

# RACEHORSE OWNERSHIP AND OWNERS' ROLE IN RACING

Overview of British Racing – Newmarket Racecourse

Pip Kirkby  
Wednesday 22 May 2019



**WHAT IS OWNERSHIP?  
WHO ARE RACEHORSE OWNERS?**



# WHO ARE OWNERS?

## Key figures

52%

Of owners are aged between **55 and 74**

83%

Of racehorse owners say that racing is one of their **favourite pastimes**

-23

Sole ownership has a **lower net promoter score** than all other types of ownership

£20k+

Average cost per year of having a **horse in training**

6

Number of times per year owners go **racing with a runner**

## What word best describes ownership?



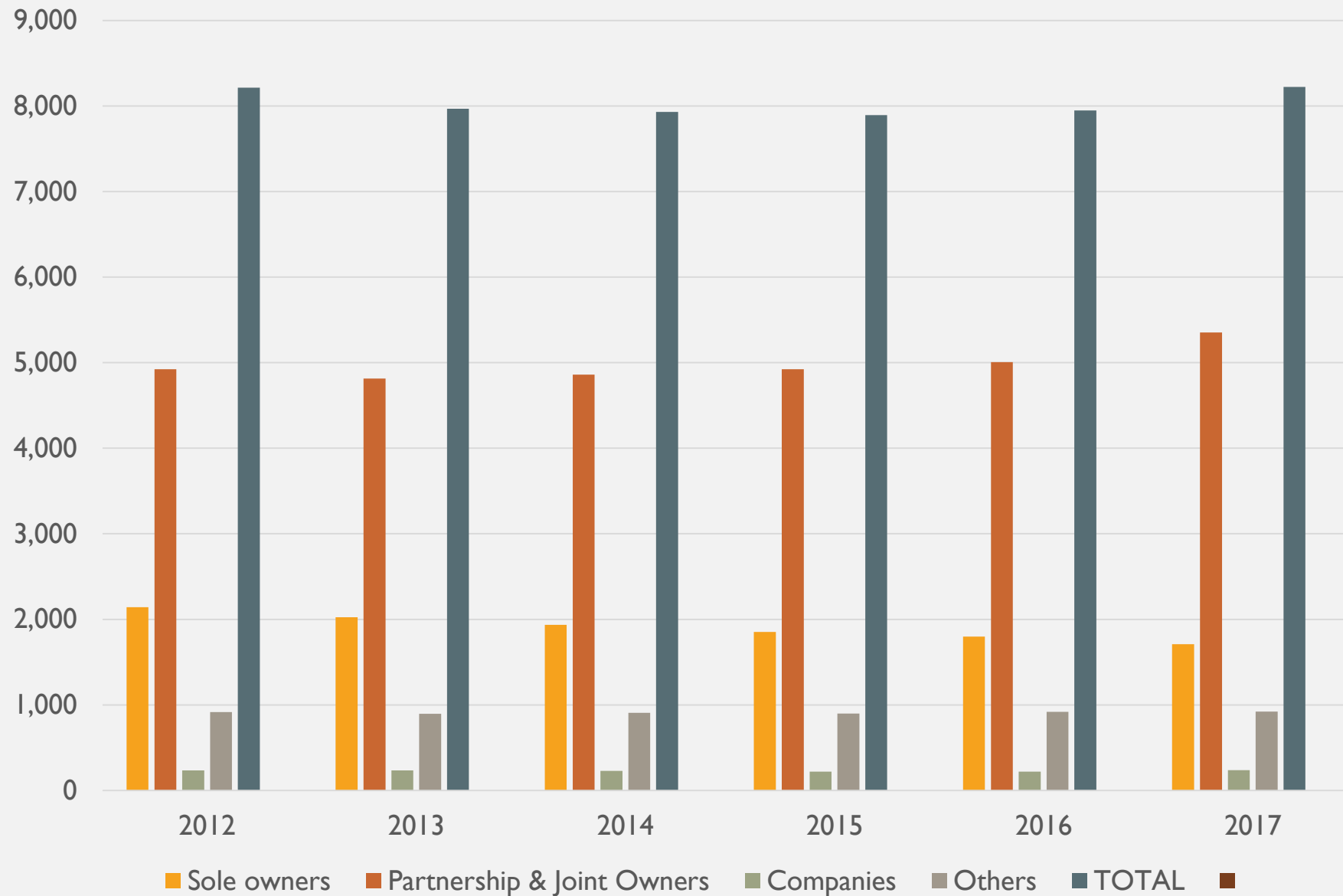
“Exciting”

“Expensive”

“Fun”

“Frustrating”

# REGISTERED OWNERS WITH HORSES IN TRAINING



# REGISTERED OWNERS WITH HORSES IN TRAINING

	2015	2016	2017	2018
Sole Owners:	1794	1774	1698	1676
Company/Business P'ship Sole Owners:	227	228	240	229
P'ship/Syndicate Owners only:	5124	5160	5573	5624
Sole and P'ship/Syndicate Owners:	855	829	888	896
Company & P'ship/Syndicate Owners:	81	90	85	94
<b>Total:</b>	<b>8081</b>	<b>8081</b>	<b>8484</b>	<b>8519</b>

# TYPES OF OWNERSHIP

- **Sole owner** - you are the only person involved and you have a 100% share.
- **Company** - a company can register as an Owner, owning horses 100%.
- **Partnership** - for two or more people who want to share the ownership of one or more horses, and where all members of the Partnership are registered owners.
- **Syndicate** - for people who want to share the ownership of one or more horses. It isn't necessary for members of the Syndicate to register as owners.
- **Racing Club** - for people who want to pay a subscription to experience racehorse ownership and who don't own the horse themselves.

