



**Working Together
with Governments,
Regulators and Horseracing**

Welcome to the World Tote Association

Thank you for picking up this document and taking the time to learn more about the World Tote Association (WoTA), which brings together pool betting operators from around the world to promote and support the horseracing industry.

As members of WoTA we are proud to be working together to collectively promote our organisations and the positive social and economic impact we make around the world, particularly with regards to our relationship with horseracing. Every member of WoTA is a successful organisation in its own right but, in coming together to collaborate, members are aiming to ensure we can play a greater role in a financially sustainable horseracing industry around the world.

This is in the DNA of every WoTA member and underpins every activity of the organisation.

This document aims to tell you more about WoTA and we hope you enjoy reading it.

With best wishes

Alex Frost

Chief Executive UK Tote Group, Co-Chair 2022-24

Hans Lord Skarploth

Chief Executive ATG, Co-Chair 2022-24

About the World Tote Association

WoTA brings together tote (often referred to as “pari-mutuel” or “pool betting”, as we will use throughout this document) betting operators from around the world to work together to promote and support the horseracing industry in a socially responsible and sustainable manner.

WoTA was created in 2020 through merging members of the European Pari Mutuel Association (EPMA) and the Asian African Tote Association (AATA).

All members of WoTA support:

- A percentage of their revenues going towards supporting the horseracing sector;
- The optimisation of technology and operations to ensure members can exchange best practice and develop mutually beneficial work streams collaboratively;
- Continued development of leading standards for social responsibility to prioritise safer betting and protection of customers; and
- Utilising technology to ensure an engaging and positive customer experience in national and global pools.

World Tote Association members stand for integrity, fairness, transparency and trust and have responsibilities to customers, shareholders, regulators, national governments, horseracing and society as a whole.

Beyond legal obligations, members are committed to maintaining a balance between their commercial objectives and social responsibility, including the promotion of responsible gambling and ensuring they contribute to sustainable funding levels for horseracing.

WoTA has 21 tote operators as members representing a turnover of more than **€25 billion**. In addition, the organisation has seven associated members (technology and services providers and racing organisers)

Collaboration between World Tote Association members

Under a strategy set by the WoTA Board, the organisation has Working Groups developing strategy and undertaking activity on three important areas of work which lie at the heart of pool betting:

- 1. Greater commingling of pools** between operators through identifying and removing barriers, data sharing where appropriate and furthering mutually beneficial technology and betting protocols to ensure more attractive betting opportunities can be created for customers.
- 2. Improving integrity and standards** by implementing industry-leading responsible gambling and AML procedures, sharing best practice and working constructively with national governments and regulators ensuring a better understanding of pool betting.
- 3. Developing the betting experience** for the next generation of bettors and racing fans.

The Benefits of Pool Betting

What is Pool Betting?

Pool Betting operates in a fundamentally different way to fixed-odds betting as customers bet into a pool with each other, and do not bet against a bookmaker.

Operators make money from all bets through the takeout rate applied to the pool; as opposed to fixed-odds bookmaking where the customer must lose in order for the bookmaker to generate revenue. This ensures pool betting operators are agnostic about the outcome of events and do not need customers to lose money to operate successful businesses. Pool betting operators actively welcomes winning customers.

Like lotteries, the pool betting model offers customers the opportunity to win a large amount from a small stake; but, unlike lotteries, bets placed into the pool allow players to make an informed skill-based bet based on information about an event, typically a horse race, instead of their bet being based purely on random number selection, as it is with a lottery. Around the world betting on horseracing is deemed a game of skill rather than a game of chance.

Pool Betting and National Regulation

Pool betting represents more than **70%** of the total legal horserace betting worldwide.

Due to the fundamental differences in the betting model, and the absence of an adversarial relationship between the operator and the customer, governments and regulators worldwide differentiate pool betting from fixed-odds betting in terms of risk evaluation. Therefore, regulators will provide pool betting operators with a distinct licensing category, separate to

fixed-odds, with the latter type of betting remaining illegal in many parts of the world, including across most of Asia.

