

SAPPHIRE COAST TURF CLUB



Strategic Plan 2012-2022

OVERVIEW

The Sapphire Coast Turf Club (SCTC) was formed by the closure of the Bega and Pambula race tracks due to both of them being positioned on flood plains. Racing NSW, with the financial assistance of the NSW State Government and a great deal of local volunteer effort, built the SCTC 13 years ago which, along with Goulburn, makes the track one of the newest in the state.

The track is located in a picturesque bush setting at Kalaru which is a 12 minute drive from both Merimbula and Bega. The site was chosen to ensure ample space and all weather racing on the far south coast of NSW.

Past committees have continued to upgrade the racing complex, significantly expanding in undercover betting area, building a new functions centre/sponsors area capable of holding 300 people, maintaining and improving the sand and grass tracks. These improvements have been funded by a range of mechanisms from the NSW Government, Country Racing Development Fund and the club itself.

The annual turnover of the club is in the order of \$1 million and its current assets are around \$340,000 with a fixed assets base of around \$6.5 million.

The club is supported well by the local population and the many tourists who visit the area. Year on year the club has increased the attendance at meetings and improved its revenue. Racing NSW has moved the club from six TAB meetings per year to now eight per year which has significantly increased the earnings of the club. Nevertheless, cost pressures have also increased and the club will need more meetings to stay in the black and avoid further depletion of its financial reserves.

With the completion of the function centre the committee has worked on developing non-race day revenue by hiring out the racing complex for weddings, corporate functions, birthday parties and the like. This year we have more than doubled our non-race day revenue and are developing strategies to further increase this revenue.



MESSAGE FROM THE PRESIDENT

It is my pleasure to introduce the first strategic plan for the Sapphire Coast Turf Club. In previous years the committee has developed capital expenditure budgets in order to grow the club and this year we have built on that work to produce the club's first strategic plan. This plan has looked to develop the club over the next ten years. In part, the strategic plan has been developed because of the Racing NSW winning the court case and a one off opportunity this presents to dramatically develop the racing complex. This development should be fully planned and assessed to ensure any monies spent by the club or Racing NSW is the best use of dollars for all stakeholders.

In working through the SWOT analysis, two key weaknesses have identified themselves; the lack of trained starters at the club as well as only having nine race meetings per year. We saw that over the past 13 years the club has developed the betting, track and entertainment sides of the business, significantly expanding the undercover betting ring area, continually improving the sand and grass tracks and building a new function centre/sponsors area to ensure undercover participation on race days.

It is the view of the committee to focus our attention on growing the horse training side of the club to ensure the long term sustainability of racing on the far south coast of NSW. We see that not only is the development of racing in our part of the state important for the racing industry, but also an important part of the development of both the Bega Valley and Bombala shires.

One of the greatest strengths of the club is that it is well endowed with land both adjacent to the tie up stalls as well as opposite the track itself. Past committees have wisely progressed with the shire the development of a light industrial estate on the land opposite the track that will assist with underpinning the finances of the club into the future.

On the land opposite the tie up stalls the committee wishes to build at least 20 stables, ten day yards, and equestrian centre (all weather training facility) equipped with a sand roll and walking machines and importantly utilities facility for local and visiting trainers. While the tie up stalls are adequate for race day, the club is limited in being able to adequately accommodate local trainers or visiting trainers to stay overnight and perhaps to move to the area on a more permanent basis.

The committee will use this document to assist in guiding the club's future development and report to all stakeholders including the club's members, trainers, and sponsors as well as the annual report to Racing NSW.