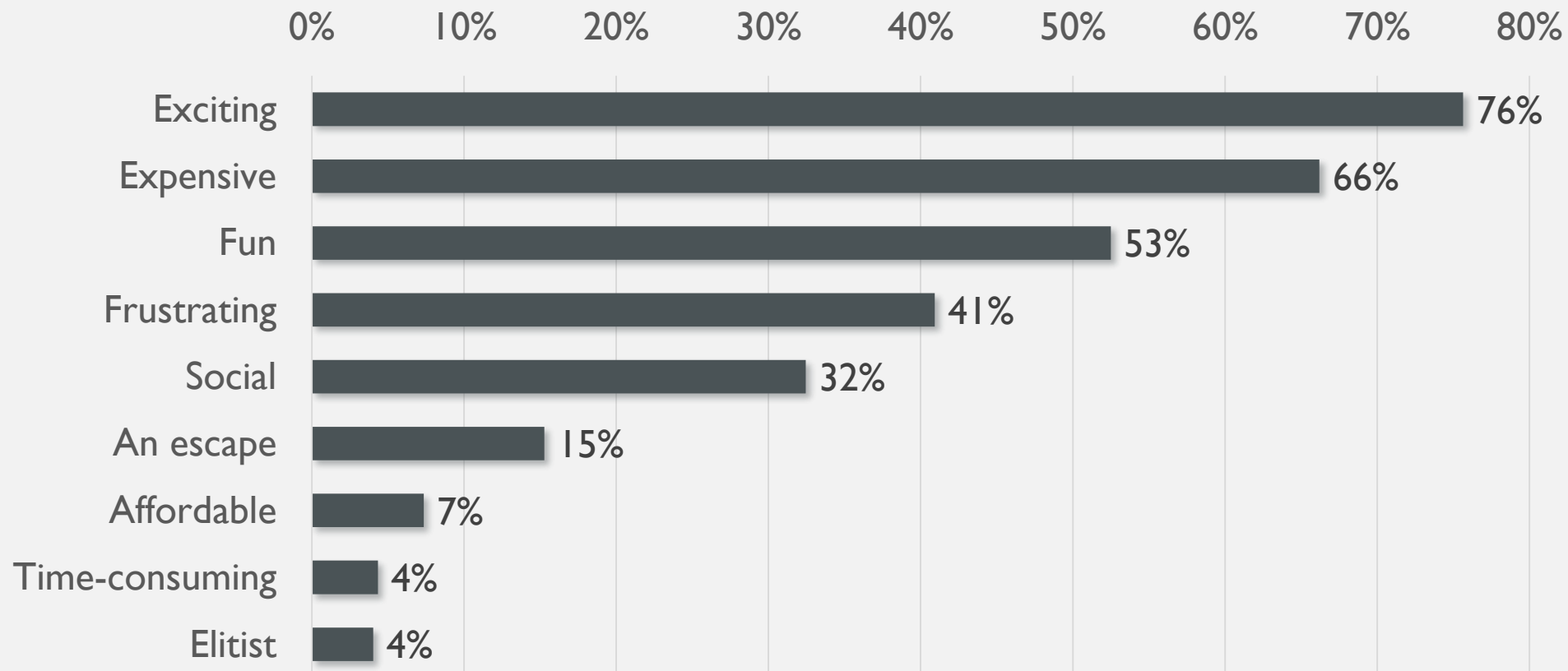


SO...  
WHY DO OWNERS GET  
INVOLVED?



# HOW IS IT DESCRIBED?

- When prompted, owners pick the same phrases, but exciting and fun score above expensive and frustrating respectively.

