

BREEDERS' BULLETIN



WINTER 2016

THE FUTURE BELONGS TO THOSE WHO PLAN FOR IT



BY GREG PURCELL NZTR CEO

Famed trainer Colin Hayes believed that adopting the adage “The future belongs to those who plan for it” as the family motto played a key role in his success in life and racing.

The Hayes mantra might also have applied to the NZTR Board and executives in recent weeks.

Led by Board Chairman Alan Jackson, we have put in a huge amount of work over the past three months on strategies to improve the industry's financial performance.

This has included:

- Reviewing and evaluating the New Zealand Racing Board/ Tabcorp international broadcast strategy.
- Undertaking an extensive evaluation of voluntary Race Fields fees from Australian corporate bookmakers and establishing a voluntary Race Fields legislation steering group with the NZRB.

- Assessing opportunities to expand the market presence of New Zealand thoroughbred racing in Australia.
- Reviewing the NZRB's FY17-19 Statement of Intent (SOI).
- Forming an agreement with the Harness Racing New Zealand and Greyhound Racing New Zealand chairmen to provide joint submissions to the NZRB on FY16 distribution, FY17 SOI and international broadcast agreements.
- Establishing an IP (intellectual property) Steering Group.

It has required extensive consultation with HRNZ and GRNZ at Chair and CEO level and also with the NZRB at Chair and CEO level.

There has also been considerable consultation within the thoroughbred code.

NZTR made presentations throughout the country in June, meeting with race club presidents and chief executives and the key stakeholder groups, to explain our strategies and options.

We have also worked closely with our five major club groups - Auckland Racing Club, Canterbury Racing, Waikato Racing Club, RACE Group and Hawke's Bay Racing Inc. - to develop a thoroughbred approach to intellectual property, which is currently under consideration by all clubs.

At the same time, NZTR has been finalising our budgets for the new financial year, which, like the new racing season, begins on August 1. It is rarely an easy task and there have been particular challenges for our finance department this year.

NZRB funding to the racing codes is yet to be finalised, with the codes seeking to collaborate with the Racing Board on the challenging business circumstances the board faces.

It adds a degree of urgency to our planning but NZTR's emphasis has been on long term strategies. We want to look at least five to 10 years ahead, with goals that can materially alter our industry's future.

We are also aware that we cannot work in isolation. The New Zealand industry will not be able to take full advantage of the emerging opportunities unless the NZRB and the code bodies work in a collaborative fashion.

At the same time, all parties should be accountable for their performance.

There is no silver bullet that will provide a quick fix but the rapidly changing wagering and media landscape will provide opportunities that could lead to a significant improvement in the financial health of the industry and its stakeholders.

Reward will not come without risk in some instances but NZTR has identified opportunities with the potential to return between \$28 million to \$38 million in additional funding by 2020.

This is a significant amount when you consider that the current NZRB distribution to the thoroughbred code is around \$73 million. Increasing that to \$100 million or more would make a real difference.

The areas that could provide that funding include Race Fields legislation and fees, increased market presence for New Zealand thoroughbreds in Australia and improved efficiencies and returns from the NZRB.

Race Fields legislation is one bright light on the horizon. Genuine progress is being made and there is an obvious willingness, at a Government and industry level, to get behind the concept.

In addition, the legislation introduced by Australian states has provided a framework and a precedent that can be easily be adapted for the New Zealand industry.

If anyone is in doubt as to the success of the legislation in Australia, it is worth repeating that in the 2014-15 financial year, the Race Fields scheme returned A\$129 million to Racing Victoria and A\$66 million to Racing New South Wales.

The return for the New Zealand industry will be far less but should still be significant and it is not unreasonable to expect that the thoroughbred code will be earning around \$8 million a year in Race Fields fees by 2020.

It is anticipated that the required legislation will be in place by August 1 2017.

The legislation is of fundamental strategic importance to our industry,

especially as the corporate bookmakers continue to increase their market share in Australia, at the expense of the Australians TABs.

The graph which accompanies this article illustrates how difficult it has become for the NZRB to grow the earnings from its domestic wagering operations.

Since the industry benefitted from tax relief in the 2007 season, domestic wagering earnings have been static, with nearly all profit growth coming from international royalties and gaming.

The NZRB challenges include its lack of scale, a shift in race betting from tote to fixed odds and a shift in turnover growth from racing to sports betting. These are all factors which have put pressure on betting margins.

It is also becoming clear that the Australian market is the area which has the greatest potential to produce a significant boost in thoroughbred turnover.

Betting on New Zealand thoroughbred racing accounts for just 3.2 percent of TAB turnover in Australia and Australian

punters appear have a relatively poor understanding of our racing.

However, dynamic changes in the Australian wagering and broadcast market provide New Zealand thoroughbred racing with a window of opportunity to expand our market presence and grow our export earnings.

The emergence of the likes of Racing.com, new options for digital vision feeds and punter-focused websites have opened up the possibility of new and potentially rewarding partnerships.

Mergers and fresh alliances in allied businesses have become more common overseas, putting further pressure on the smaller operators, and similar patterns are emerging in New Zealand.

