Tote Integration across regions

WORLD TOTE ASSOCIATION WEBINAR

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Tote Integration across regions

History in North America

General Principals of Tote Security

- Standards for Tote Integration
- Standard Files to all Totes
- TRPB Wagering Analysis and Security Platform
- Technical Initiatives by North American Totes
- World Pool Discussion

Tote Integration across regions

- Inter Tote System Protocol (ITSP)
- Limited common pooling "B" pool
- In the US, pari-mutuel betting was under State law, however crossstate commingled pools covered by Interstate Horse Racing Act (IHRA). Host association, both regulators (host & guest) & horsemen's group all cited in the act.
- In Canada, pari-mutuel betting is under Federal law, however Provinces had the right to tax betting in their own jurisdiction. Solution: net pool pricing

Tote Integration

- North America had multiple Tote Sources
- Protocol necessary for all these Tote Sources in commingled pools
- Inter Tote System Protocol (ITSP) was developed
- ITSP is a betting command & pools protocol
- ▶ 5.13 followed by 5.14 etc.
- UTC was adopted as the system time for all Totes
- Forum to open up ITSP for development with participation by all Totes
- International Tote Protocols Group

► ITSP 7

Security & Control – Tote protocols

First Principal: Host in Control

- Typically Race Host = Pari-Mutuel Host
- On initial link between Guest & Host, events, takeout rates, betting interests, etc. are all communicated and must match for connection to proceed
- Host determines final pools, prices race, and makes race official

Standards required for Tote Integration

- Source Codes every Tote has a code known to every other Tote
- Event Codes every pari-mutuel event is known
- Customer Codes every location has a code that connects to a source in the betting of an event
- The requirements for set of Codes initially established at the TRA1995 committee meeting, hence the TRA Codes
- CHRIMS agreed to host the process for requesting codes and the website to display codes at <u>www.chrims.com</u>
- TRPB approves Code Requests
- High rate of compliance

Standard Development files supporting Tote Integration

- TRA Settlement File event location & event at end of session
- TRA Account Wagering File every ADW company summarizes handle down to postal code
- Transaction Audit File reporting of bet-by-bet detail at the close of betting to TRPB
- Race Audit File reporting of the race results, liabilities, detail when the prices are official

WAGERING ANALYSIS & SECURITY PLATFORM



Technical Initiatives

TRPB has fully migrated Wagering Analysis and Security Platform to Amazon Web Services (AWS)

- Development of QuickSight dashboards for BI
- Requirements for any Tote betting to provide Transaction & Settlement data directly to AWS
- Global Tote has established AWS services
- AmTote is developing Cloud Tote Services
- United Tote has a scale exemplified by the Kentucky Derby
- Widespread integration efforts with online sportsbooks

World Pool Initiatives

- Canadian & US Associations have been at the lead in supporting international commingled pools to promote international racing
- Commingling can address regional inequities in odds
- Eliminates the requirement of arbitrage between tote pools on the same event
- Promotes a strong market presence for parimutuels

Concerns with current World Pool Initiative

- Guiding principal of Host in Control may be weakened
- Not seeing a sustained effort by all international players to improve ITSP and implement the latest version
- Current World Pool does not participate in standard file types – notably TAF
- Currently relies on one Tote and there are others just as capable of hosting the World Pool

Questions, comments, discussion



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