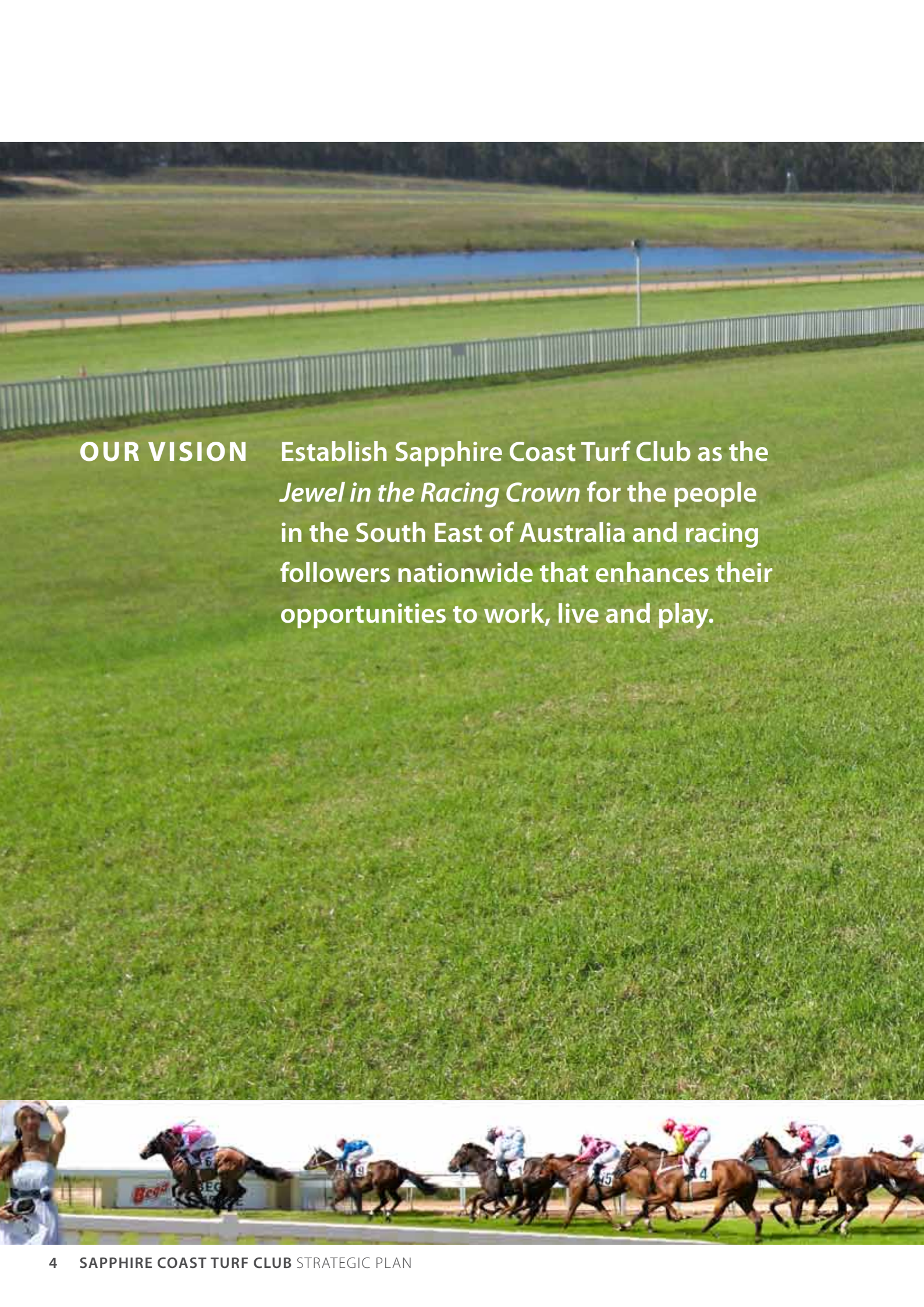
As part of our desire for continual improvement I welcome your feedback on this strategic plan through our website: www.sapphirecoastturfclub.com.au

Robyn Bain

President

June 2012





OUR VISION Establish Sapphire Coast Turf Club as the *Jewel in the Racing Crown* for the people in the South East of Australia and racing followers nationwide that enhances their opportunities to work, live and play.