The proposed mergers between Fairfax NZ and NZMe and between Sky Television and Vodafone are obvious examples of the scale of change.

The New Zealand racing industry needs to demonstrate that same agility and appetite for change if we are to thrive in the new wagering world.

TRM July 2016

MINIMUM PRIZEMONEY INCREASE AND SHOWCASE RACING FOR N.S.W.

Increases in minimum prizemoney for Country TAB and Provincial race meetings in New South Wales that were announced in November last year took effect from Friday, 1st JULY 2016.

Minimum prizemoney for Provincial meetings will be increased by \$5,000 or 23% to \$27,000 per race. Country TAB meetings have been increased from \$15,000 to \$20,000 in prizemoney, also an increase of \$5,000 or 33%.

"These increases are part of a package of more than \$21 million in prizemoney increases for Country TAB and Provincial races," said Racing NSW Chief Executive, Mr Peter V'landys AM.

"The prizemoney increases coincide with the second year of the phase-in of wagering parity. These increases would not have been possible without the Baird Government's reduction in State wagering taxes to bring us in line with Victoria over the next five years. We particularly thank Troy Grant (previous Racing Minister) for his leadership on this matter."

Showcase Meetings

Racing in Country NSW will benefit from Country Showcase meetings to be

launched with the first of these to be run at Coffs Harbour on 4 August 2016.

Showcase meetings offering a minimum of \$30,000 per race in prizemoney will be staged at various courses throughout NSW.

In many instances Showcase meetings will be staged on emerging Cup or Feature meetings at country racecourses.

This series of meetings starts in August with the Coffs Harbour Cup, Narromine Cup and Taree Cup meetings.

"The Showcase meetings provide excellent opportunities to focus greater attention on some of NSW's emerging country cup meetings," said Mr V'landys.

"Increases to minimum prizemoney and Country Showcase meetings come on top of the highly successful expansion of The Championships to include Country and Provincial racing and the implementation of Highway races at most metropolitan Saturday meetings.

"These prizemoney increases, along with previous minimum prizemoney increases, have seen an increase in minimum Country TAB prizemoney of 110% since 2012," Mr V'landys concluded.

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2016 SCHOLARSHIP STUDENTS OVERSEAS REPORT



Hannah Mee Graduation Day 24/6/16 (third from right)

By the time this edition of the Breeders' Bulletin goes to print, Hannah Mee the Keith and Faith Taylor Equine Scholarship winner, will be enjoying the sights of Europe after completing her Irish National Stud course. The Sunline International Management Scholarship winner Bevan Smith will be making his way Kentucky for the last leg of his eight month course.

Hannah commenced her course at the Irish National Stud in January and graduated in early July, while Bevan left for England in February, before heading to Ireland in May. Both scholarship winners have provided the NZTBA with very informative blogs and these can be found on our website.

Hannah reported in at the end of her course before she embarked on a six week European tour with her sister, and returns home in early August to take up a position with scholarship sponsors at Trelawney Stud.

"It's hard to believe that the time has gone so fast over here," she said, and after my trip around Europe I am sure I will be looking forward to starting work at Trelawney Stud.

"There have been so many highlights over the past few months it's hard to recount them all, but some of the high lights for me that stand out the most would have to be, attending both the 2000 Guineas at Newmarket and the Irish 1000 Guineas.

"They were both amazing days, just the quality of horse and races was great to see.

"I also enjoyed being able to visit and experience the yards of many trainers, such as Jim Bolger, Mick Halford, Ballydoyle, and Johnny Murtagh. We also had the pleasure of visiting some of the other studs around the area like Gilltown and Kildangan.

"The course has been great," she enthused, "and everything has been of value to me from the stud work, to the lectures and I have learnt so much and I am looking to what the future has in store for me."

Bevan too has had a wonderful time and is looking forward to a change of pace at Taylor Made Farm in Kentucky where he will be working with yearlings, now the breeding season is over.

"The Sunline Scholarship has truly been a great experience so far. I have worked with world class thoroughbreds in both England and Ireland and I am looking forward to working with more in Kentucky," he told the Breeders' Bulletin.

"Not only have the horses that I have worked with been world class, so have the people I have had the privilege of working alongside. I have tried to absorb as much knowledge as I can from the people that I have met, these people have been in the game a long time, seen many things and have all been willing to impart their knowledge to me.

"There has been many highlights, it is hard to narrow it down. I genuinely get excited about getting up every morning and heading into work. When I was working with the Coolmore stallions it was awe inspiring been among some of the best stallions in the world. The first horse I would see every day was Galileo - the best sire in the world.

"I have also been lucky enough to get time away from the farms I was based at and visit and do other things. I have visited a number of other farms including Juddmonte, Shadwell, Godolphin's farms in both the United Kingdom and Ireland, Gilltown Stud, Brook Stud and both the English and Irish National Studs.

"One of the best things I have done do far is attend the Tatts' Craven Breeze Up Sale. I am very interested in the trading of horses and breeze up sales are done so differently over here, it was a big learning curve. I have also spent time with some of the great trainers not only in the United Kingdom, but the world, including Sir Michael Stoute and William Haggas, and I have attended some very high profile race meetings.

