better quality horses that can drop back.

"You have to find the races and go to them."

Veteran Henley Brook trainer Mike Reed said he was also an advocate of the new model, despite his best horses not necessarily the ones best suited by the model.

Click on the above image for a larger view

"Veteran Henley Brook trainer Mike Reed said he was also an advocate of the new model, despite his best horses not necessarily the ones best suited by the model"

Reed identified turnover as the key long-term measure as to whether or not the model was working.

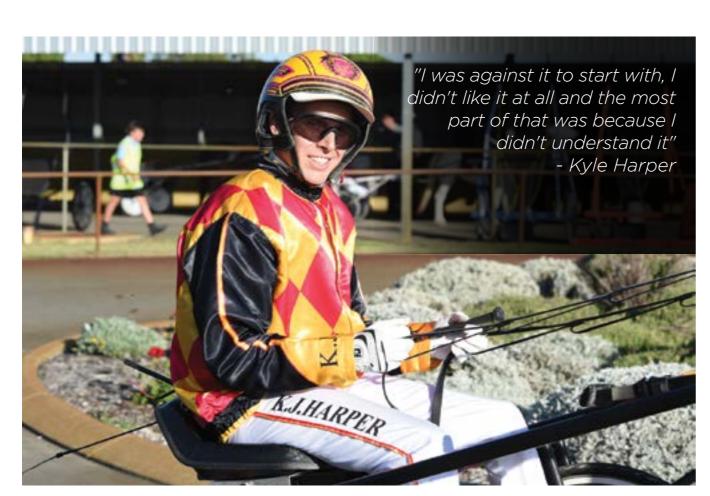
"If the turnover on meetings has improved, then I think the model is working," he said.

"We need to be able to get turnover up.

"Before we changed to the new model, we couldn't get full fields.

"The good horses are the ones that are impacted more by the new model, but they well find ways to win."

More information on the new business model can be found on the following link: https://www.rwwa. com.au/home/racing/industry-feedback-on-newharness-business-model-7118.html ■



CONDITIONED RACING SYSTEM (CRS) SUMMARY OF FEEDBACK TO INDUSTRY - FEBRUARY 2019

INDUSTRY FEEDBACK: TOO MANY/NOT ENOUGH





RWWA **CLARIFICATIONS**



Aim of the CRS is to increase F&M winners. A two fold approach of more F&M races plus Concessions into open races will be used.

21.7% of races are for F&M (11% LY)

48.85% of races carry a F&M concession (42.78% LY)



WESTBRED RACES

Constantly revised - balance is key.

15.37% of races are Westbred Only (11.68% LY)



PREFERENTIAL **DRAWS**

Constantly revised – Currently used on a rotational basis in various scenarios.

27.87% of races are Pref Draws (51.72% LY)



NOVICE **CONCESSIONS**

Balance required.

52.59% of races currently allow Novice concessions.



MARES CONCESSIONS

Reapplied to the possible detriment of Novice concessions.

48.85% of races carry a F&M concession (42.78% LY)



LACK OF 3YO RACES

Ongoing revisions with inadequate number in initial race programmes.

11.64% of races aer 3YO (10.14% LY)



LACK OF 2YO RACES

Always programmed with intent to ensure early races.

7.33% of races are 2YO (6.01% LY)



GROUPS TOO

Earned HWOE come from various types

This is not a class or grade system, this is a method of grouping those with similar earnings together in a race.

WIN MORE RACES



COMPETE AGAINST WIDER GROUPING OF HORSES



GLOUCESTER PARK

NBM introduces minimum requirement for racing in standard HWOE races at Metro Prime = best horses competing at our prime venue



ALSO ELIGIBLE (DROP BACKS)

Legitimate way of keeping horses to drop one grouping only if out of form. Clause allows horses in next group upwards to drop back to previous group if earnings in their last five starts falls under a certain threshold.



TRANSITIONING

Transition calculation used was the only fair way. Some have come into they system fairly well off. some haven't



3YO BEATING OLDER HORSES

Needs to be a balance between giving owners of 3YO's a choice of: Racing in a 3YO race for a Westbred bonus Racing in an Open Age race for no Westbred Bonus.