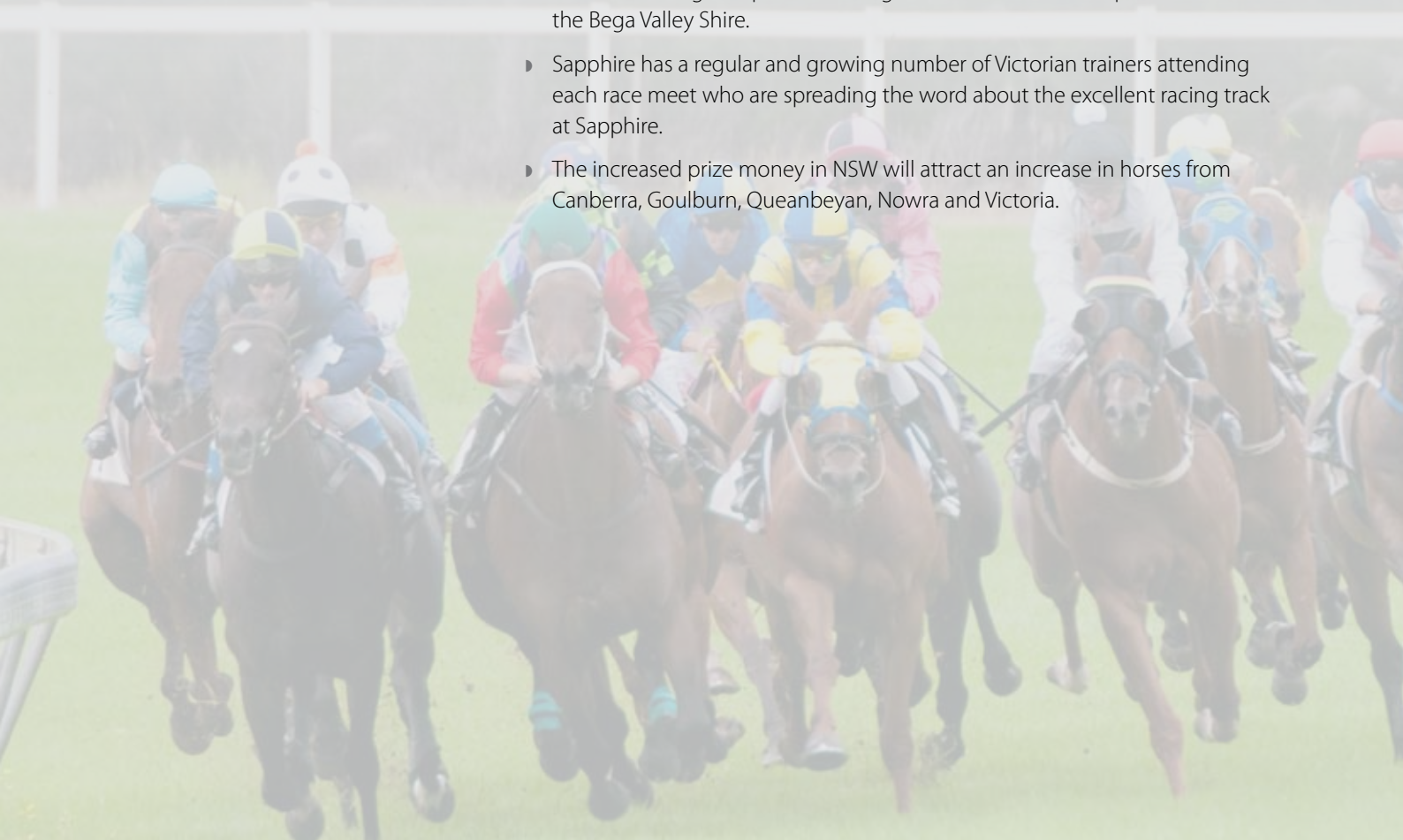


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- OUR VALUES**
- ▶ Taking responsibility for safety, health and the environment.
 - ▶ Respecting ourselves and others.
 - ▶ Adding value to the business in everything we do.
 - ▶ Promoting racing by meeting our stakeholders' needs.
 - ▶ Working closely with others for mutual benefit.



OUR STRENGTHS INTERNAL

- ▶ Sapphire's race track is equal to any other track in NSW and is suitable for Metropolitan class horses. It is well drained for all seasons racing, 2030 metre circumference, 30 metres wide, excellent cambers, 420 metre straight, 1000m–1200m–1600m–starting chutes. It is centrally located in a flood-proof zone within the Bega Valley Shire.
- ▶ Sapphire is centrally located between Sydney and Melbourne enabling the club to host a major meeting with significant prize money hosting Sydney and Melbourne class horses.
- ▶ Sapphire's resources such as water and freehold land are abundant providing a real opportunity to develop a light industrial subdivision that will help underpin the financial viability of the club into the future (noting the subdivision has already received approval from the Bega Valley Shire).
- ▶ Sapphire's function centre is the largest centre within the Bega Valley Shire that enables privacy for functions without disruption to neighbours. Each function has the capacity to pick and choose inside or outside venues and meeting rooms with separate dining.
- ▶ Sapphire has the land adjacent to the club that could be used to establish a satellite stabling complex for visiting trainers as well as an equestrian centre for the Bega Valley Shire.
- ▶ Sapphire has a regular and growing number of Victorian trainers attending each race meet who are spreading the word about the excellent racing track at Sapphire.
- ▶ The increased prize money in NSW will attract an increase in horses from Canberra, Goulburn, Queanbeyan, Nowra and Victoria.