"At Taylor Made Farm, I am here for the yearling sales season and Taylor Made is one of the largest consignors of yearlings in the world, preparing around 600 yearlings annually. This is going to be a great change from England and Ireland as I have been primarily involved with the breeding side of the industry."

Bevan returns home to New Zealand in October.

Applications for the Keith and Faith Taylor Equine Scholarship and the Sunline International Management Scholarship, close in September, more details about the scholarships along with the blogs of the current and previous scholarship winners can be found on the NZTBA website. www.nzthoroughbred.co.nz

SOUTH ISLAND SUCCESS FOR AIDE MEMOIRE

The recent win by Aide Memoire (Remind [USA]- Explain), in the Listed Rangitikei Gold Cup, marked a special milestone for members of the NZTBA Canterbury, Marlborough and Westland Branch Kay Hood, Debbie Clark and Myles Gordon.

The lightly raced four-year-old mare was the first stakes winner for her Canterbury based sire Remind (USA) owned by Clark and Gordon and standing at their Long Acres Stud property in Darfield, and the first stakes winners for her breeders Alan Groves, Iain Gunn and Hood's Hedwood Thoroughbreds Limited.

"We are absolutely thrilled with the result, it's so exciting to breed your first stakes winner" said a delighted Hood, "and thrilled that she is the first stakes winner for Remind (USA). He is a very under rated stallion and his horses are sound and tend to just keep on getting better as they get older."

That sentiment is shared by Debbie Clark.

"Fraser Auret her trainer, has done an amazing job with this filly and has given her the time she has needed. That's what Remind's horses all need, time, they need a trainer that is going to give them an opportunity to be a good three or four-year-old. It's very exciting, it's been a long time coming but we are thrilled," said Clark.

"He only ever had a limited book, and the last couple of years he has only served about 14 mares and they are all our own. He only had three live foals last year. It's a shame really as he has left some good horses. The Gordonian is rising eight and he has won seven races including the Wairio Cup last week. Bechtolschiemer has won seven, and she is still racing well at



six along with Lucille who has won six races. Remind (USA) himself raced on until he was six.

Aide Memoire is the eighth foal and first stakes winner from the winning Success Express(USA) mare Explain, who was purchased by Hood in 2009 with Groves and Gunn, whom she had met at the Levin Breeders Forum. Hood, an active committee member on the NZTBA's Canterbury-Marlborough-Westland branch.

A FEED ADDITION FOR WINTER WEIGHT GAIN – FROM DUNSTAN

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During the winter months when horses may require additional calorie intake to maintain desired body condition, adding a calorie - dense supplement on top of the existing ration will assist to 'boost' the daily energy contribution. The base of any hard feed ration should ideally be a good quality complete feed which contains added vitamins and minerals. This ensures key nutritional requirements of the horse are being met. However, if you are feeding the recommended intakes of a full feed and the horse is still struggling to maintain desirable body condition, then the addition of a calorie-dense supplement such as Dunstan Extruded Rice is ideal. Vitamins and minerals are not added to Dunstan Extruded Rice and therefore it can be incorporated into the existing ration to provide further calories without doubling up on vitamin and mineral contribution. Add it to the existing ration at 500grams to 1.5kg daily.

For further information, contact the Dunstan Team on Ph 0800 438678



DAVE LOOKS FOR LEADERSHIP

BY GUEST CONTRIBUTOR AND PAST NZTBA CEO

DAVID BRADFORD

Racing is in dire straits and measures must be taken to restore it to something resembling the vibrant industry it used to be.

No, not my words. Those of Murray Baker, reigning champion trainer and recognised as one of the most successful of the modern era.

A sobering observation, but one gathering momentum throughout both horse-racing codes from club boardrooms, to the horse-people engaged at the coalface and the various sector groups including breeders, owners, trainers and punters.

Tugging at both heart-strings and pockets is the simple truth that not enough of the money generated by betting is finding its way back into prizemoney and the routine, but inescapable, costs incurred by clubs.

Amid the chorus of discontent is the claim that the New Zealand Racing Board is allowing the TAB to squander unreasonable money on what are perceived by some to be no more than whims.

A straight-from-the-hip editorial in The Informant on June 17 lamented that trainer Paul Belsham was quitting after 20 years simply because he could see no likely improvement in the economics of his chosen business.

Under the heading of "Missing Millions Pulling The Industry Down" editor Dennis Ryan highlighted the imbalance between Racing Board costs and the funding received by the industry.

In the same edition New Zealand's all-time most successful harness trainer Mark Purdon spoke of the slim profit margin that remained after meeting all the costs of operating a champion stable.

If trans-Tasman legends like Murray Baker and Mark Purdon voice concerns about the viability of their operations, about attracting clients and keeping them enthused, I believe the time has well and truly come for the Racing Board not only to hear what the industry is saying, but also to listen to it.