CONDITIONED STANDING START HANDICAPS

Designed specifically to allow horses that have a higher HWOE to get back into a race on a reasonable handicap from which they can win and revive their career.



APPROPRIATELY PLACING HIGHER **EARNING HORSES**

Horses are grouped to race other horses of similar earnings. Higher earning groups scheduled for Gloucester Park Prime. Falling over early due to lack of nominations - will keep monitoring and vary the available races so that every horse is afforded a choice of races.

2019 HARNESS CONDITIONED RACING SYSTEM GUIDE

WHAT IS IT?

The Conditioned Racing System is part of the New Business Model for Harness, designed to retain participation levels and increase competitive racing opportunities which in turn drives wagering turnover and profitability. It is based on horses' stake earnings rather than allocating an assessment based on the class of the race won (ie. dollars won by a horse).

HOW DOES IT WORK?

There are **two** parts to the new conditioned racing system.

The **first** part relates to the grouping together of horses based on the stakes they have earned for WINNING races with allowances made for races won as a 2 or 3 year old and limits placed on higher staked races for all ages. This part of the system is referred to as Handicap Win Only Earnings (HWOE) Racing and is explained in detail in point 2 below.

WHERE ARE WE NOW?

We are now 14 weeks (at the time of print) in to the new system and encourage the industry to be patient and open to the significant changes that have occurred. It is anticipated that it will take between 6 and 12 months for the true value and benefits of the system to be realised.

"It is anticpated that it will take between 6 and 12 months for the true value and benefits of the system to be realised"

The **second** part of the system relates to the grouping of horses based on the TOTAL stakes they have earned in their last 5 starts. This part of the system is known as L5\$ Conditioned Racing as is expanded upon in point 3 below.

1. RACE CIRCUITS, SCHEDULING AND PHILOSOPHY

The new system is a conditioned racing system which reflects the following philosophy in regards to race scheduling;

- A horse should, where possible, race against horses
 with similar earnings, either winning stakes in the
 HWOE stream or total stakes earned in their last 5
 starts in the L5\$ stream
- Where possible, fillies and mares should race against fillies and mares and if pool sizes don't allow for this then concessions should apply in races open to both sexes
- Race fields should be framed to ensure competitiveness
- Trainers/Owners should have options of where to place their horses where they believe they will be the most competitive
- Juveniles should be granted some dispensation before reaching open class status

- · Concessions for novice drivers should apply
- A horse should have a legitimate racing opportunity once in every 10 days
- Horses out of form need to be provided racing opportunities outside of their allocated class
- Programs need to be dynamic and reflect the current population of horses
- Stake levels should reflect the relative class of horses racing by venue and be tiered

2. RACE HANDICAPPING - HWOE

Part 1 of the new conditioned racing system groups horses together for the purpose of handicapping, based on the stakes they have earned for WINNING races. Put simply each time you WIN a race the dollar value paid for first is accumulated as your WOE (Win Only Earnings). Place money and payments back to last do NOT get counted in this calculation and Westbred and other Bonuses are also not included.

"The collection of these stakes against a horse are known as the horses HANDICAP WIN ONLY EARNINGS or HWOE"

It is acknowledged however that two and three years should be treated differently to ensure that when they progress into open company that they are not overly penalised for having successful juvenile careers. That said, we do not believe that horses that win a considerable number of races, particularly group races, should enter the open class system as a maiden. Accordingly, the grouping of horses is based on Handicap Win Only Earnings or HWOE.

