



**Presenting a compelling case  
for Pool Betting in the UK**





# Areas to cover:

What is the Tote?

What is pool betting?

Presenting the Tote to stakeholders:

- Government
- Regulator
- Racing Industry
- Customers

**UK Tote Group Investment and Innovation**





**Areas to cover:**

**What is the Tote?**



# A national pastime founded by Royalty – Britain is the home of horse racing

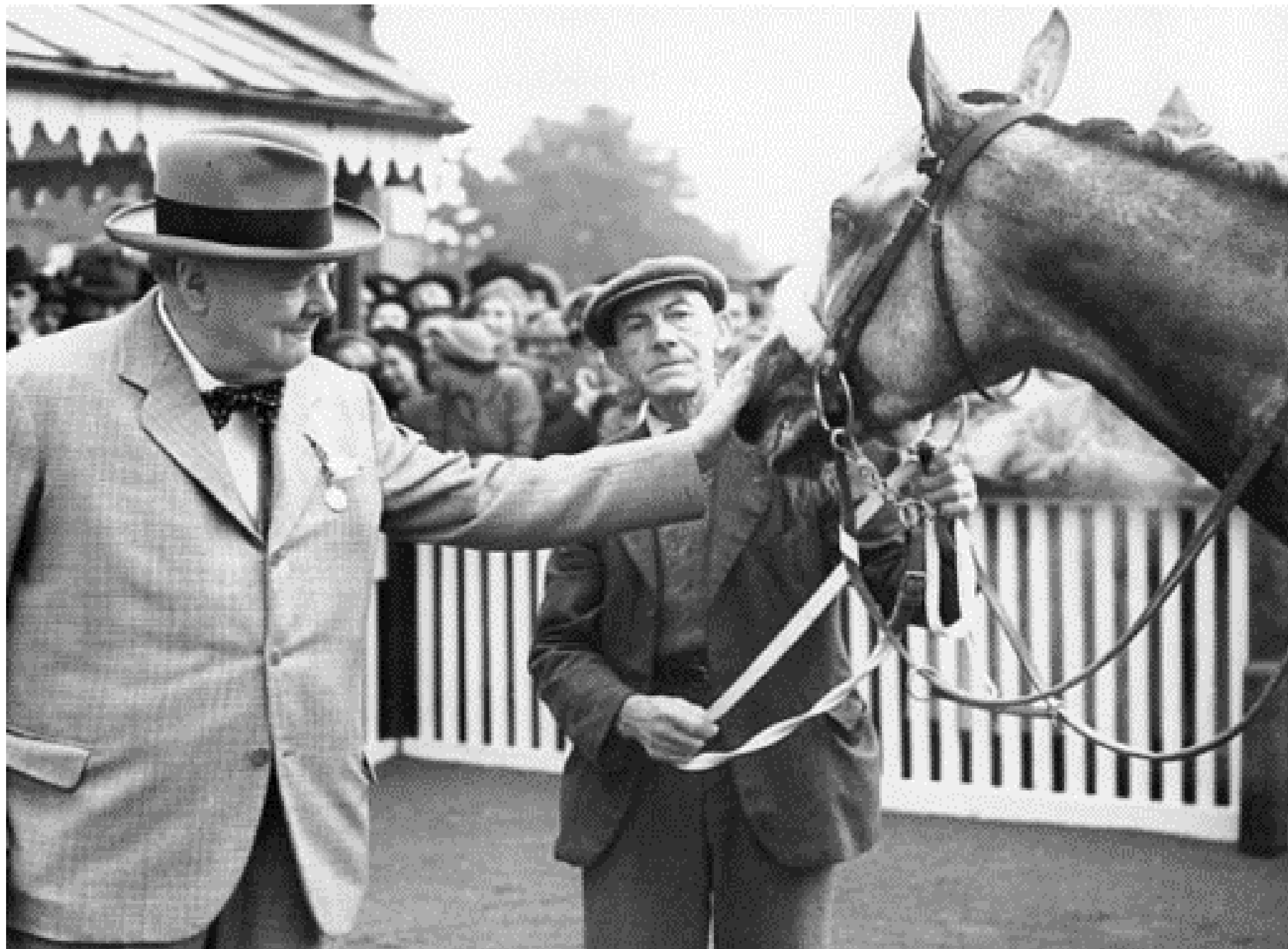
- + Queen Anne kept a large string of horses and in 1711 was instrumental in the founding of Royal Ascot where the opening race each year is still called the Queen Anne Stakes
- + Established between 1776 and 1814, the 1000 Guineas, 2000 Guineas, Derby, Oaks, and St Leger became collectively known as the Classics in 1815, and ever since have crowned the best three-year-olds in training