An obvious player in this scenario is the New Zealand Thoroughbred Breeders' Association because a vibrant domestic racing industry is vital to the breeding activity. Certainly home-grown stallion pedigrees are invariably "made" on Australian racetracks and on occasion further afield. But an entire industry can't be built around just potential elite performers suited to export.

Second tier and private breeders more often must rely on local yearling buyers who are essential to a very simple equation: the stronger the domestic racing scene, the stronger the local buying bench.

Direct evidence of the correlation between the rise of yearling production costs and the true drop-off of domestic racing rewards over the last few decades is shown by the reduced number of broodmares being mated. Back in 1986, when I was CEO of the Breeders' Association and private breeders were flourishing, 6112 foals were born. By 2014 that number had plunged to 3551.

Across those three decades, private breeders have steadily surrendered in response to the rising cost of breeding, rearing and preparing a yearling for sale - now between \$25,000 and \$29,000, not including the stallion service fee - and an increasingly selective Australasian marketplace.

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Further back, in the early 1970s when I mixed duties as racing editor of the Auckland Star with operating Lone Oak Lodge agistment farm at Whitford, my partner and I managed to breed the Group One winner Paul de Brett (Avondale Cup) and prepare a Pakistan II filly who, at the time of going through the ring at Trentham, was the second highest-priced filly sold at the National Yearling Sales.

Even as small-time players we had a viable business. In 1973 I morphed this private interest into my primary business when setting up Glen Orchard Stud in Matamata - later to become Bloomsbury Stud and currently Westbury Matamata. In the Glen Orchard era most of the people who sent mares to our stallions were themselves private breeders and in the main farmers. So many of them are now sadly missing from all client lists as part of a steady decline, particularly noticeable over the past 15 years.

Understandably there has been a corresponding fall off in the membership of the NZTBA over the same period - from 2,300 to 1,500.

Contributing to these figures are dramatic changes to the New Zealand rural scene and the different focus of many new generation private breeders.

Throughout the 20th century and into the new millennium, the dairying industry

was very much a DMK activity - dad, mum and the kids - all known to the milk tanker driver, rural delivery man and the bank manager of family choice. Getting the pick of the grazing was a broodmare (or two) and the hope that one sunny day their progeny would win the Auckland Cup and on an even sunnier day the Melbourne Cup.

The good thing was dreams were free and breeding the odd thoroughbred was, in many cases, no more than an extension of the farming activity. But surging costs put the squeeze on the traditional family farming unit. Investors moved in, lumped several properties together in one big unit and the DMK concept gave way to managers without access to "free" thoroughbred grazing.

The void has been filled to some extent by smart new industry players who combine breeding with educating and trading horses, and are not dependent on domestic racing, buyers or even sales. Most of them have not endured the long decline of New Zealand racing and have tailored their businesses around current realities.

Another positive is the continued huge level of support given domestic racing by our dominant studs by way of sponsorship and ownership. This seems to me well beyond the call of duty and intriguingly, their number includes the Australians Dick Karreman (The Oaks

Stud) and Gerry Harvey (Westbury Stud).

But it's also completely understandable when you consider that racing and breeding are merely the two halves of the thoroughbred industry.

Dominating the scene, and putting an increasing international focus on the New Zealand thoroughbred, is an elite group of studs with massive investments in world-class operations and home to stallions of genuine international quality.

These "oak trees" of modern New Zealand breeding grew from acorns planted by former small guys, driven by the desire to work harder and do better. Sadly, fewer acorns now mean fewer oak trees in the future.

Since its inception in 1947 the NZTBA has been the breeding industry's collective voice. Over the years, it has pursued countless issues on behalf of breeders, including the structure, governance and performance of New Zealand racing.

It can lay claim to successful initiatives like NZ Thoroughbred Marketing, established by the NZTBA and partly funded by the long-standing sales levy. The development, launch and successful management of not one, but three schemes to encourage investment in fillies for future breeding: FAMIS, TBS and most recently the NZ Bloodstock Insurance Pearl Bonus Series. The formulation of syndication regulations acceptable to the Securities Commission. A leading role in what proved to be an unsuccessful battle against the flawed 2003 Racing Act, especially the infamous Section 16 - the TAB distribution formula that so seriously disadvantaged the thoroughbred code.

So I find it completely understandable that both halves of the thoroughbred industry should be less than happy with the current overall performance of the Racing Board.

To me, in the comfortable role of media observer, the Board's key failure is not fulfilling its function, stated in Section 9 (1) (a) of the Act, "to develop policies that are conducive to the overall economic development of the racing industry, and the economic well-being of people who, and organisations which, derive their livelihoods from racing."

FOOTNOTE: Late July, the Racing Board will announce the distributions to the racing codes and the three codes will no doubt respond. This article was written before either event and is unlikely to be read by the NZTBA membership until afterwards.

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BIG ENTRIES FOR NZB INSURANCE PEARL BONUS SCHEME

The highly successful Pearl Bonus Scheme for fillies and mares is now calling for final entries for the 2016 Series. This year has seen many fillies win bonuses and take home a midweek \$11,500 or Saturday \$20,000 bonus on top of the prizemoney for their owners.