Supporting horseracing at national level

The majority of horseracing stakeholders around the world recognise the benefits of the pool betting model as the best way to develop responsible and sustainable betting to fund their industry.

Pool betting contributes far more to horseracing than the fixed-odds betting sector. Over **€1.2billion** is paid annually to the racing industry by 14 European pool betting operators, compared to around €500 million being returned to horseracing by the 300 fixed-odds bookmakers in Europe.¹

The transparency of the pool betting model worldwide is seen as a major advantage for horseracing. Working in close collaboration with the horseracing industry and local media rights owners, pool betting operators are able to promote the local horseracing product and thereby generate awareness and activity, and thus revenues, for the sport in their jurisdiction.

Collaborating internationally through commingling and the creation of World Pool

Pool betting operators also collaborate together to promote racing on a global scale.

This is called commingling. Commingling – or notional commingling – is where pools from different jurisdictions are considered as one pool which deepens liquidity and creates more diverse pricing. This makes pool betting more appealing to consumers. It is important to note that commingling is achieved using technology and sharing of betting data with no actual money crossing national borders when a bet is placed. All operators involved in commingling continue to abide by national regulations.

Pool betting operators have sought to commingle pools for many years. For example:

- The PMU in France operates a common pool representing €1.4 billion global stakes with more than 100 partners from 56 different countries with the following bet types offered: Win, Place, Exacta, Trifecta, Quinella Win, Quinella Place, Multi, 2/4, Superfecta, Pentafecta (Quinte), Pick5 (5 horses without order), V5 (domestic online pool only).
- Sweden's ATG operates a common pool hosting liquidity from international partners on simple bets and V-bets (choose the winner on three or more consecutive races with the V7 being the most popular bet). ATG's V-pools have a turnover of €1.1 billion and total turnover of €1.6 billion annually.

Commingling took a huge step forward with the creation of World Pool in 2019. World Pool is a collaboration of 28 pool betting operators from around the globe. During a World Pool event certain pools from around the globe, are notionally commingled with pools operated by the Hong Kong Jockey Club to create a "World Pool". This results in enormous liquidity, and a multi-million pound betting experience and better value for the customer.

¹ International Federation of Horseracing Authorities (IFHA): https://www.ifhaonline.org/resources/Annual_Report_2019.pdf

World Pool is proving increasingly popular with horseracing fans and is generating new funds and significant financial returns for horseracing via increased media rights payments for participating racecourses which is in turn increasing prizemoney for horseracing participants.

The seven bet types in World Pool

Win (Single Leg bet) – Pick the winner of the race

Place (Single Leg bet) – Pick a horse to be placed. Hong Kong place terms apply

Exacta (Single Leg bet) – Pick the first two horses in the correct order

Trifecta (Single Leg bet) – Also known as the Tierce. Select the winner, the second, and the third horse in the correct order

Quinella (Single Leg bet) – Select the first two finishers in either order

Swinger (Single Leg bet) – Also known as the Quinella Place, pick two horses to finish first, second or third in any order

Treble (Multi Leg bet) – Pick the first horse in the last three races

Key World Pool Statistics in 2023

- **25 World Pool Days in 7 countries** - UK, Ireland, Germany, Dubai, Saudi Arabia, South Africa and Australia with more to be added in future
- **28 countries commingling** to create World Pool events
- **£650 million global turnover** across World Pool days in 2022
- **\$123,000+ (€115,000+, £100,000+)** in prizes on offer to racing staff for World Pool Moment of the Day and Year
- **7 Tote bet types** included in World Pool events

Working with Governments

WoTA members have been operating for decades with a strong track record of acting responsibly and supporting the horseracing industry.

As a global network of operators, WoTA is a trusted voice in the debate on gambling regulation which is being undertaken by many governments and regulators around the world.