- + British racing is now a **£4 billion+** (\$5.6billion+) industry employing over **85,000** people
- + It remains the **second most attended sport** in Britain.
- + It has **three media channels** – ITV, Racing TV and Sky Sports Racing



# The UK Tote was founded as a wagering partner for British Racing



- + It was established by Parliament in 1928 when Winston Churchill was Chancellor of the Exchequer in order to:
  1. Provide a **safe, state-controlled alternative to illegal bookmakers**
  2. Ensure a proportion of revenues were used for the “purposes conducive to the **improvement of breeds of horses or the sport of horseracing**”
- + As the **sole pool betting partner in British racing**, the Tote has become a brand interwoven into the fabric of this internationally renowned industry
- + The Tote stayed in **Government ownership until 2011** when it was sold to Betfred.



# UK Tote Group is now backed by owners, breeders, and business leaders

*185 investors with the future of global horse racing at heart*



## Owners and Breeders

- + Racehorse Owners Association (representing 8,000 UK owners)
- + Niarchos Family
- + Highclere Racing
- + Cheveley Park
- + Lord & Lady Lloyd-Webber



**Frankie Dettori, Jockey**

*"Horsemen owning the Tote will be good for racing."*



**Talking Horses: Future of Tote under new owners brighter than for years**

**New era for the Tote as racing consortium completes takeover**

## Business and Political Leaders

- + Lord Michael Spencer
- + Sir Nicholas Soames
- + Lord Daresbury
- + Stephen Lansdown



## THE TIMES

### Racehorse group goes final furlong for Tote

A consortium of racehorse owners and breeders hailed a new era for the Tote after completing the acquisition of the 91-year-old pool betting operator in a deal worth more than £100 million (Dominic Walsh writes). The UK Tote Group, which 18 months ago bought 25 per cent for £20 million, is paying a further £95 million to buy out the rest of the company, valuing it at £115 million. The consortium, formerly known as

supporter of racing and owned several horses in later life. Having started life as the Racecourse Betting

Control Board, it was re-formed in 1961 as the Horserace Totalisator Board — the Tote. Until its sale to Betfred, it

remained a statutory body that handed most of its profits to racing.

The UK Tote Group said it was backed by 160 investors "united by a shared desire to see a revitalised Tote back at the heart of British horse racing".

Investors include Michael Spencer, the billionaire Icap founder, with 10 per cent, the Racehorse Owners Association and China Horse Club.

It said that in addition to paying the Horserace Betting Levy, to which all bookmakers are subject, the Tote would contribute a minimum of £50 million to the sport over the next seven years under an agreement with Britbet, a betting partnership of 55 racecourses.

The UK Tote Group team said it was in talks about extending partnerships to sell Tote products while exploring tie-ups with overseas pool betting operators.

Alex Frost, UK Tote Group chief executive, said the deal marked

Alizeti, has bought the business from Betfred, the bookmaker, and as sole owner said it was "focused on revitalising the British institution".

Fred Done, founder and chief executive of Betfred, bought the Tote from the government in 2011 for £265 million, although that included 517 high-street betting shops as well as the pool-betting monopoly at Britain's racecourses.