Now in its fourth season, trainers and owners are now acknowledging what an important scheme Pearl has become and are clearly targeting the NZB Insurance Pearl Bonus races. Industry response has been outstanding with 447 yearlings enrolled to date in the 2016 Series and it certainly has assisted in helping owners and breeders race a filly in New Zealand.

Nominations for yearlings close on 31st July, 2016 at a fee of \$920.00 inc. gst so don't delay in entering your filly now. Visit the website www.nzthoroughbred.co.nz for more details and to download an entry form or call Nicola Griffiths at the NZ Thoroughbred Breeders' Association on 021 338 581 or the Pearl Hotline 0508 222 202.

Pearl races programmed for the new season will be available on the NZTBA website.

Complacent and Contributor will both stand at Mapperley Stud in Matamata, while Il Cavallo will stand at Chequers Stud, Mongolian Khan at Windsor Park and Sweynesse at Novara Park all in Cambridge. The Register had gone to print before the announcement that Vespa (Elusive City[USA]-Miss Avalon[IRE]) will stand at stud at Wellfield Lodge in 2016.

Along with this issue of the Breeders Bulletin, you will also have received a compact version of the A-Z Members Diary. Following feedback received by the Association and the diary's publishers from members over the past two years, it was decided a smaller more compact version of the diary was more suitable and convenient for daily use.

New Benefits

NZTBA members swingers for entrance to most Racing Clubs throughout the country will be posted out in October and as part of the renewed membership package, members will now also receive a copy of the popular hardbound **New Zealand Racing Annual** published in late October. A great asset to any library showcasing the year's racing highlights, the Annual has been published for 44 years. It features interesting and entertaining stories and photographs of all the horses and people associated with them that have achieved success in the previous season.



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NEW MEMBERSHIP BENEFITS FOR 2016

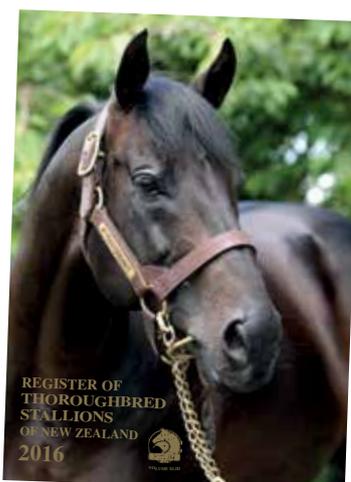
A fine headshot of the Dewar Trophy winning champion sire Savabeel (Aus) graces the cover of the 43rd volume of the Register of Thoroughbred Stallions of New Zealand which all NZTBA members will have received in June.

The 152 page book provides vital information to guide breeders in the important investment decisions they must make each year to sustain New Zealand's successful thoroughbred breeding industry. It features the tabulated pedigrees of 82 stallions standing at stud in New Zealand along with their race and stud records and the statistics of their sires.

It contains the stud information and location maps of those sires, along with comprehensive statistical data crucial to the industry including sire premierships - both local and international, fertility figures, sales averages, Award winners, free handicaps, and industry statistics. There is a host of other useful information including industry partners and contacts, and local and overseas websites. The pedigree index alone which covers 14 pages features an alphabetical index of all the horses in the first five removes of the pedigrees of the advertised stallions.

For quick reference all stallions standing at stud in New Zealand are listed in alphabetical order, under the sire's name, under their service fee, and in their regions.

There are five new additions to the stallion register this year Complacent (AUS)(Authorized [IRE]-Insouciance[ASU]), Contributor(IRE) (High Chaparral[IRE]- Serisia[FR]), Il Cavallo (AUS)(Choisir[AUS]-Gold Chant[AUS]), Mongolian Khan (AUS) (Holy Roman Emperor[IRE]- Centafix) and Sweynesse (AUS) (Lonhro[AUS]- Sawnsea[IRE]), all of whom are based in the Waikato area.



THE BREXIT AND THE IMPACT ON THE CURRENCY

Unless you have been living under a rock for the last month, you will no doubt be aware that Britain has voted to leave the EU. Britain is the first major nation to leave the EU – therefore we are now in previously uncharted waters, which creates uncertainty, uncertainty for currencies means volatility.

The Sterling stabilised slightly following a fall of 10% immediately post announcement, but the resignation of the prime minister David Cameron, mention of a British re-vote, a Scottish referendum, dates for the implementation of article 50, untangling of trade agreements financial obligations and legal frameworks, amongst many other theories and possible sweeping changes all being touted in the aftermath- we anticipate continued uncertainty.

The impact of these unprecedented events are having an

affect on currencies globally, not just the Sterling and Euro. Regardless of the currency you are sending or receiving, you will get a better deal using a foreign exchange specialist such as the NZTBA's foreign exchange partner NZForex.

NZTBA board members alone have used OFX more than 500 times to send funds internationally. **“We partner with and encourage our members to utilise their service”** – John Fokerd NZTBA president.

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NEW LOOSE BOXES FOR KAIPIRA LODGE

Goldpine were pleased to be chosen to erect 6 new loose boxes for Alex Oliveira at Kaipira Lodge near Cambridge.

