

INTERNATIONAL FEDERATION OF HORSERACING AUTHORITIES

Paris - October 8, 2012

Ladies and gentlemen,

It is a great honor for me to be your keynote speaker at this 46th international conference. It is of course a great honor to succeed His Highness the Aga Khan in such a specific contribution.

I would like first of all to thank Chairman Louis Romanet for asking me to have this exceptional opportunity to address you. And I would of course also thank Brian Kavanagh for his moderator's introduction.

I was born in a family who has always loved racing. 120 years ago my grand-father started to have horseraces, my father continued and, also being a modest owner, won races as prestigious as the Grand Prix de Paris.

But my family has always also been involved in the organization of racing. Both my grand-father and my father were stewards and my father was vice-Chairman of two Racing Associations. Therefore it is not surprising that I inherited my family's passion of horseracing. I started to be an owner myself 40 years ago and, at the same time, I was already stewarding.

Believe me, the time is short to come from the position of being the youngest steward at the Société d'Encouragement, France Galop's ancestor, to my present position.

After all these years I would very much like to give you some of the strong points which represent my beliefs in racing.

1) The key factor of the independence for racing is the control of betting

By far, betting is the most important financial contribution to the existence of racing. When racing is at arms length with betting operators, obviously these operators will always look for what is the most attractive contribution for themselves. There is then always a risk that racing is not their priority.

On the contrary if a betting operator is under the control of Racing Authorities he will then work 100% for our sport. Such a situation enables racing to have a long term strategy as it gives some guarantee to the Racing Authorities of relatively stable revenues annually.

I will not enter into the debate between pari mutuel and fixed odds. However you will not be surprised to hear that my preference goes to pari mutuel which in many countries appears to be the soundest and also the most efficient system of betting. This is also important in terms of integrity. Nowadays we see everywhere problems of integrity in many sports, not necessarily for the biggest events.

I will certainly not say that everything is perfect in racing. But it should be better known in the public that, regarding drug detection, all jurisdictions are doing expensive efforts to monitor what is always a difficult issue.

Maybe can we consider to give more information relating to this aspect of our responsibilities, so that everyone is well aware of the rigor of our proceedings.

And we certainly must keep firm on our commitment : no medication ! No medication at all !

But all in all I believe that we can be confident that what has been achieved in terms of integrity is indeed absolutely essential for all sports competition organizers.

I know of course that because of historical reasons or sometimes political reasons it is not easy for racing to control betting. But if I could very simply give an advice it would be : "Do your best to control betting the more you can".

2) Relations with political authorities

We are largely a public activity with big crowds at least for our main races. Racecourses represent large spaces devoted to our sport, sometimes for a limited number of days in a year. We also have to face the fiscal pressure of taxes on betting and the necessity for governments to control the gaming activity connected with racing. Therefore for these different reasons it is essential to have a good relationship with governments and their assistants. Racing of course must never make political choices. We take governments as they are and we must have the best possible relations with them whatever is their political color. Sometimes we have the chance of a Minister being an owner himself, but unfortunately it does not happen often. What happens or must happen often on the contrary is lobbying with members of Parliaments.

It is of course necessary to have constant contacts with MPs or governmental bodies to explain to them the economical importance of racing and how the revenues linked are high. The consequences on employment and export figures deserve to be known.

I mentioned the fact that our racecourses are only open a limited number of days in the year. This enables us to think of their use for the rest of the year. Some complementary activities can be organized : for instance golf and racing are frequently positively linked. But other possibilities of cooperation exist. The more a racecourse is part of the life of the city, the best it is, including for economical reasons.

3) Image of racing

We have to face a strong competition in both areas Gaming and Sport. It is then top priority to make racing known as much as possible in the medias.

Television is obviously what favors the most our sport as the image of such splendid animals as racehorses fighting for victory in an important championship race is something more spectacular than what many other sports can offer.