This calculation is similar to the WOE EXCEPT the dollar value paid for winning is normalised back to a Win Value using a formula to take into account various situations such as 2YO/3YO earnings and also Feature Stakes Wins. This is explained as follows:

The discounts for two and three year old races are:

- 2yo wins in races less than \$100,000 then 25% of win stake to be considered towards the handicap win only earnings to a maximum of \$3,750 per race
- 2yo wins in races \$100,000+ then 25% of win stake to be considered towards the handicap win only earnings to a maximum of \$7,500 per race
- 3yo wins in races less than \$100,000 then 75% of win stake to be considered towards the handicap win only earnings to a maximum of \$11,250 per race
- 3yo wins in races \$100,000+ then 75% of win stake to be considered towards the handicap win only earnings to a maximum of \$22,500 per race
- 4yo+ wins in races less than \$100,000 then 100% of win stake to be considered towards the handicap win only earnings to a maximum of \$15,000 per race
- 4yo+ wins in races \$100,000+ then 100% of win stake to be considered towards the handicap win only earnings to a maximum of \$30,000 per race

By placing these maximum limits on the races we ensure that successful horses are not overly penalised for winning Group races with large stakes and at the same time protect genuine maidens form having to meet these more successful horses as they progress.

The collection of these stakes against a horse are known as the horses HANDICAP WIN ONLY EARNINGS or HWOE

Transitioning Horses

To ensure that horses were not overly penalised in the transition to the new system two calculations were made. The first was to calculate a horse's actual HWOE based on the formula above. It was acknowledged however that many horses had risen and dropped in class, sometimes numerous times, over the years with the previous "drop back" rule, and while they may have been lowly assessed at the time of transition they may have in fact won a number of races through a range of classes over the years. To use ALL their win dollars would have seen these horses unfairly transition at a much higher level than they were.

To ensure that this did not happen, a second calculation was made to simply take a horse's assessment at transition and assign it an arbitrary HWOE figure based on that classification as per Table 1 on the next page.

A horse's HWOE was then based on the LOWER of those two amounts.

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Table 1: Transitioning horses

м-с	M-C	м-с	M-C	M-C	M-C	M-C	New Class - lowest maximum or H\$WOE conversion
Non winners							H\$WOE \$0
M0 - C0							H\$WOE \$12,500 maximum
M0 - C1							H\$WOE \$17,500 maximum
M0 - C2							H\$WOE \$22,500 maximum
	M1 - C1						H\$WOE \$25,000 maximum
М0 - С3							H\$WOE \$27,500 maximum
	M1 - C2						H\$WOE \$30,000 maximum
M0 - C4							H\$WOE \$32,500 maximum
	M1 - C3						H\$WOE \$35,000 maximum
M0 - C5+							H\$WOE \$37,500 maximum
	M1 - C4						H\$WOE \$40,000 maximum
	M1 - C5						H\$WOE \$45,000 maximum
	M1 - C6+						H\$WOE \$50,000 maximum
		M2 - C5					H\$WOE \$52,500 maximum
		M2 - C6+					H\$WOE \$57,500 maximum
			M3				H\$WOE \$75,000 maximum
				M4			H\$WOE \$95,000 maximum
					M5		H\$WOE \$115,000 maximum
						M6+	H\$WOE

3. L5\$ CONDITIONED RACING

The basic concept behind L5\$ races is to give horses In this example the race is for Horses that have earned who may be struggling at their HWOE Level a chance to drop into a race where they might be able to earn again and establish some form. Horses are grouped together for these races by way of their TOTAL Earnings in their past 5 starts. Winning form within these conditioned races will allow those horses to then go back into the established HWOE Grouping or UP to the next level of L5\$ Conditioned race. Consistent placings will allow horses to keep racing at the same level and importantly keep earning money. Horses unable to earn at a level are eligible to race at the next lower level. To stop horses dropping down to a lower level too quickly within this stream restrictions are enforced by way of the inclusion of Not Eligible Conditions.

This stream of racing is also a valuable tool to place horses which are progressing UP the HWOE stream.