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SUGGESTED MANAGEMENT OF NON-VACCINATED MARES AGAINST EHV

As mare owners you will now be aware of the international shortage of EHV (Equine Herpes Virus) Pneumabort k or Pneumequine vaccines and some mares are now unvaccinated. We thought it was timely to send some reminders and advice on Herpesvirus.

As with any animal health issue, we always suggest you discuss your particular situation with your Veterinary surgeon, however guidelines are as follows:

- STRESS is a major contributor to the spread of ANY virus.
- It is not just broodmares that carry the EHV virus therefore; prudent management of ANY, particularly new horses / ponies on your farm, is always wise even with vaccinated mares.
- The virus lives in horses' nostrils and is commonly spread by droplets in the air. Horses remain infected for life.

Some reminders and advice regarding Herpesvirus:

- Management of pregnant mares is of primary importance for control of abortion caused by EHV-1.
- Carrier horses show no external signs of disease when the virus is inactive, or latent. They are capable of shedding virus, with or without clinical disease, particularly at times of stress, for the rest of their lives.
- Primary indications for use of equine herpesvirus vaccines include prevention of EHV-1-induced abortion in pregnant mares, and reduction of signs and spread of respiratory tract disease (rhino pneumonitis) in foals, weanlings, yearlings, young performance and show horses that are at high risk for exposure. Many horses do produce post-vicinal antibodies against EHV, but the presence of those antibodies does not ensure complete protection. Consistent vaccination appears to reduce the frequency and severity of disease and limit the occurrence of abortion storms but unambiguously compelling evidence is lacking. (American Association of Equine Practitioners)

Guidelines in the case of Abortion

- Cases of abortion triggered by the disease usually occur without warning, typically late in pregnancy – after eight months. Occasionally, abortion can be triggered as early as four months. EHV abortion can occur from two weeks to several months following infection.
- If you come across an aborted foetus immediately remove other paddock mates to another paddock and keep as a herd. Treat the mare and foetus as contagious and ring your veterinary surgeon. Practise STRICT personal hygiene protocols including farm vehicles, dogs and gear.

Owners should take extra precautions in the absence of adequate vaccination cover:

These include:

Rigid quarantining of the sick animal until the risk of transmitting the infection has passed.

Separation of any horse that has aborted or shown signs of fever, respiratory disease, or neurologic disease from healthy horses.



Ideally, sick horses should be moved into a separate building, remain SOLELY in the paddock, no sharing of water troughs or at least 15 m away from other horses, or be taken to an isolation area.

Do not share equipment among horses on the property, given that the virus can be spread through contaminated objects such as water and feed buckets, even bridles.

It is important that people in contact with the horses use proper biosecurity measures.

They should wash their hands after handling one horse and before handling another. They should also change their clothes and footwear after working with a sick horse.

Ideally, a person caring for a sick horse should not work with healthy horses.

When this is not practical, healthy horses should be handled first and sick horses last.

Wearing gloves and using disinfectant to sanitize footwear can also help minimize the risk of people spreading the virus between animals.

More points to note:

- All forms of herpes viral disease have now been documented in New Zealand and outbreaks are likely to occur annually.
- Stress of transportation and new environments are one of the most likely triggers for reactivation of the latent form.
- A period of isolation post arrival on farm is advisable. The duration of this is debateable but not less than 10 days would seem prudent.

**NEW ZEALAND THOROUGHBRED
BREEDERS' ASSOCIATION (INC)**
Patron: Her Majesty The Queen

25 May 2016

Policy Group
Department of Internal Affairs
PO Box 805
WELLINGTON 6140

By email to: offshorebetting@dia.govt.nz

RE: Submission: Proposals to amend the Racing Act 2003

Thank you for the opportunity to comment on these important proposals on behalf of the New Zealand Thoroughbred Breeders' Association.

The NZTBA strongly supports Proposals 4 & 5 which both demand urgent implementation in order to increase the revenue that is desperately needed by New Zealand thoroughbred racing for prizemoney, infrastructure and industry training, and to revive & encourage investment in quality bloodstock.

The Australian race fields payment legislation and payment system offers an obvious model for New Zealand to follow and adopting it would simplify & encourage compliance by offshore gambling operators. We urge consultation with the relevant Australian authorities about the details of their system, especially the appropriate rates of payment.

Use of data or race fields approval under the amended New Zealand Racing Act 2003 will also identify and effectively legalise at least some of the offshore wagering operators accepting bets from New Zealand and therefore liable also to pay the consumption fee. The payment of race fields and consumption fees will help to level the playing field for the NZRB & the NZ racing industry, which at present are supplying the New Zealand racing "product" free of charge to offshore bookmakers.

However, these amendments are not enough to address the enormous problem of illegal wagering on New Zealand and worldwide racing. It is estimated that the global illegal betting market, driven largely by Asia-Pacific operators, is worth around \$US500 billion - more than twice the size of the legal betting market. (Estimate from a presentation by Winfried Engelbrecht-Bresges, Chief Executive, Hong Kong Jockey Club, at the Asian Racing Conference, India, January 2016).