It was established in 1928 by parliament when Winston Churchill was chancellor to provide a safe, state-

controlled alternative to illegal bookmakers, and to ensure that some of the revenues from gambling were used for



# UK Tote Group represents UK & Ireland’s world-leading racing product across all 85 racecourses

## Tote in landmark deal to rejuvenate Irish pool betting

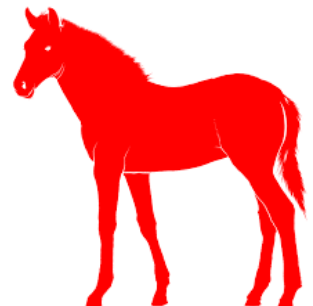
FOLLOWING 2020 ALLIANCE WITH TOTE IRELAND, THE TOTE NOW REPRESENTS THE ENTIRETY OF UK & IRISH POOL BETTING

- + 7 Year Alliance
- + Increased liquidity in Irish markets
- + Expanding Tote brand across 85 racecourses
- + 2,000 fixtures annually; 49 Group 1 flat races; 77 Grade 1 jump races



### World-class race calendar

UK & Ireland host nearly a quarter of the World’s top 100 races, providing an unparalleled stage for the world’s best horses



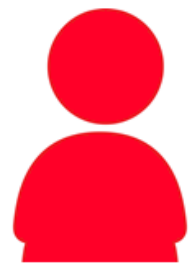
### Leading thoroughbreds

UK & Ireland have the highest proportion of world-class thoroughbreds relative to the total number of thoroughbred births, indicating quality bloodlines and training



### Substantial economic contribution

The total economic contribution of horseracing to the UK & Irish economy is estimated to be in the region of £5.2 billion, with over 114,000 jobs supported by the industry



### Second most popular sport in UK & Ireland

Horseracing is loved by the British & Irish public. Almost 7.3 million people attended race meetings in 2018 and over 1 million watching each live Saturday racing

Source: TBA 2018, and HRI 2019; Deloitte 2017

# The UK Tote Group sits on the Board of the World Tote Association

+ The UK Tote is proud to be a board member on the World Tote Association which brings together leading pool betting operators