Agreements with television channels are more and more difficult to conclude, but they are a priority.

Apart from television there is no doubt that Internet is significantly changing the habits of our publics. We need to convince younger generations of the quality and the excellence of our sport. May I here mention the fact that in a few years the French PMU has been able to have one third of its six million clients under the age of 35. Why what has been possible on betting should not be possible to achieve regarding the number of public present on our racecourses?

The same remark applies also to women as it is essential to give them interest in racing. We must analyze the consequences of the specificity of racing by comparison with other sports. In most of the sports the public arrives and stands still during the whole match. In racing there are 30 minutes between 2 events. We have to think how we can fulfill this time, except of course for the specialists or highly passionate people who all know very well how to use their time.

For many of us this is a difficult issue mainly for our ordinary racing days. We must be innovative and attractive. Obviously easier to be said than achieved, but research and development are not only for industrial activities. We are also concerned.

4) Renewal of owners

Punters and owners are the two main sponsors of our sport. I will not insist upon the first ones as it is so obvious that betting companies must be innovative and also be managed with an objective of a strict control of expenses in order to give the maximum resources to racing.

But I would more insist upon the second ones, the owners : we all know that having a racehorse is expensive and not too many people can afford such a monthly expense, without speaking of the amount spent to buy or to breed a horse. In the present difficult circumstances, which is unfortunately the case of many of our countries, I think that we must encourage access to shared-ownership with the hope that the first successes will encourage new owners to go further into their involvement in racing. We must then be actively present in professional horse-shows, Chambers of Commerce, in other words everywhere where we have the opportunity to find people open to invest in racing.

5) IFHA

Over the years, in my different capacities of serving Racing, I have had many occasions to work closely with IFHA either regarding stewarding matters, betting or more largely commercial issues.

I would like to tell you that I have a very high regard for IFHA. Its members altogether represent the world of racing. This annual meeting is the unique occasion for Racing Authorities to meet together, to exchange informations and ideas.

It is natural that regional Federations are taking their place, as many jurisdictions need to study their preoccupations at a more local level. But nothing will replace a worldwide organization. In that respect, the present system of a Chairman helped by three vice-Chairmen representing Americas, Asia and Europe is an effective construction. Its evolution under the chairmanship of Louis Romanet, himself so highly considered by everyone in the racing world, has been constant.

Adaptation to the world's evolution is a necessity as long as basic principles are maintained. For us at France Galop, it is always an honor and a pleasure to welcome you in Paris every year on this Monday following the Arc.

I wish to reaffirm, on behalf of France Galop, our firm commitment to the International Federation of Horseracing Authorities. This commitment is not only due to tradition although this is an important factor, but because of very significant points such as the force of International Agreement on Breeding and Racing.

Integrity of the horse must be emphasized and respected through an instance internationally known and respected as IFHA is. And I would add the welfare of the horse which is a growing preoccupation in many parts of the world.

Equally the following simple principle : organizers of racing must get a fair return of revenues coming from their activities. This principle is vital for the economic equilibrium of our activities. We know that this can be difficult at the time of Internet but the role and certainly the "raison d'être" of IFHA is to avoid betting in the racing world becoming a jungle in irresponsible hands.

Facilitation of commingling agreements must be encouraged, and I am glad to note that the betting forum which I started a few years ago on behalf of APME is now taking place in Paris every year 2 days before the Arc.

In general, we must cooperate together and avoid taking single decisions on issues of common interest without at least a preliminary consultation.

We may have different views regarding matters such as the use of whip, the level of sanctions, but please we must first talk together, exchange ideas and look always for a common if not best practice. The more we exchange, the stronger we are !

Ladies and gentlemen,

I have expressed all my conviction about International Racing and the importance that IFHA has and must have all over the world.

Passion of racing has been always constant in my life. And so is the wish to serve the cause of racing in the world. It is a very noble cause that I am glad to share with you all.