Illegal betting operators are a serious threat to the funding & integrity of racing and other sports. Furthermore, their involvement in organised crime and the funding of criminal activities such as fraud & money-laundering must make them the subject of investigation beyond the boundaries of racing.

International experience shows that a suite of measures is required to combat illegal betting, including blocking websites and financial transactions, the enforcement of liability for the principals & associates of illegal operators and the cross-border sharing of data & intelligence. Further amendments to the Racing Act 2003 may be necessary to make these measures available to the NZRB.

Proposals 1, 2 & 3 are, in the NZTBA's view, secondary to Proposals 4 & 5 because there is little point in expanding the NZRB product offering if the playing field on which they compete against offshore operators remains so uneven.

The NZTBA has reservations about all three of these proposals, because of the integrity risks, the cost of additional resources needed to monitor new kinds of betting behaviour and the probable increase in problem gambling, which has such a destructive impact on individuals, businesses, families and communities, and the public image of racing.

The risks are even higher for other sporting events, especially games of long duration such as cricket; in sports not represented by a New Zealand-based statutory body subject to New Zealand law; and in sports that do not have the equivalent of a Racing Integrity Unit.

The flow-on effects of integrity breaches for New Zealand racing include reduced confidence in the industry's ability to ensure a "fair go" for punters and for the people who invest in horses. This applies especially to owners and private breeders whose participation is discretionary and particularly sensitive to their perceptions and experiences of fair or unfair competition.

Finally, live betting has the potential to increase external pressures on jockeys during races, thereby raising the risk of accident and injury for both riders and horses.

Equine & jockey welfare, integrity and problem gambling are serious and growing issues affecting racing's public reputation, and its ability to attract & retain fans and investors. In our view, the perceived benefits of Proposals 1, 2 & 3 are likely to be outweighed by the additional monitoring & policing costs and the potential damage to the integrity & reputation of racing and other sports.

Yours sincerely,



Michael Martin
Chief Executive

RACE FIELDS LEGISLATION

Many members will have read the proposals that have been suggested to amend the Racing Act including the race fields legislation. The NZTBA has joined other industry bodies in supporting the change which is of fundamental strategic importance to the future success of our industry. If you wish to discuss our submission further, please contact Michael Martin.



ENCOURAGING TIMES AHEAD FOR THE NEW ZEALAND BREEDING INDUSTRY

After yet another successful autumn carnival by New Zealand bred horses it seemed only fitting that the NZB National Weanling, Broodmare and Mixed Bloodstock sale be buoyant, however the record breaking sale was beyond the expectations of everybody involved.

The overall statistics tell a heartening tale of the state of the breeding industry with receipts for the three day Sale totalling \$8,915,200, up \$4,830,100 (a 118% increase) on last year with clearance at 91%. The overall median price settled 188% up at \$8,000 (from \$2,775 last year) with the average at \$19,989 compared to last year's \$9,589.

Over the first two days 238 weanlings were sold for a total of \$5,740,300 resulting in a 91% clearance rate. This strong demand saw the median up 175% on the previous year's sale to \$11,000 (from \$4,000 in 2015) and the average settle at \$24,119, a 90% increase on the \$12,113 recorded last year.

The leading lot was an O'Reilly colt from the multiple stakes-winner in Singapore Mexican Rose, consigned by Hallmark Stud for breeders Mr David Ellis and Nearco Stud, the colt was secured by Dean Hawthorne who was bidding on behalf of Kacy Fogden of Queensland-based Aquis Farm for \$185,000.

Brighthill Farm consigned the second highest price of the day with \$180,000 paid by Ascot Farm and Ampulla Lodge for the Tavistock colt from the Thorn Park (AUS) mare Once More. Brighthill's well-prepared draft was highly sought-after with 13 of 13 sold to see them sit second in the leading vendor table behind Gordon Cunningham's Curraghmore which emerged the leading vendor at the sale for the 11th year running.

There is no denying the impact that Tavistock had on the sale as the top priced broodmare Galatika, a Thorn Park half-sister to Volkstok'N Barrell, topped the broodmare sale at \$405,000. She was in foal to Tavistock carrying a three-quarter relation to that multiple Group One winner. She was purchased by Rosemount Stud who will stand the dual Group One winning son of Tavistock, Tarzino at stud this spring.