BOARD

MEMBERS





**Areas to cover:**

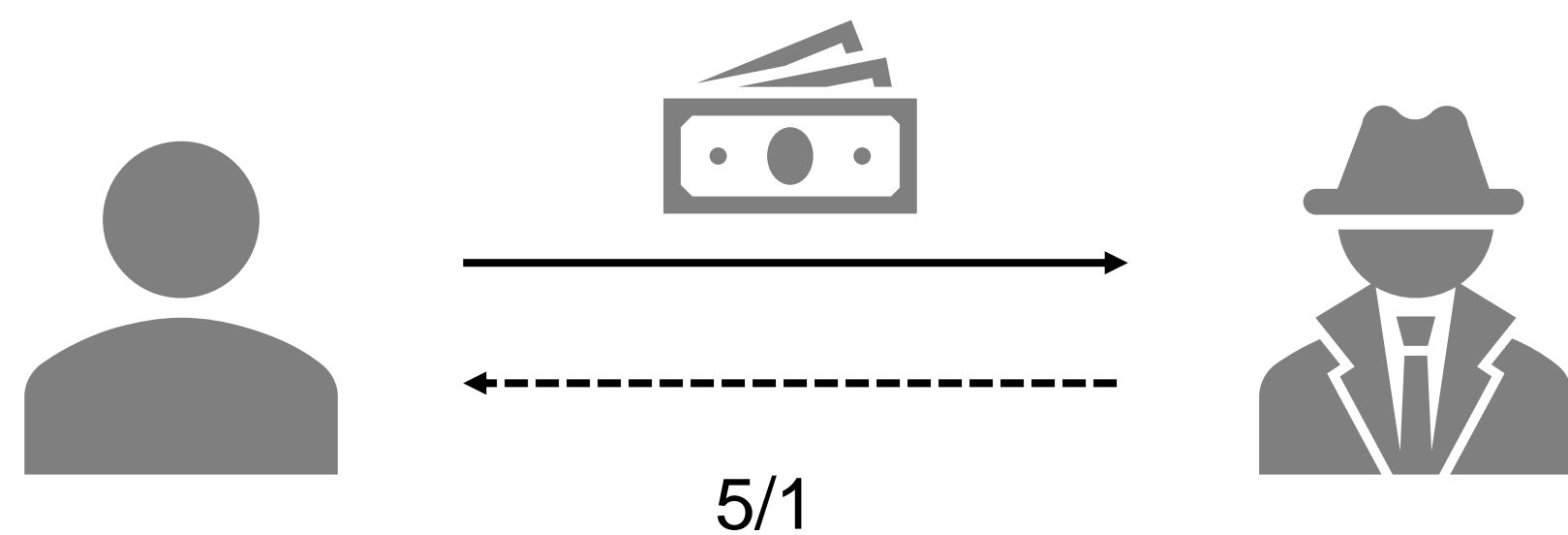
**What is pool betting?**



# What is pool betting?

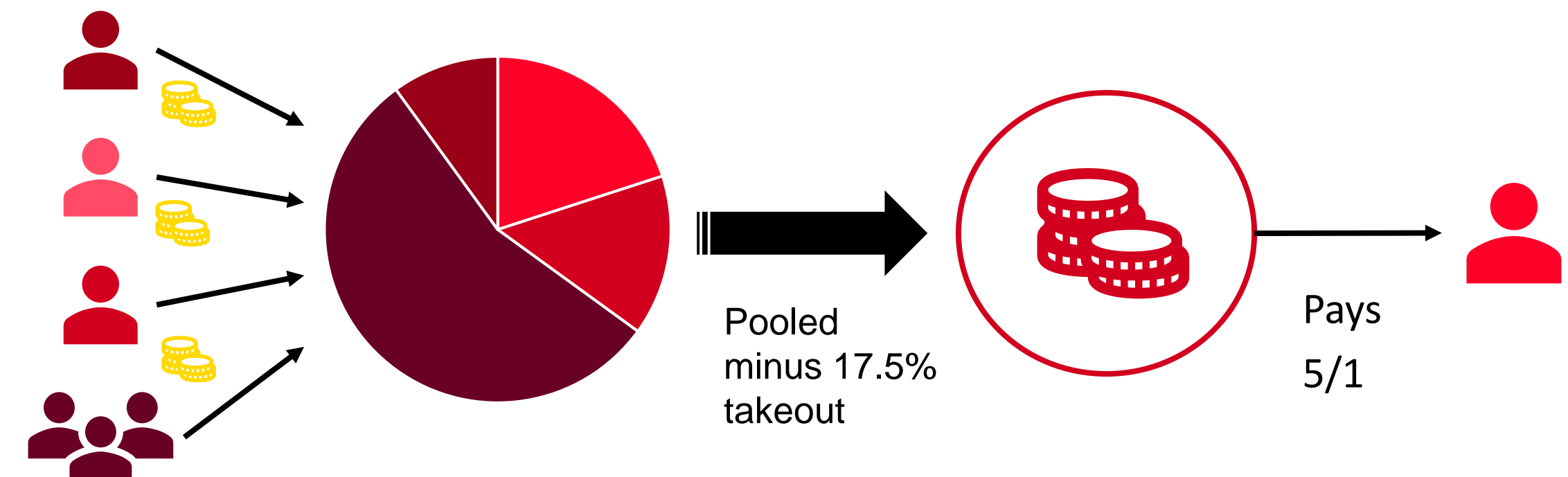
## FIXED ODDS

- Price set by bookmaker who generate revenue from customer losses
- Model focussed on bonusing and driving customer acquisition
- Minority and/or illegal method of betting in over 90% of international jurisdictions
- Adversarial, betting against the bookmaker
- Winning customers restricted or shut down
- **96% UK market share**



## POOL BETTING

- Odds decided according to split of money in the pool
- Fixed margin of a % takeout from pool, so no operator risk
- Pool betting is naturally open, social, and non-adversarial
- Transparent, scalable & regulator friendly
- Created in the UK and historically under government ownership
- Winners welcome
- **4% UK market share**