OUR WEAKNESS INTERNAL

- ▶ Sapphire's geographic location means it is a three hour drive from major tracks such as Queanbeyan and Canberra and four hours from Nowra and Kembla Grange.
- ▶ At present Sapphire has a lack of locally trained starters.
- ▶ There is a lack of high quality stabling facilities and day yards for visiting trainers.
- ▶ Sapphire and Moruya do not have enough race meetings evenly spread throughout the year or enough meetings in holiday season to enable a summer racing carnival.
- ▶ Sapphire and Moruya need permanent race dates to programme future racing events.
- ▶ The traditional backbone of club supporters has come from the local farming, fishing and forestry communities. However, with the ongoing decline in this demographic group, the club must rely on the growing tourism, retirement and sea change/tree change groups for growth in race attendance.
- ▶ Non-race day functions will also need to provide a growing source of revenue.
- ▶ These changes will affect the traditional sponsorship arrangements which are vital for successful race meetings.
- ▶ The racing complex has no permanent children's activities other than its expansive lawns as well as a lack of seating and cover for patrons on race day on the lawns.
- ▶ The female jockeys' room is inadequate to accommodate current female jockey numbers.
- ▶ After the expansion of the male jockeys room, Sapphire has no casualty room.
- ▶ Function centre does not have a kitchen or cool room and the member's room will only hold 110.
- ▶ Existing infrastructure such as the semaphore board, photo finish camera, sand track railings and old TV sets need replacing/updating.
- ▶ The website needs to be user-friendly and updated regularly.
- ▶ There is a lack of good signage to the race track in the Sapphire Coast region.
- ▶ The PA system is unreliable and inadequate which continues to annoy the punters.
- ▶ TAB staffing is inadequate on major race days which is sending punters to other venues or on-line betting rather than enjoying the meeting at Sapphire.



OPPORTUNITIES EXTERNAL

- ▶ Victorian's travel to south east NSW for their holidays over the Christmas and Easter periods, providing an opportunity for carnival type racing.
- ▶ Canberra and inland areas of southern NSW are also growing tourism markets for the far south coast.
- ▶ Gippsland has a growing population with increasing thoroughbred horse numbers.
- ▶ Bega Valley Shire has a strong and growing tourism industry as well as an increasing retirement and sea/tree change demographic.
- ▶ With the internet betting court case over there will be increased funding for racing infrastructure and training facilities.
- ▶ With the new function centre there is capacity for Sapphire to increase non-race day revenue.
- ▶ Merimbula's airport being a short 15 minutes from the race track enables visitors and guests from Sydney and Melbourne to fly in for race days and special functions for members and sponsors.
- ▶ Many residents within the shire are race horse owners, which in the main are trained elsewhere, but with the increase in prize money they may well begin to purchase horses and have them trained at Sapphire.
- ▶ Racing NSW is set to significantly increase prize money for horse owners therefore increasing the investment into horse racing.
- ▶ Many people in south east NSW are concerned at a lack of opportunities to 'get dressed up' and enjoy themselves for the day.
- ▶ There are few venues for families and large social groups to go out and enjoy themselves.
- ▶ Sapphire Coast is increasingly seen as a great place to live not only by Victorians but also from the ACT and southern NSW.



THREATS EXTERNAL

- ▶ As transport costs continue to increase, trainers from away continue to seek transport rebates to bring horses down (NSW only).
- ▶ Last-minute race dates planning makes it difficult to plan funding and sponsorship for future years.
- ▶ A lack of skilled track work riders and jockeys affects local trainers and limits growth in this vital activity for the club.
- ▶ Competition for the wagering dollar from other sporting codes.



OVERCOMING THE OBSTACLES

Obstacles are problems that have not been solved and it is the purpose of this plan to be the tool to solving the obstacles. With the identification of the Club's strengths, weaknesses, opportunities and threats the Committee have begun to develop the strategies to position Sapphire in its rightful place. Our plan is to rank and addresses the obstacles in order of priority.

STRATEGY 1

Develop Sapphire Coast Turf Club into the horse centre for all Bega Valley Shire residents that will continue to build on the skills base in the region as well as encourage young people's interest from pony club into the sport of racing.

- ▶ Build a first class stabling complex that will accommodate at least 20 stables and 10 day yards for visiting trainers from NSW and Victoria
- ▶ On one of the club's existing blocks of land adjacent to the racing complex build an undercover equestrian centre that will provide all weather training facility for thoroughbreds including walking machines, a sand roll and high quality stabling and accommodation for visiting trainers and staff.
- ▶ Fill in large drain to achieve better access to training complex blocks.
- ▶ Develop an amenities block to meet the needs of visiting trainers and their staff.
- ▶ This centre will also be capable of providing accommodation and encouragement for pony clubs, horse riding classes, and equestrian riding.
- ▶ Encourage talented local horse persons to follow in the steps of Jason Warren, the emerging young Melbourne trainer who began his career in the Bega Valley Shire.
- ▶ Establish a relationship with all horse clubs within the shire and bring them into the project from step one.

STRATEGY 2

Progressively develop the 22 lot light industrial estate sub-division opposite the racing complex which will help underpin the finances of the Club into the future. This work has begun several years ago with two blocks already leased to the club giving an annual income of \$10,000 per block. This money has been placed into a separate bank account enabling the Club to begin legal work for the subdivision.