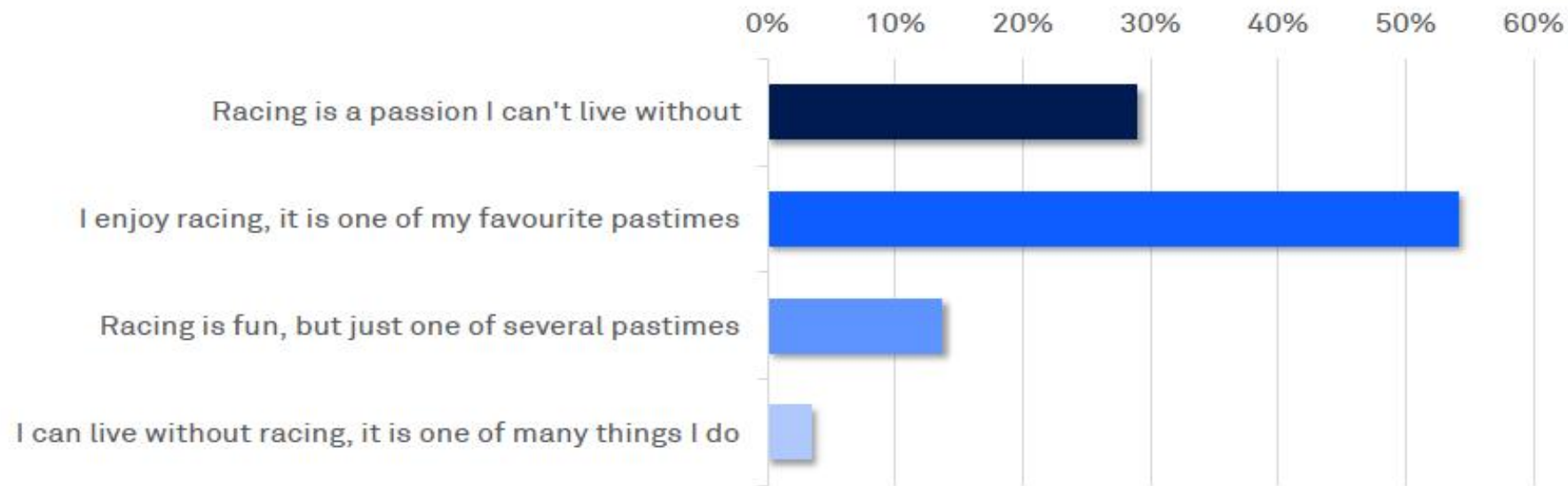




# THE ROLE OF RACING

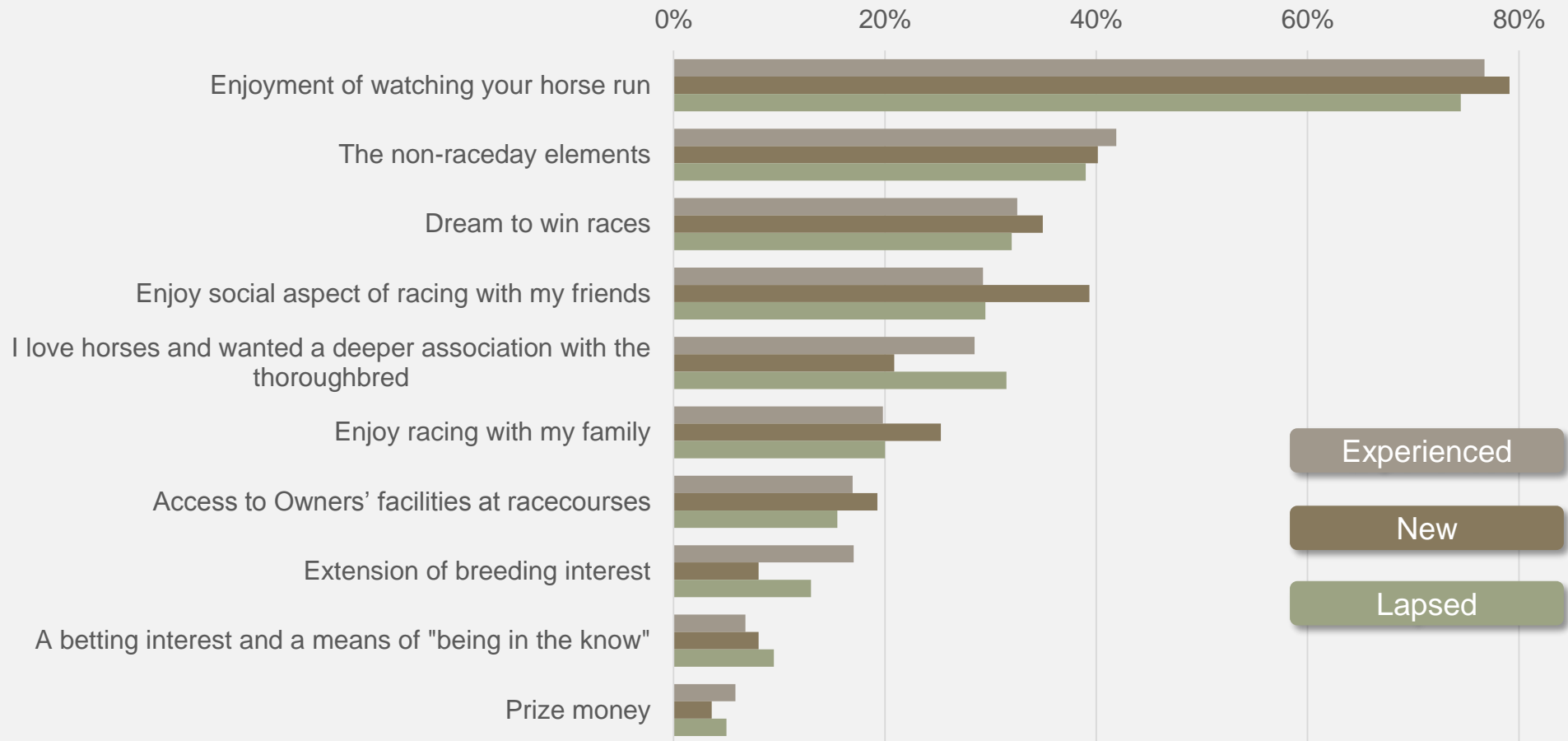
83%

of Racehorse owners say racing is one of their favourite pastimes, or they can't live without it