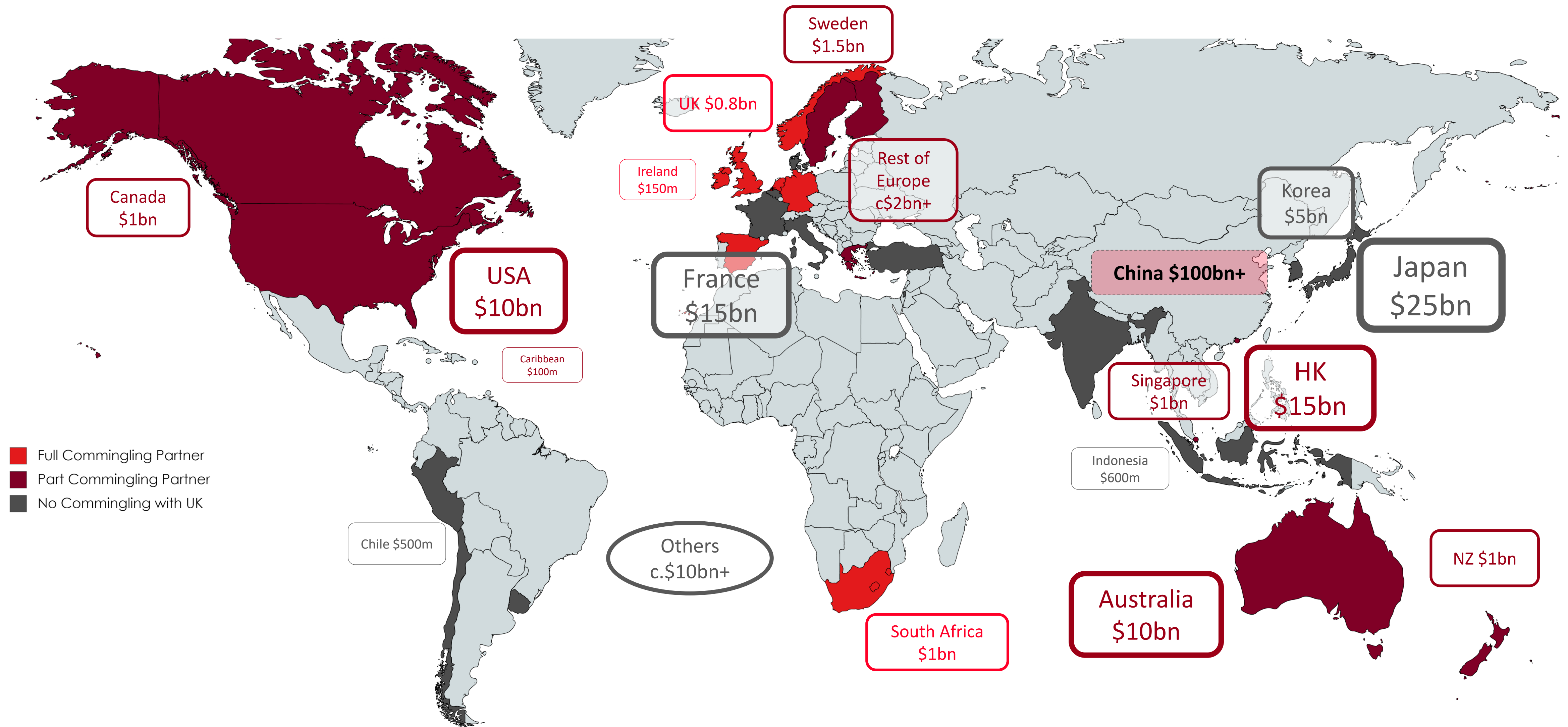




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# \$100bn global pool betting market – funds the racing industry across the world







# Areas to cover:

## Presenting the Tote to stakeholders:

- Government
- Regulator
- Racing Industry
- Customers



# Talking to Government

- + The Tote was founded by Government in 1928
- + Operates more like the lottery than fixed odds betting, not adversarial
- + Proud British company – headquarters in Wigan
- + Symbiotic relationship with racing – unique commercial model with 59 British racecourses
- + Choose not to be part of the industry trade association but to have our own dialogue with policy makers