WoTA wishes to actively engage in all topics relevant to pool betting including regulation, taxation, support of the horseracing industry, and the promotion of responsible gambling.

Areas where WoTA and its members are currently engaged includes:

- The leading role played by the Hong Kong Jockey Club (and all other WoTA members) helping Governments to prevent crime and anti-money laundering
 - The UK Tote Group working with the UK Government to promote British horseracing as a leading British export through the GREAT campaign
 - WoTA supporting the Turf Authorities of India (TAU) which has initiated work to integrate all of India's racing clubs into one combined totalisator. India has seven racing clubs with seven different racing rules but TAI IS working towards building one national unified tote via working on a pool betting system with each Indian club. Initially this will enhance their activities and cut costs while helping further integration in the future. As gambling regulation develops it is important to build a modern future-proofed system which can cater to the need of Asian and global markets
 - WoTA acting as a hub of information for members during the Covid pandemic to ensure they were kept informed about horseracing activity in different jurisdictions, helping ensure further integration and cooperation continued during the challenging time
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The future of the World Tote Association

WoTA will continue to welcome new members from around the world in order to grow the role of pool betting and the subsequent benefits this brings to the horseracing industry. Operators wishing to become members need to be aligned with WoTA’s strategy and activities, especially the willingness to participate in commingling. Specifically they must fulfil the following criteria:

FULL MEMBERSHIP

- Owns and operates a pool betting/pari-mutuel system
- Operates legally in all countries where the organisation offers betting opportunities including holding “a licence or authorisation to operate” from the national regulator
- Has viable, transparent and fully registered financial accounts in their country of origin, and be willing to provide historical financial statements as required
- Contributes to the horseracing industry in line with national requirements

The Full Members of WoTA by location are:

EUROPE

ATG
 ZETURF
 NORSK RIKSTOTO
 TOTE IRELAND
 UK TOTE GROUP
 VEIKKAUS
 GERMAN TOTE
 HUNGARIAN TOTE
 DANSKE SPIL
 SVENSKA SPEL
 GENY/PARIS TURF

ASIA

HONG KONG
 JOCKEY CLUB
 TABCORP
 SINGAPORE POOLS
 MACAU JOCKEY
 CLUB

AFRICA

SOREC
 4RACING
 GOLD CIRCLE

AMERICAS

STRONACH GROUP
 CHURCHILL DOWNS
 INC
 WOODBINE

ASSOCIATE MEMBERSHIP

- Operates technology and/or services for pool betting/pari-mutuel operators
- Operates legally in all countries where it provides services including “a licence or authorisation to operate where appropriate” from the national regulator
- Has viable, transparent and fully registered financial accounts in their country of origin, and be willing to provide historical financial statements as required

The Associate Members of WoTA are:

TECHNOLOGY/SERVICE/MEDIA PROVIDERS

GROUPE CARRUS
 GLOBAL TOTE
 VIRTUAL LIVE RACING
 SUOMEN HIPPOS (Racing in Finland)
 NASDAQ
 COLOSSUSBETS
 CHRIMS

The WoTA board is made up of the following operators:

- UK Tote Group, Alex Frost (Co-Chair 2022-24)
- ATG, Hans Lord Skarploth (Co-Chair 2022-24)
- AmTote/1ST/Technology, Keith Johnson (Treasurer 2022 -24)
- Tabcorp, Paul Cross
- Hong Kong Jockey Club, Michael Fitzsimons
- SOREC, Idriss Belghazi
- German Tote, Riko Luiking
- Singapore Pools, Simon Leong
- United Tote/Churchill Downs, Andrew Archibald
- 4Racing, Fundi Sithebe
- Groupe Carrus/HAHE, Jerome Carrus
- Veikkaus, Juha-Matti Mäkilä

For further details or information about WoTA please contact:

Florence Gras

Secretary General

florence.gras@world-tote.org