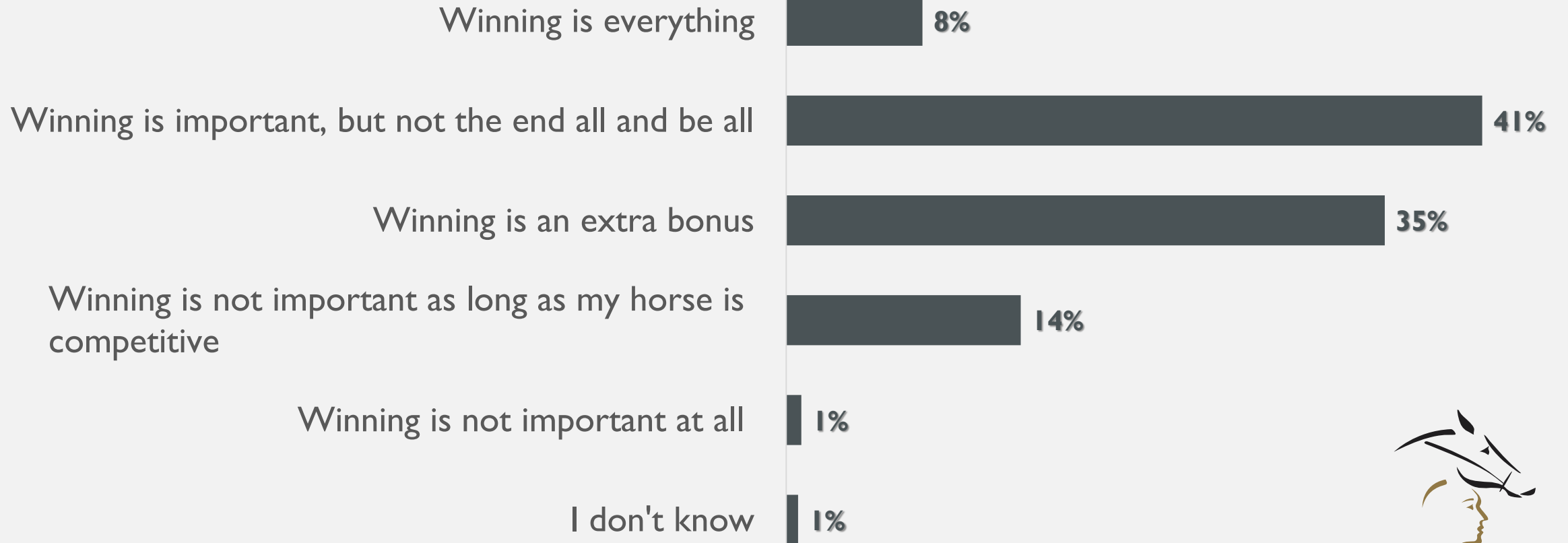


# MOTIVATIONS TO BECOME AN OWNER – BY TENURE

- New owners are motivated more by the social aspects of racing.