- ▶ Having got the DA approval from the Bega Valley Shire the Club is now waiting for the LEP to be processed through the Department of Planning and finally being gazetted in the NSW parliament in the last quarter of this year.
- ▶ Seek quotes from several organisations for roads and power for the development. This has been done and is in the order of \$1.1 million.
- ▶ Secure funding for this project and begin roads and power work
- ▶ Discuss with local real-estate agents marketing and selling options with the view to picking one real estate agent to lease each block.



STRATEGY 3

Develop Sapphire as the place to take your family for a fun day out for children and families as well as adult racegoers.

- Ensure a range of children's activities for each meeting such as face painting, pony rides, fairy floss, puppet shows, jugglers etc.
- Provide stable tables, chairs, umbrellas and shade sails for our clients to use on the lawns.
- Provide a big screen TV on track so that every client can see the local races.
- Increase the focus on fashions on the field providing excellent prize money and prizes.
- Provide comfortable and attractive surroundings, good catering and music for clients who may not be racing people.
- Invite the attendance of sporting and entertainment celebrities.
- Develop a children's playground, with supervision.

STRATEGY 4

Sapphire to hold no less than 12 race meetings per year with the majority of them being TAB.

- Continue the close and cooperative working relationship with Racing NSW.
- Ensure each race meeting improves in revenue from the previous year.
- Ensure each race meeting has 'high quality' horses and jockeys therefore increasing the TAB turnover.
- Invite metropolitan or provincial horses to overnight at Sapphire with their trainers/owners able to spend time enjoying the amenities the Sapphire Coast has to offer.
- Boost the number of locally trained starters.
- Promote a summer holiday racing carnival in conjunction with Moruya.
- Invite special guests to each meeting — Sydney or Melbourne jockeys, racing personalities, Racing NSW Executive and staff.

STRATEGY 5

Develop Sapphire as the preferred venue for weddings, parties, conferences and corporate meeting in the Bega Valley Shire.

- Expand the members dining room to hold 250 guests seated comfortably.
- Expand the kitchen and bar facilities in the members room.
- Purchase and continually upgrade the table decorations, tablecloths etc to provide a range of options for clients to hire.
- Develop functions packages for weddings for alcohol for three hours and four hours.
- Promote our functions areas for conferences, seminars and trade shows.





STRATEGY 6

Continue to maintain the Sapphire Coast track as one of the best country race tracks in NSW.

- Repair water drains at 750 metre and 1050 metre areas.
- Upgrade semaphore board.
- Improve winning post and associated signage.
- Upgrade running rails for both course proper and sand track.
- Upgrade course proper irrigation system.
- Upgrade sand track irrigation.
- Install lighting for early morning track work to Racing NSW specifications.
- Beautify centre of course and starting chutes.
- Improve attractiveness of surrounds for TV coverage.
- Redevelop car parks and course entry to provide a more attractive entry point to the course.
- Improve standard and capacity of overnight boxes on course.
- Enlarge mounting yard/parade ring.
- Increase under cover machinery storage area off barrier shed.
- Install drainage in the three starting chutes.
- Continuously upgrade machinery and equipment in order to provide a safe and efficient working environment.

STRATEGY 7

Continually look to provide excellence in service for all sponsorships and efficient and effective ways to advertise our race meetings.

- Review and enhance the club's community recognition, advertising and promotion programs to attract racegoers and sponsors.
- Consider TV advertising and other promotional opportunities not currently employed by the club.
- Develop ongoing relationships with and involvement of current and potential sponsors and advertisers with the club.
- As far as possible tailor sponsorship packages to the individual needs of sponsors and the specific characteristics of each race day.