## Dialogue with the Regulator

- + Positive and engaged relationship with the regulator in the UK
- + Ensure the Gambling Commission understands pool betting and why it is distinct from fixed odds/gaming
- + Huge investment in compliance processes and expertise
- + Contribute to the research, education and treatment of problem gambling

GAMBLING  
COMMISSION



# Engagement with the Racing Industry

- + The Tote is at the heart of the racing
- + Present on all 59 racecourses
- + Pays Horserace Betting Levy and a minimum of £50 million to racecourses over 7 years
- + Supports the Racehorse Owners Association



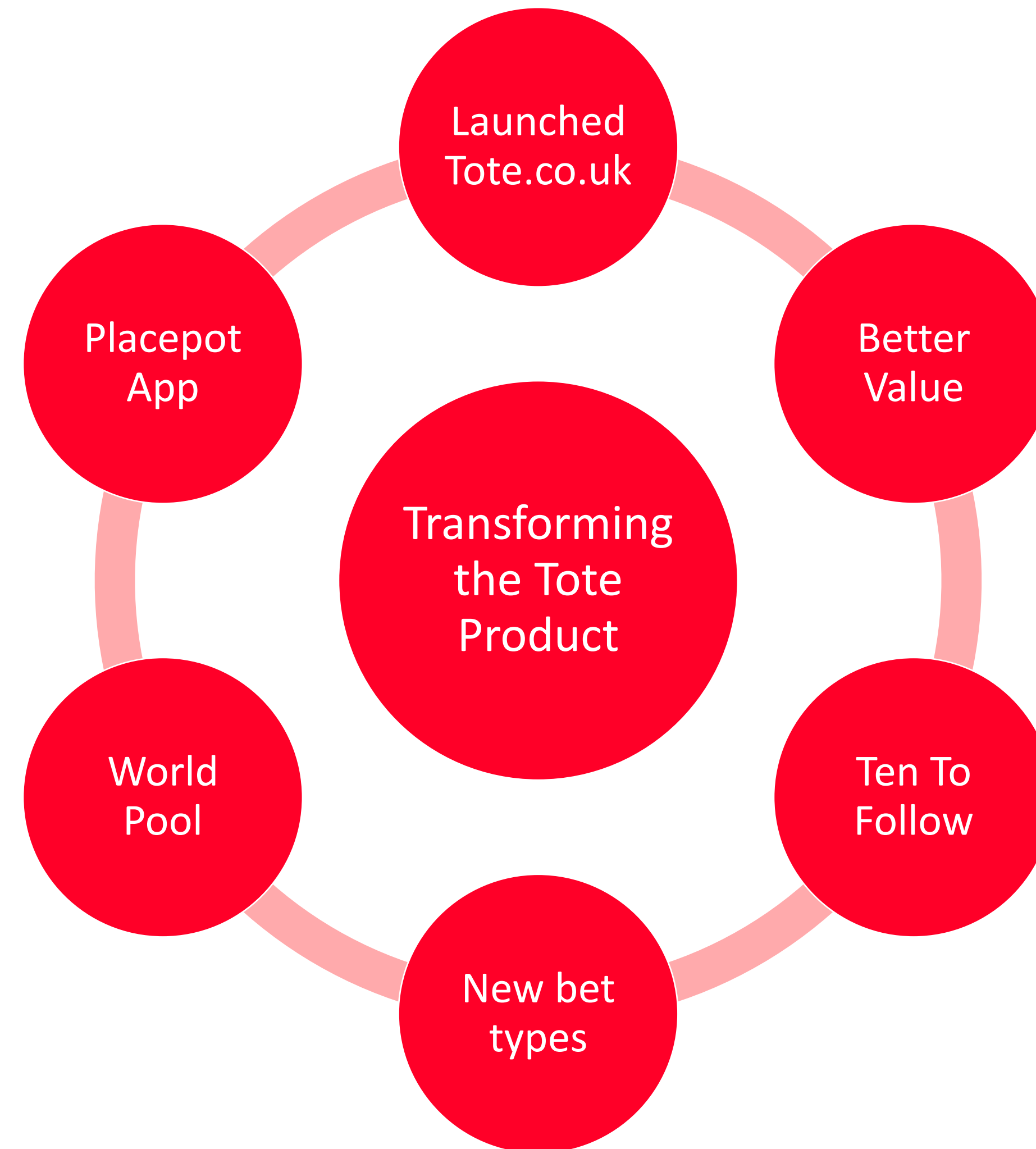
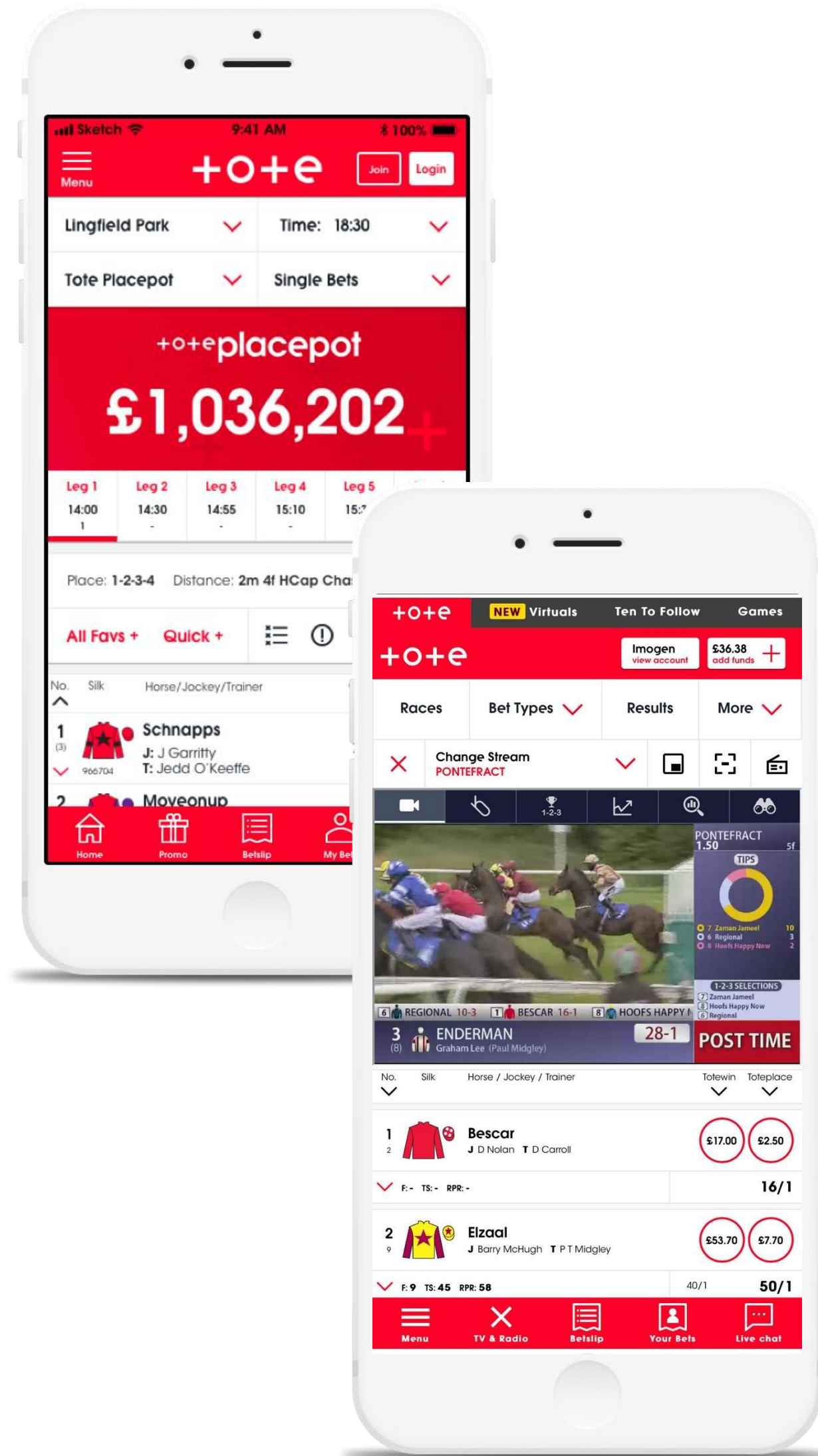
**John Gosden, Classic-winning Trainer**