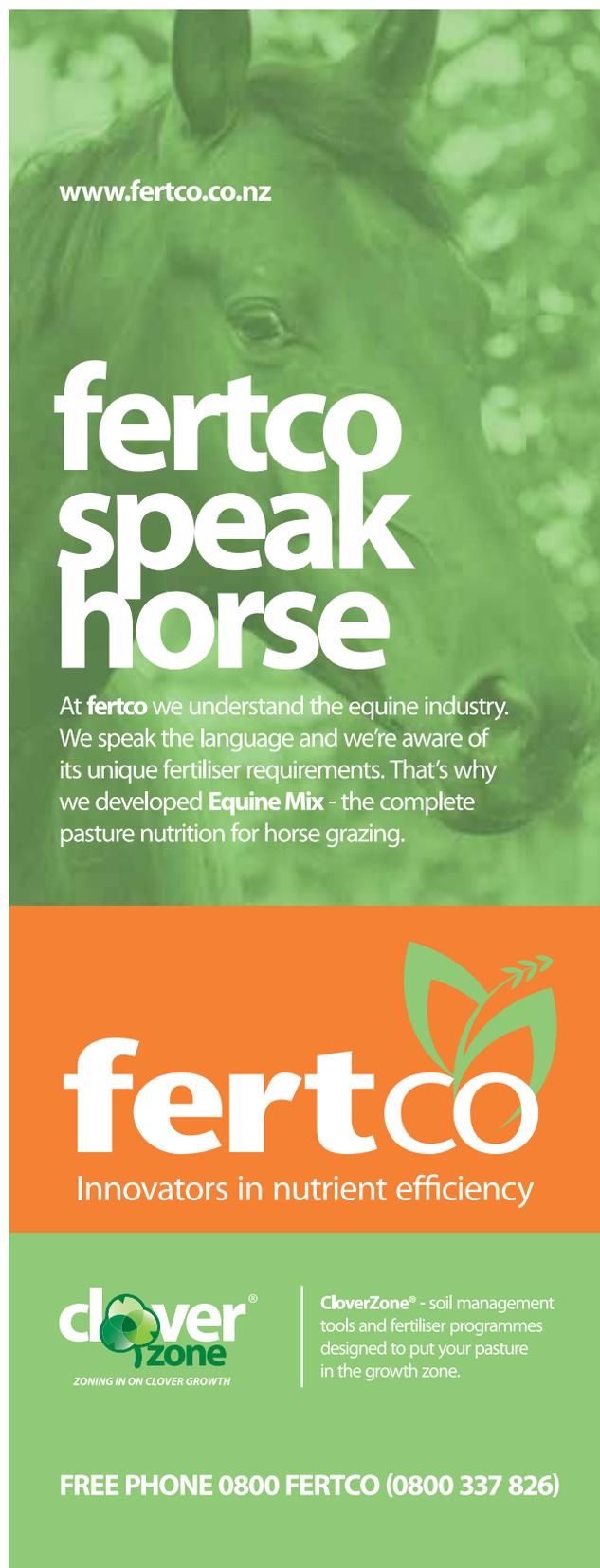
Of the five top priced broodmares sold at the record breaking sale three were in foal to Tavistock.

Brighthill Farm was fortunate enough to have three Tavistock's in their weanling sale draft. Proprietor and NZTBA Councillor Nick King, believes that the sale indicates that the industry has really turned a corner.

"It was a great sale and it galvanised everything that we had expected following on from the yearling sales and the great autumn racing results," enthused King.

"In New Zealand right now we are fortunate to have some really good young sires, helped by the likes of Tavistock, and in his case, breeders are poised to make a lot of profit off a really successful stallion at a low service fee".

"The overseas buyers are returning to buy our horses. A few years ago it was suggested that we didn't have enough good stallions, but now the quality of the young stallions that have come in over the last few years has improved, and we are starting to see the results of that filter through.



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or call Lisa Dunbar on 021 942 574

NZTBA LAUNCHES EXCITING NEW WEBSITE

Many of our members will now be aware of the new look website which was launched in early July.

The new website is part of a 'one stop shop' for those involved in all aspects of Thoroughbred Breeding and Racing. The NZTBA website is structured to align with the websites of NZ Thoroughbred Marketing (NZTM), NZ Thoroughbred Racing (NZTR) and Racing Jobs NZ with direct links to each of the sites on the home page.

The NZTBA's new website is easy to navigate and offers on the spot breeding news, statistics and information including Equine Health, articles and videos, Health and Safety information, Taxation advice and much more information specifically tailored for the New Zealand Breeder.

The link from the "Studs and Stallions" listing now enables you to have direct access to the **Arion stallion database** for real time updated pedigree information that will compliment your Stallion Register. We thank Arion pedigrees for

access to their internationally renowned database which will prove to be a fantastic feature of our new website.

The NZB Insurance Pearl Series page has a new online application form and now offers applicants the option to pay with Payment Express, a preferred method for credit card payment in New Zealand.

The website also has a very useful A to Z "Contacts Directory" page with a search engine to allow you to search for Thoroughbred business contacts throughout New Zealand and Australia.

Log on today and have a browse on the new site. We would welcome your suggestions and feedback on how we can improve the site further in the future.



NEW ZEALAND THOROUGHBRED BREEDERS' ASSOCIATION

Dear Member,

Enclosed with our compliments is the 2016-2017 NZTBA Member's Diary, which comes to you as one of your NZTBA membership benefits.

We trust you will make good use of it over the coming season and we wish you every success for the year ahead.

Phone: (07) 827 7727 | Email: nztba@nzthoroughbred.co.nz | www.nzthoroughbred.co.nz

NEW ZEALAND THOROUGHBRED BREEDERS' ASSOCIATION

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