PROJECTS UNDERWAY

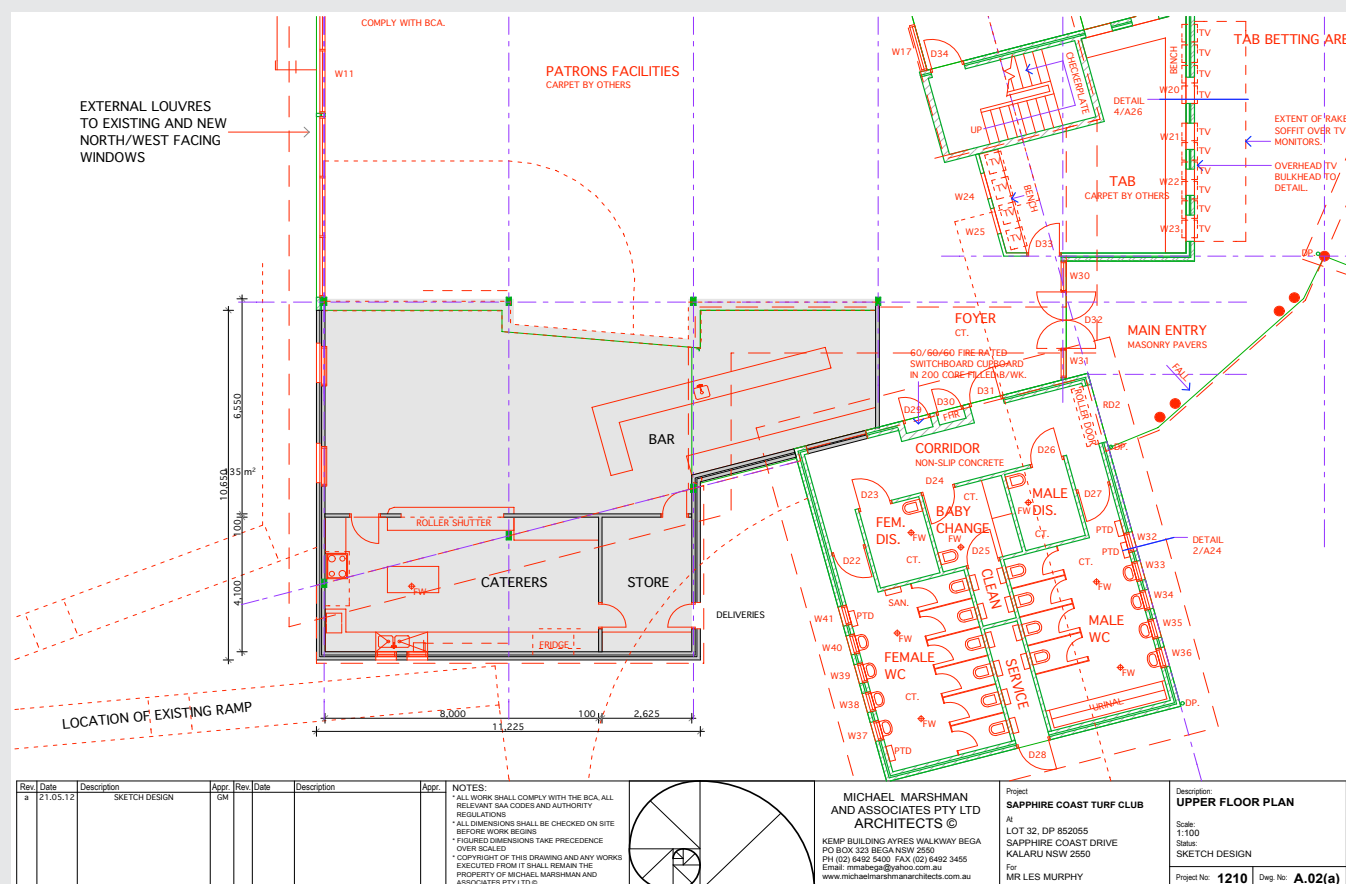
Expansion of members dining room/kitchen update and expansion of female jockey's facilities