Example of a L5\$ Race

Race would appear in program as: L5\$ LT \$25,000 (Level 12) (CONCESSIONS L5\$ < \$27,500) NE Winners of Level 12+ Last 5 starts Starters Level 15+ Last 5 starts

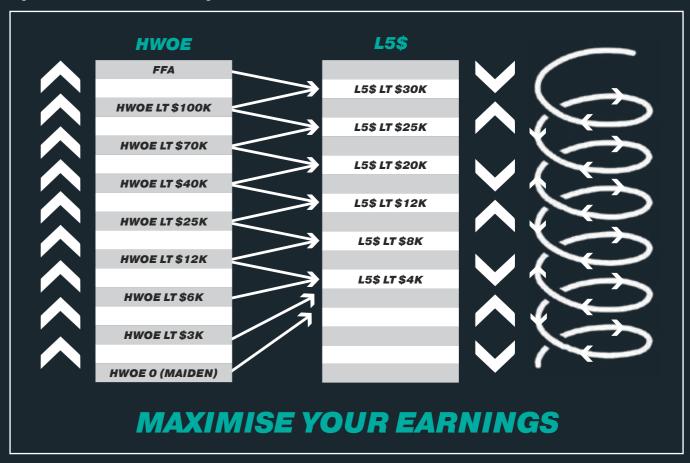
less than \$25,000 in their last five starts. This is total stakes not just win stakes.

"This stream of racing is also a valuable tool to place horses which are progressing UP the HWOE stream"

This race also allows mares or horses utilising a novice concession that have earned \$27,500 in their last 5 starts to enter. The NE clause protects eligible horses by not allowing winners of this level race or higher within their last five starts. This condition ensures a winner in this class of race in their past 5 starts goes back to the standard HWOE races for their class OR rises to the next level (L5\$ LT \$30,000) in this stream for a minimum of 5 starts.

The NE clause also prevents a horse which has raced in OPEN/FFA's (Level 15) without winning in their past 5 starts from dropping into this race even if that horse's Total earnings in their past 5 starts is less than the threshold for this race(\$25,000 or \$27,500 with a Concession).

Figure 1: L5\$ Conditioned Racing



4. STANDING STARTS

Levels are assigned from the Front Mark as a Base and then to each Handicap Mark until the top Level is reached at which stage all further marks will be the same level. Standing Starts Handicaps are formulated on a Conditioned basis, grouping horses in similar fashion to the mobile groups in 10 metre increments. As is the case in mobiles, the lower marks are protected from dropdowns by excluding concessions and Also Eligible Letups.

The higher marks however, allow for both concession and Also Eligible letups on their natural handicap mark. A variety of front mark standing start races are available to be programmed to allow a natural progression via a front mark handicap. In the higher front mark races it is possible to use a concession or an Also Eligible Letup to gain a front line handicap.

Nominating into a higher class in order to get a front line handicap mark is allowed but a Preference in field selection will be to horses on their true handicap mark to ensure these horses are not excluded from racing in their proper handicap group by lower assessed horses with better form points.

"Standing Starts Handicaps are formulated on a Conditioned basis, grouping horses in similar fashion to the mobile groups in 10 metre increments"

Not Eligible Clauses will be in place at Community, Country and Provincial 2 Circuits to restrict higher classified horses dropping back into a stand on a relatively easy handicap mark.

Not Eligible Clauses will be in place at Metro Prime to restrict lower classified horses gaining the opportunity to win off a front mark excessively. Preferences will be used in higher front mark races to ensure horses in their legitimate class aren't denied a start by a horse nominating higher than its legitimate class.

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5. STEPS FOR HARNESS WEB

- · Open Harness Web and Log on as normal
- Go to MY STABLE
- There are two changes to the screen in preparation for the New Handicapping System
- The HWOE Assessment will now be shown for each horses. Displayed as H\$0.00
- There is a new heading ELIGIBLE RACES /VIEW RACES will display ALL the races your horse is eligible for.
- To determine what races your horses is ELIGIBLE for, click VIEW RACES. This will give you a list of races your horse is eligible for under the NEW system.
- There are drop down menus options to view race programs for next 2, 4, 6 and 8 weeks as well as a full year's program. Please note that some race programs may change to better reflect the horse population at the time and will be sent out as part of the rolling 6 week programs
- The base conditions for the new races will be displayed under CLASS and the level of the Race will be displayed under RACE NAME.
- Once you have selected the race you wish to nominate for you simply press NOMINATE button which will bring up the normal Nomination Screen.