# WINNING IS NOT THE “BE ALL AND END ALL”



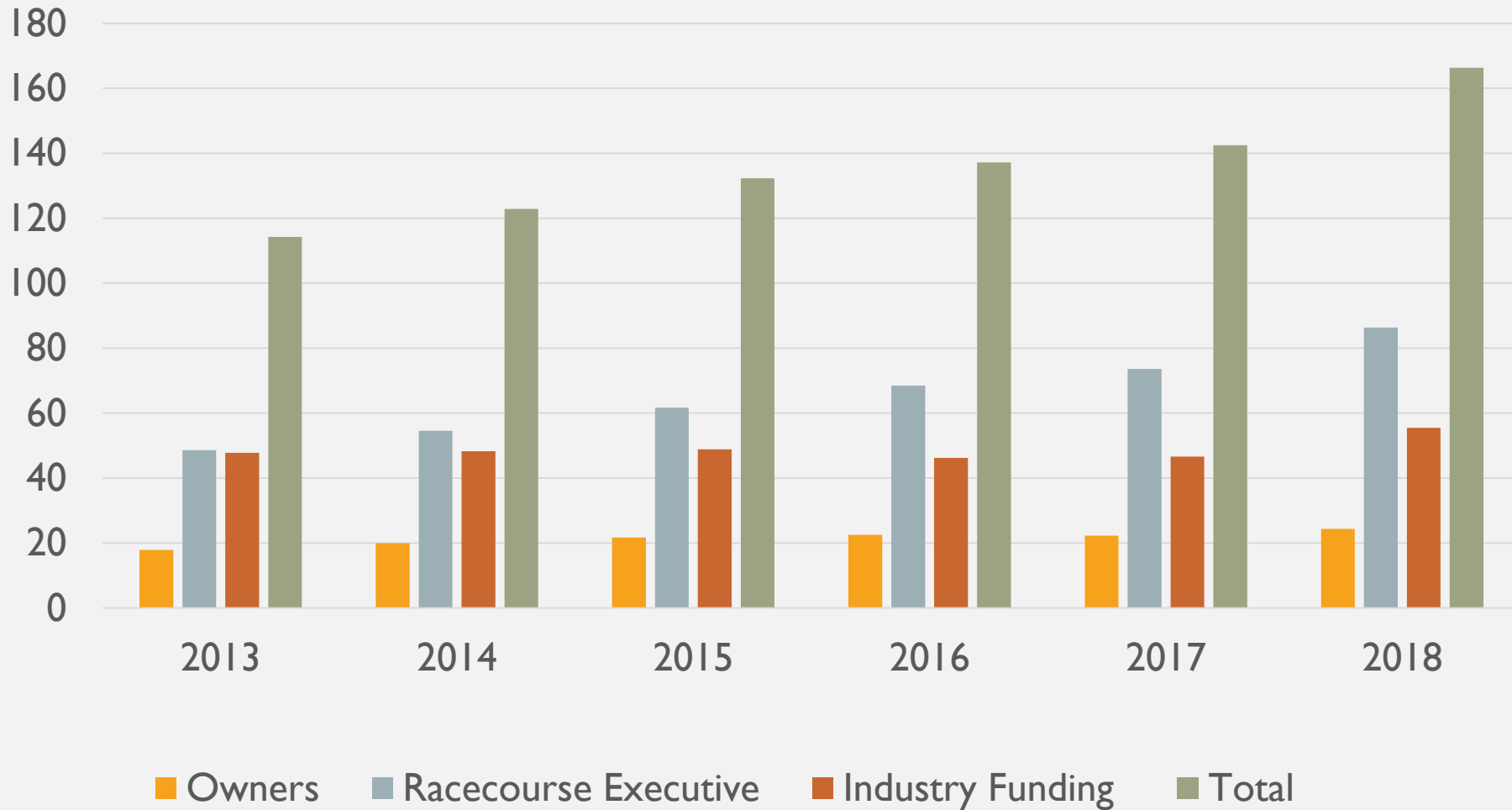
- Underlining the importance of providing an excellent experience for owners above and beyond winning...