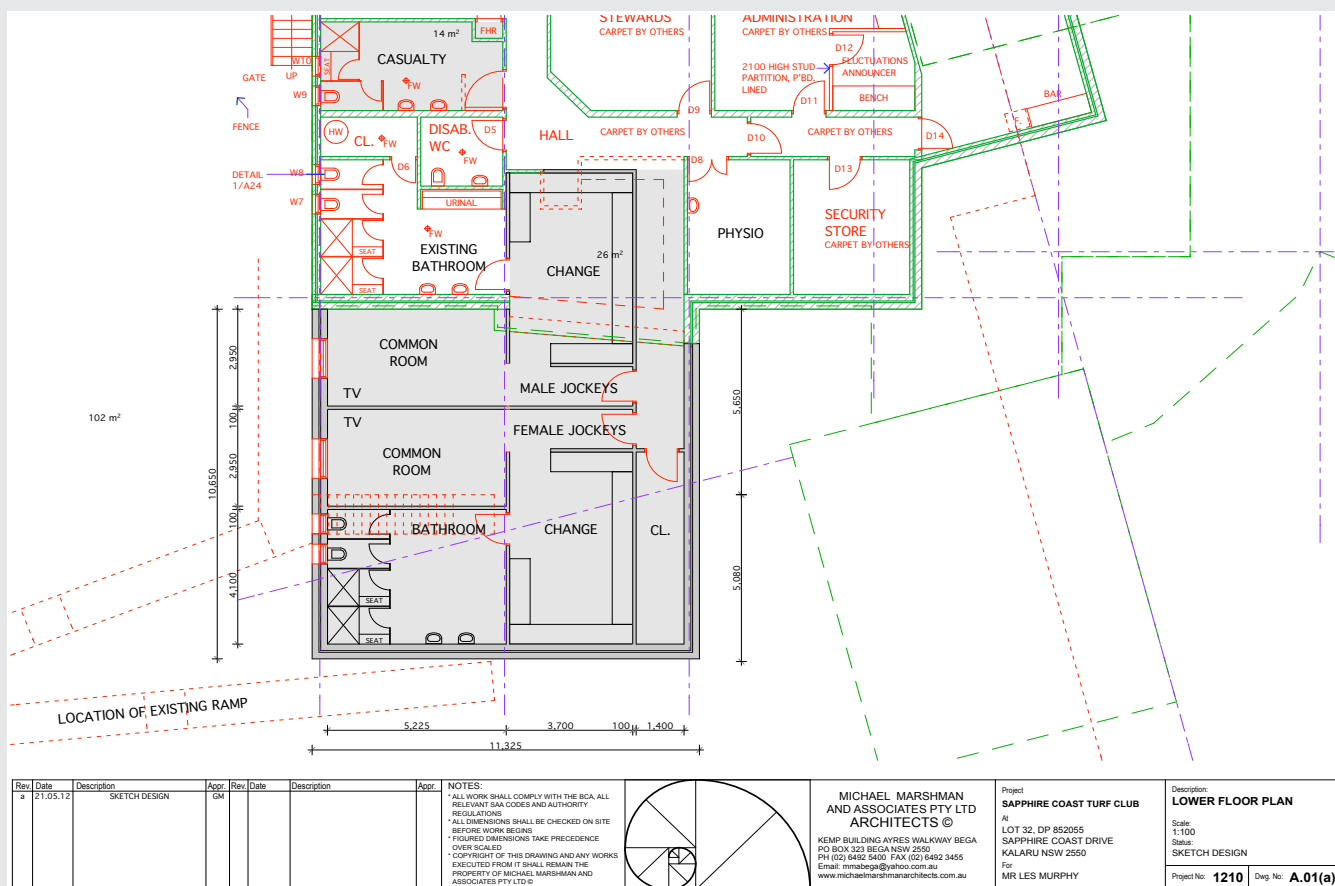
The club is a perfect venue for many of the functions held within the Bega Valley Shire. The new function centre has the capacity to hold 250 people seated, however, the function centre does not have a kitchen facility and when functions are held the meals are prepared in the kitchen located in the members' room and then walked down to the function centre. While this arrangement has worked in the past, clearly it is not desirable in the longer term.

The club applied for and received a grant from the NSW Premier's Department for the building of a kitchen facility for the new function centre in 2012.

Around the same time, Racing NSW had completed an audit of female jockey facilities in all clubs in NSW and found the facilities at Sapphire to be very inadequate. (The female jockey's room has only one toilet and one shower and on most race days 8–10 female jockeys attend.) Racing NSW presented the club with three options to overcome this problem, with Option C (expansion of the lower floor of the main building) being the only realistic option.

As both of these projects were being considered by the committee around the same time the committee rethought the building of the kitchen in the function centre and has looked to capitalise on the expansion need to adequately accommodate the female jockey's room.





The committee is of the view that the grant from the NSW Government would be best spent in expanding the existing Members Room, therefore seating 250 people. This expansion would be on the upper story above the expanded female jockey's room.

The club has begun assessing this project and currently has plans drawn up for both projects and is awaiting a quote from a quantity surveyor to begin discussions with Racing NSW and the NSW Premiers Department.

Energy efficiency

With the rising costs of electricity, the club invested in a 10 kw solar electricity system with was placed on our north facing machinery shed. This system fell inside the NSW Government's solar rebate system and, therefore, is eligible for the 61 cents rebate for each kw produced. This rebate will remain in place until 2016 and offsets nearly \$8,000 of electricity each year.

The club also undertook an energy efficiency assessment and has received a comprehensive report on ways to reduce our energy load. Most of the electricity used is to run the refrigeration of alcohol, running the irrigation system through the day, as well as the many electric hot water systems.

The club has now turned off the hot water systems until needed on race days, irrigates as needed at off peak rates. Progressively the club will need to begin to change the electric hot water systems to gas for major savings.