*“The Tote is one of British racing’s most cherished brands and to see it revitalised to reach its past heights would be fantastic for the sport. This is absolutely the right team to make this happen.”*





# Presenting the Tote to Customers



**Matt Bisogno – Creator of  
geegeez.co.uk and former Chair  
of the Horserace Bettors Forum:**

- + Value
- + Big pools with diverse liquidity, interesting odds
- + Multi leg bets
- + Rollovers





# Areas to cover:

**UK Tote Group Investment  
and Innovation**



# Why bet with the Tote?

- + **Tote Guarantee** – win price will always match or exceed the bookmakers’ Starting Price
- + **Tote+ (Tote Plus)** – 10% enhancement to dividends for customers of tote.co.uk
- + **World Pool days** – huge liquidity, 6% margin, no restrictions for winning customers. Nothing matches it in the UK market

WORLD POOL

BET WITH THE WORLD

ROYAL ASCOT - DAY ONE

Think you got the best value?  
Think again

Place your World Pool bets at Tote.co.uk to get **10% bigger dividends**, plus we guarantee you'll **never be paid less than SP** on your Tote Win bets

Race	SP Win	Tote+ Win	SP Forecast	Tote+ Exacta	SP Tricast	Tote+ Trifecta
2:30	2/7	£1.32	£4.44	£6.27	£36.56	£43.56
3:05	11/1	£13.59	£617	£835	£16,888	£16,794
3:40	4/1	£5.01	£118	£156	£1,921	£3,078
4:20	7/2	£5.17	£16.49	£23.21	£147	£212
5:00	66/1	£67.00	£398	£526	£6,138	£7,153
5:35	14/1	£15.02	£66.08	£88.66	£274	£557
6:10	33/1	£34.00	£833	£769	£5,233	£4,739

= Tote+ paid better or equal to the bookies equivalent

+o+e

Based on ToteWin dividends from Tote.co.uk and Industry Starting Prices from all Royal Ascot races Tuesday 15th June. Tote+ is only available if you place your bet directly via Tote.co.uk or the official Tote app. All pools where Tote+ applies are denoted by the inclusion of the 'Tote+' symbol. Only applied to dividends of 1.20 or above. Tote+ bets will be settled at a value which is 10% bigger than the standard Tote dividend. Full T&Cs apply. 18+. BeGambleAware.org

Download on the App Store

GET IT ON Google Play

# TOTE'S PRICE REVOLUTION FOR PUNTERS

World Pool expansion only the start as Tote chief Frost looks to Asia

Strictly Private & Confidential1





Home of UK Multi-leg bets

£120m+ 63k

Annualised turnover of the Tote Placepot – the UK’s most popular exotic bet  
No of Tote Ten to Follow stables in the 2019/20 jumps competition

Product Enhancement

60% 80%

% of races Tote+ has beaten SP since launch  
% of races Trifecta+ has beaten Tricast since launch

Partners and reach

7.1k 140+

No of UK betting shops where Tote products are available  
No of global racecourses Tote customers can bet on

Global Connectivity

17 110 15

World Pool fixtures this year  
Commingled PMU fixtures this year  
Global partners the Tote co-mingles with

Brand Power & Digital Growth

54k 20m 63%

Digital racing actives  
Organic Google impressions  
Growth in direct digital racing actives

Platform Stability & In-House Capability

6k 80+

No of bets the Tote platform can process per second  
No of colleagues working in Engineering, Technology, Product and Data





## Contact

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