

Global integration of pools the holy grail

Bill Barber talks to the UK Tote Group's chief executive



WHEN the Tote came under new ownership in October last year those involved would have been under no illusions about the task facing them, but they could not have imagined the challenges the first 12 months would throw up.

Alizeti, the consortium of investors headed by [Alex Frost](#), changed its name to the UK Tote Group a couple of months before completing the purchase of the 90-year-old 'Nanny' from Betfred in October last year and set about restoring its somewhat battered reputation.

That was before the pandemic struck but, while lockdown caused the cessation of British racing for more than two months, it did not put the Tote in limbo.

The group, which has responsibility for the Tote's off-course business while Britbet oversees the racecourse side, has always had its eye further afield and Covid-19 has simply intensified that focus.

"Covid has not left any stone unturned in terms of what it has done for everyone," says Frost, the group's chief executive. "I think we have been very, very fortunate in the sense that the natural environment for a tote is global integration so our work with all the totes around the world has been accelerated.

"In a nutshell the UK has been very challenging but I think we have made some massive, massive steps forward. International has been the most obvious focus for us, particularly given the months without UK racing.

"We're very, very fortunate to have Hong Kong as a massive partner and that relationship is obviously a huge priority for us, likewise other parts of Asia and the world where racing was booming while we were shut down."

To emphasise the importance of the Far East to the Tote, the group announced in September that John Williamson – a resident of Hong Kong since 1994 and a member of the Hong Kong Jockey Club for 20 years – had been installed as the new chairman.

His role is to strengthen the relationship between the Tote and the Hong Kong Jockey Club and increase the revenues going both ways.

Frost, 45, says it has been a "horrible lesson" to see Royal Ascot watched by millions of people around the world but so little of that betting dollar helping to fund British racing.

What he wants to do "first and foremost" is integrate the Tote into the global pool betting network, which is increasingly interconnected through commingling of pools.

"It does require a fair amount of work. It requires a lot of tech integration which is a very long-term investment," says Frost.

Twenty operators, accounting for annual turnover of €20 billion, have come together to form the World Tote Association, of which Frost is a board member.

He adds: "It also requires a lot of relationship-building and we've done our very best there. I think it's perhaps borne out by our board seat on the World Tote Association, which I think is a huge testament to where

we have got to now."

One way the Tote have been integrated into the global pool betting system is through the World Pool, first run at Royal Ascot in 2019 when money invested into all the pools run at the royal meeting totalled £92 million compared to £17m in 2018.

That figure rose again to £137m at this year's meeting generated by punters in 20 countries, including Hong Kong, Australia, Singapore, South Africa and the US.

With bigger pools comes a more robust and stable market and a more attractive proposition for customers.

Typical of 2020, Covid disrupted plans for more of what the Tote call Superpools, but another was run for Saturday's Qipco British Champions Day at Ascot.

Frost describes rolling the concept out more broadly as the "holy grail" for global integration, the eventual aim possibly being a weekly World Pool.

"Do you do a Saturday multi-leg exotic which starts in Australia and finishes in the US?" he asks.

HOWEVER, while a punter in Hong Kong might be familiar with British Flat racing through the exploits of Frankie Dettori and Ryan Moore, what about the more alien concept of jump racing?

In April, it was announced that the Tote would take over the operation of Tote Ireland's off-course business and Frost believes that is an important step to bringing the main jump racing nations – Britain, Ireland and France – together.

"There is also a very exciting opportunity there for jump racing

which is to get all the National Hunt jurisdictions betting into a common pool," he says.

"So we are very focused on working with the PMU to make that happen which I think would be transformative for jump racing.

"Immediately by virtue of the fact that we have the UK and Ireland, that's two out of the three main jurisdictions on board. Then you've got the French coming in as well."

Frost jokes that he has said "many, many times we do have a lot of the world's best racing", but what about the effects of Covid-19, which have resulted in, for instance, a number of leading British-trained horses heading to France on a regular basis.

"It's a concern for everyone," he admits. "The lesson is very stark. Why are they moving their horses to France? Prize-money. What drives prize-money in France? Why are they moving their horses to Hong Kong?"

"Somehow someone needs to wake up and say they are all moving their horses to jurisdictions which have prize-money that's backed by their Tote."

During their first year, the Tote have concentrated on their digital offering, something Frost says is "particularly exciting".

"Clearly we had to starve ourselves of the on-course flow, the on-course marketing and all that came with what has been a fairly traditional heartland for the Tote," he adds.

"At the same time, there is the new website. From a consumer perspective I think it's a really good experience now. Also it's great to be able to watch and bet - I think that's been a good development for the consumer. You don't need to have a bet to be able to watch a race."

The Placepot, one of the jewels in the Tote's crown, now has its own app and while there are no plans to change takeout rates Frost's team has introduced the Tote Guarantee, which ensures that the Tote match or exceed the starting price on win bets.

THEN there has been the return of the Ten To Follow, part of the digital offering Frost thinks "is absolutely critical to the

next generation of racing enthusiasts".

The Tote have an agreement in place with 55 of Britain's racecourses under which they contribute at least £50m to the sport over seven years, in addition to levy payments and race sponsorship.

The coronavirus outbreak has not affected those plans, according to Frost. He says: "We could have very easily said to Britbet we are not going to continue with those payments but we didn't engage in that conversation and we went out of our way to make sure those monies reached them ahead of time.

"So that is a very strong commitment to us. We are very, very connected to the industry, we are very aware of the difficult moment the industry is having and at times like these we want to be seen to be very much conscious of that."

Frost adds that the investors in the Tote, many of them owners and breeders, are also sensitive to the situation.

"A lot of them are big owners, a lot of them are deeply aware as to how fragile the situation is," he says.

As for the next few months the Placepot app, the Ten To Follow and further development of the World Pool will be among the main areas of focus.

Frost says: "I think we would have, particularly with the likes of Covid, felt ourselves very fortunate to be sat here in this position this time last year.

"I just think if we can get an integrated, well joined-up global proposition to everybody internationally, that will get us the next boost - and when I say that I mean UK horseracing."

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