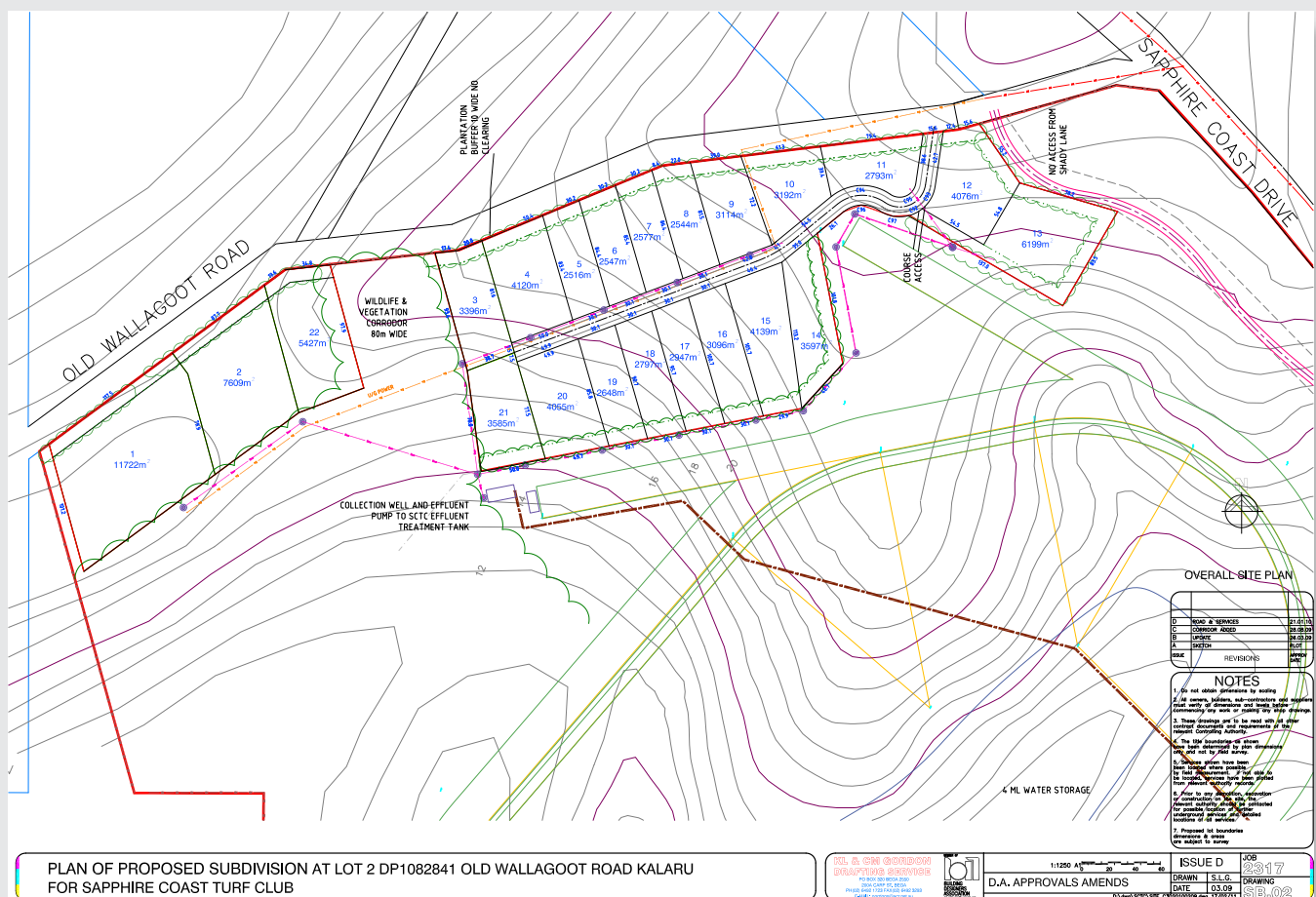
Light industrial estate sub-division

Over many years the club has worked on developing its surplus land adjacent to the track into a light industrial estate sub-division comprising of 22 blocks.

Plans for the development have been developed and the proposal has received development approval from the Bega Valley Shire Council, subject to rezoning following the NSW Government's impending endorsement of the Shire's new Local Environment Plan. It is anticipated that this process may take about three months.

Currently two blocks that did not require rezoning are leased out which is earning the club \$10,000 per year per block.

Quotations for roading and electricity for the subdivision have been received and it is estimated that the cost to complete the sub-division will be in the order of \$1.1 million.



MEMBERS OF THE SAPPHIRE COAST TURF CLUB COMMITTEE

President	Mrs Robyn Bain
Vice Presidents	Mr Ray Lane (Chair Track Committee) Mr Tom Overend (Chair Alcohol Committee)
Treasurer	Dr Robert Bain (Chair Finance Committee)
Committee	Mrs Tanya Apps (Chair Ground Committee) Mr Rodney Apps Mr Robert Blacker Mr Les Maley Mr Vince Phillips Mr Chris Strickland Mr Peter Ubrihien
Secretary Manager	Mr Les Murphy



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