# OWNERSHIP: THE NUMBERS

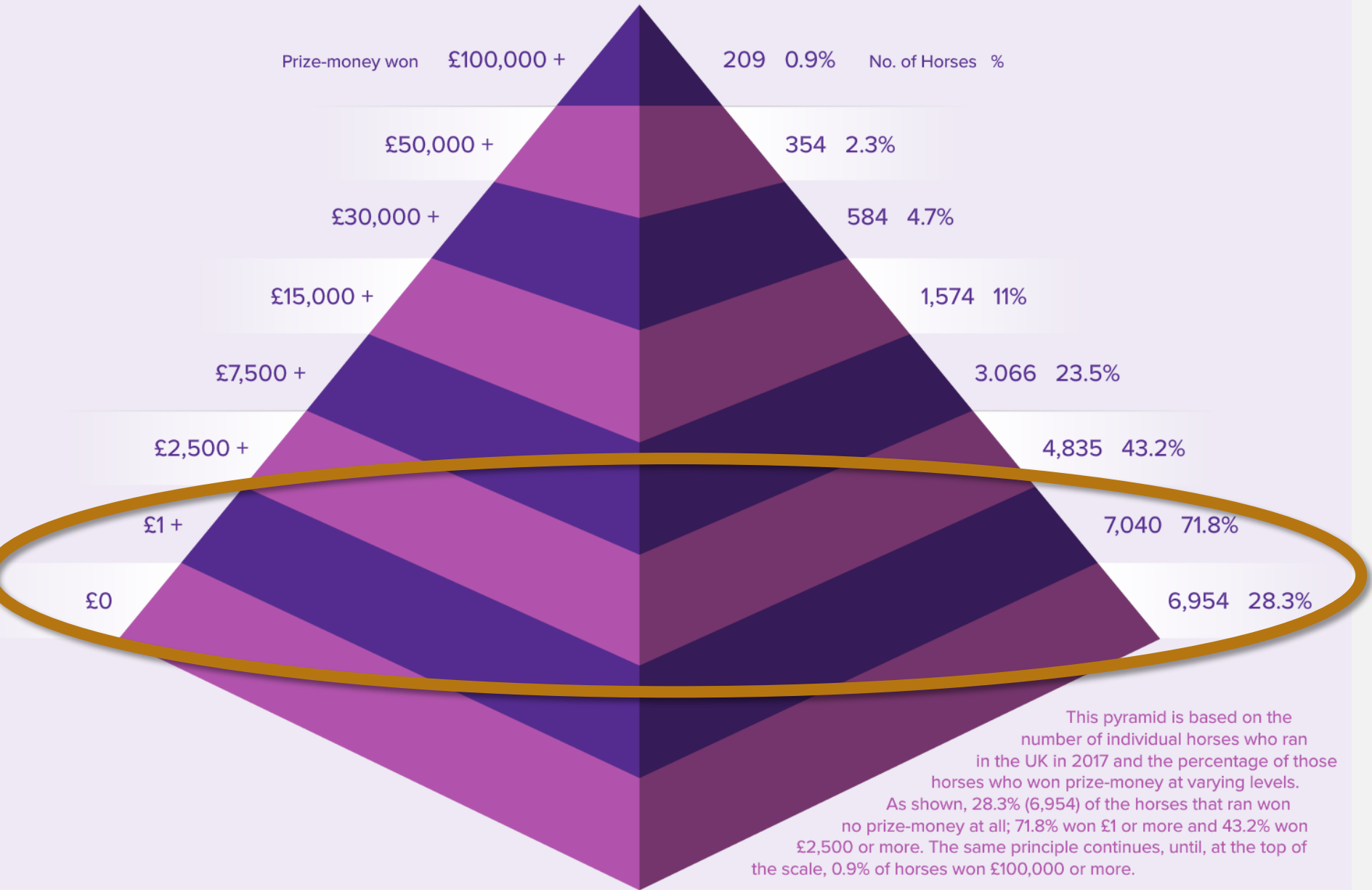


# PRIZE MONEY (£M) – BREAKDOWN

# PRIZE MONEY (£M) – BREAKDOWN



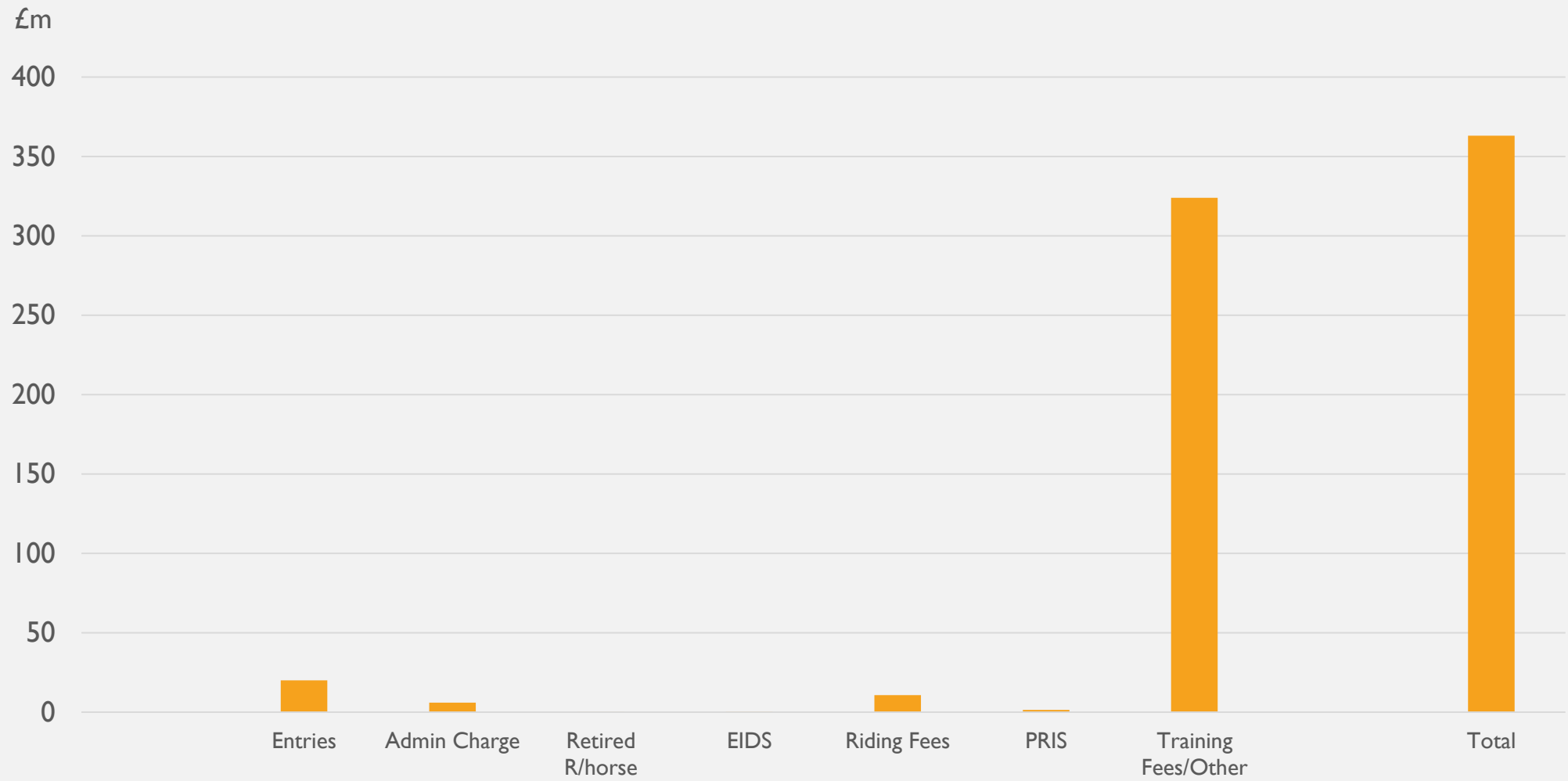
# 2017 Prize-money Pyramid



This pyramid is based on the number of individual horses who ran in the UK in 2017 and the percentage of those horses who won prize-money at varying levels. As shown, 28.3% (6,954) of the horses that ran won no prize-money at all; 71.8% won £1 or more and 43.2% won £2,500 or more. The same principle continues, until, at the top of the scale, 0.9% of horses won £100,000 or more.



# OVERALL CONTRIBUTION





# TRAINING FEES

Training Costs	2015	2010
Flat	£22,595	£20,264
Jumps	£16,325	£16,128
<b>Average</b>	<b>£20,444</b>	<b>£18,651</b>

The 'cost per run' works out at **£3,071** for a Flat horse and **£3,552** for a Jumps horse.

(ROA Ownership Costs Surveys 2011/2016)



# OVERALL CONTRIBUTION: SUMMARY

- c.£8m a year to the BHA through fees and charges
- Over £21m contributed towards prize money through entry and declaration fees
- £240k to the Equine Infectious Disease Service (Levy and TBA contribution amounts to £100k)
- Have c.14,200 horses in training at £20k per year costing in the region of £284m
- Over £200k to RoR
- Jockeys Fees: £12.8m
- Sponsorship: via corporate relationships



## OWNERS

- Sole owner invests at least £25k per annum in the sport
- Goes racing on average 6x per year with a runner
- Plus additional visits without a runner: average 15 (ToB Survey)
  - 68% Dine
  - 18% Take Hospitality Boxes
  - 11% Sponsor
- 86% Owners attend Sales
- Unquantifiable value as an advocate

## RACEGOERS

- Average number of racecourse visits PA: 1.2
- Average make up of racing's crowds
  - 7% annual badge holders
  - 7% hospitality
  - 40% advance purchase
  - 46% walk up
- Racecourses visited per year:
  - 94% of advance purchasers will visit ONE racecourse per year,
  - 5% will visit TWO per year,
  - 1% THREE OR MORE



WHERE THE ROA COMES IN...