The new system is a conditioned handicapping system which groups horses together for the purpose of handicapping based on the stakes they have earned for WINNING races. The team at Racing and Wagering WA have already allocated your horse a tier based on previous earnings, there are however a number of conditions and concessions available to you which may mean you are eligible to nominate for more races than you initially realise.

When nominating for a race via the Harness Web there are icons next to the races which indicate the following:

- A little 'l' means other conditions exist so they need to click on it to see what they are. The other conditions may allow higher assessed horses into the race albeit they be out of form or with a novice driver on. They might not wish to race in that sort of race.
- A green tick means that they are a preferred runner and would get a start ahead of a non-preferred runner on the same or higher points.
- A red cross means that they are a non-preferred starter and would only get a start if there are not enough preferred starters nominated.
- A blank means there are no Preferred Starters so the field will be picked purely on form.

6. CONCESSIONS

Mares, Novice Drivers, Westbred and West Sired Horses may be offered a Concession on some races within a program.

The amount of the concession changes according to the conditions of each race. In general terms, for most HWOE races the concession value will be the HWOE halfway point between the race in question and the next highest HWOE group.

If for example there was a HWOE < \$70,000 race at Gloucester Park with concessions for Mares and Novice drivers then a mare or a horse utilising a novice concession with \$85,000 HWOE would be eligible for that race.

In a L5\$ Conditioned race, the concession to be applied will be applied according to the venue where

the race is to be held. For Gloucester Park Prime meetings the concession will be \$2,500 whilst at all other meetings the concession will be \$1,500.

This means that in a L5\$ LT \$25,000 race at a GP Prime meeting with concessions for Mares and Novice drivers the concession would apply to mares and horses utilising a novice concession with L5\$ LT \$27,500.

In a L5\$ LT \$4000 at a Provincial, Country or Community venue with concessions for Mares and Novice drivers the concession would apply to mares and horses utilising a novice concession with L5\$ LT \$5,500

Only ONE concession can be used in a race.

WE UNDERSTAND THAT SIGNIFICANT CHANGE TO ANY RACING SYSTEM CAN CAUSE CONFUSION, CHALLENGE AND FRUSTRATION...IF YOU HAVE ANY CONCERNS OR QUERIES OR ARE HAVING TROUBLE NAVIGATING YOUR WAY THROUGH HARNESS WEB PLEASE RING THE HARNESS OFFICE ON 9445 5283 AND WE WILL ENDEAVOUR TO ASSIST YOU.



Trotter 'Lifes Delight' at Pinjarra Paceway
Image sourced from Pinjarra Paceway Facebook Page

RWWA JUVENILE TROTTERS TRANSITION SERIES

Racing and Wagering WA (RWWA) has announced the introduction of a combined 2YO and 3YO Juvenile Standing Start Trotter Series within the current harness racing season, commencing in May the series will be hosted at Pinjarra Paceway.

The six race series, conducted on a fortnightly basis, will carry special standing start handicaps to be confirmed closer to the date, with distances being varied on a race by race basis.

Stakes for 2YO and 3YO trotters for each race in the series will be \$7,500, with Westbred Bonuses applicable.

RWWA will commit to running these races providing a minimum field size of five can be achieved. In order to ensure the success of this series, 2YO and 3YO Trotter needs to be in work and qualified to race by the end of April 2019.

Planned Race Schedule:

- May 6th Pinjarra \$7,500 Standing Start Combined 2YO/3YO Special Handicaps
- May 20th Pinjarra \$7,500 Standing Start Combined 2YO/3YO Special Handicaps
- June 3rd Pinjarra \$7,500 Standing Start Combined 2YO/3YO Special Handicaps
- June 17th Pinjarra \$7,500 Standing Start Combined 2YO/3YO Special Handicaps
- July 1st Pinjarra \$7,500 Standing Start Combined 2YO/3YO Special Handicaps
- July 15th Pinjarra \$7,500 Standing Start Combined 2YO/3YO Special Handicaps

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