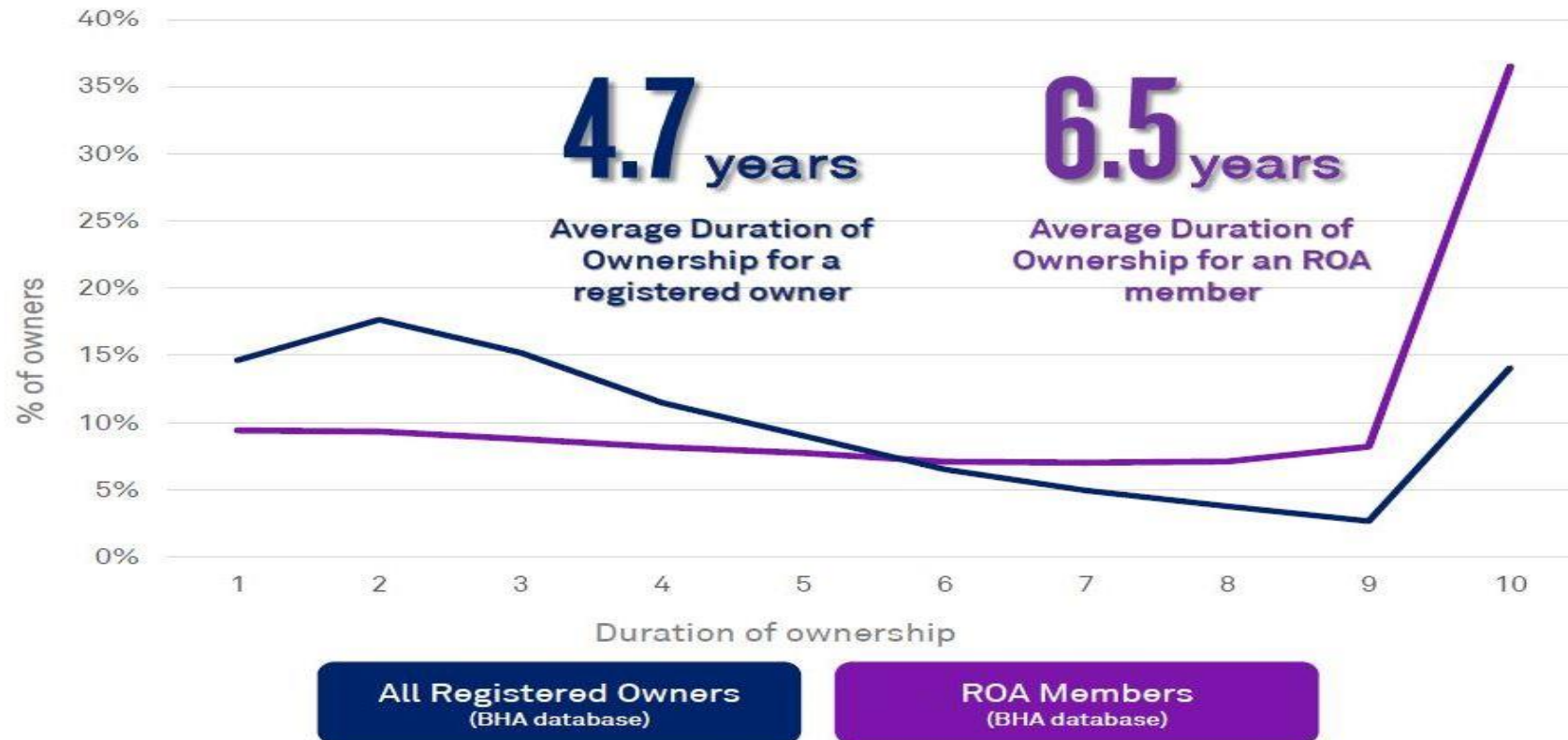
# THE ROA

- Established in 1945, more than 8,000 members
- Look after the interests and rights of racehorse owners
- The ROA is funded almost entirely from membership (£249 a year, 68p a day)
- The ROA is a founder member of the Horsemen's Group
- Board of 14, team of 8
- Nicholas Cooper – President  
Charlie Liverton - Chief Executive



## DURATION OF OWNERSHIP — 2006-2015

ROA members are much more likely to remain in ownership for ten years or more, compared to all registered owners.



# MAIN AREAS OF WORK

To ensure that members get the most out of their ownership experience, the ROA operates as a:

- Campaigner to ensure owners' interests are represented:
  - Prize-Money
  - Raceday Experience
  - Fixture List
  - Rules of Racing
- Membership organisation offering a package of benefits
- Leading the Industry Ownership Strategy
  - Stems from the BHA's Industry Strategy for Growth: The Ownership Pillar
  - ROA leading the Strategy on behalf of the industry



# ADDRESSING KEY OWNERSHIP CHALLENGES

**HBLB funding secured**



## Key ownership challenges



**Ownership churn**

There is a high rate of churn in the current ownership portfolio. For instance, lapsed ownership is higher (11%) than new membership (9%)

---



**Ownership composition**

There is a need to diversify ownership. For instance, there are currently more owners aged over 80 than under 40, and only 21% of active owners are female

---



**Ownership involvement**

There is an opportunity to increase ownership involvement and engagement. For instance, there are 2,437 owners without a horse in training, and the average field size needs to be increased in line with the new media rights payments structure



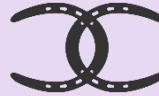
# AIMS

The aim of the project is to...

**Support the racing industry by enhancing the involvement of owners and the number of horses in training**

This will be achieved by...

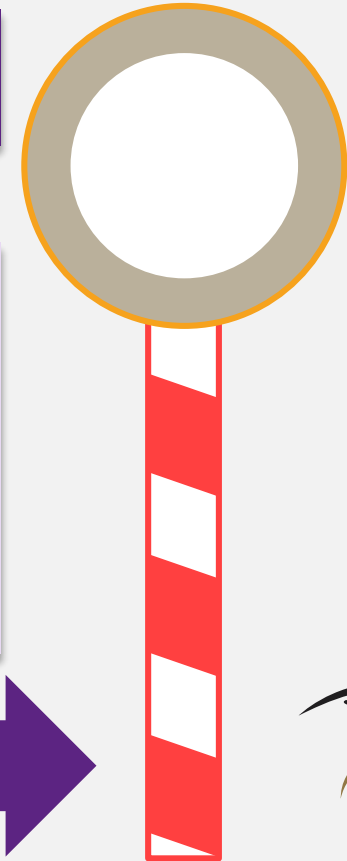
**Ownership proposition**



**Enabling service providers**

Developing a compelling proposition for British Racehorse Ownership to retain existing and attract new owners

Delivering the proposition by supporting service providers to serve existing and attract new owners



## IN SUMMARY...

- Racehorse owners are the largest contributors to British Racing
- While prize money is important, many owners are looking for more than just a financial return.
- Experience is crucial - let's work together to deliver the best possible ownership experience
- ROA members stay owners longer
- Look out for ROA resources and further updates/consultation on the Industry Ownership Strategy



THANK YOU

Pip Kirkby

[pkirkby@roa.co.uk](mailto:pkirkby@roa.co.uk)

t: @racehorseowners

f: RacehorseOwnersUK

0207 152 0200

