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THE BLOG**

**#15 NOVEMBER 2018**

# Tiresome Touts Thwacked by the Courts ... But the Beastly Badge Bureaucracy Remains too Complex

*“For owners, the subject of badges often raises problems in obtaining and allocating them, particularly for those involved in shared ownership. Owners are still embarrassed while they struggle to convince staff at O&T desks that they are entitled to them.”*

I had a marvellous time at the first Cheltenham meeting of the season, as I've always seen it as the start of "proper" racing. It was great to see so many friends and owners there, with everyone dreaming of future successes and races to be won. Here's hoping the dreams stay alive for as long as they possibly can.

One feature that was an enhancement to the owner / racegoer experience was the absence of the wretched touts who have tended to badger people from the minute they turn into Cheltenham racecourse. Jockey Club Racecourses elected to go to the High Court to apply for an injunction, which was successful, in what Ian Renton has termed a "landmark decision". Basically it prohibits the selling and buying of tickets by touts on the racecourse property, and it is the first time ever that an injunction has been granted to stop this. If touts persist, then it becomes a criminal offence and they can be prosecuted for contempt of court, which carries a custodial sentence. This is far more effective than the tactic deployed at last year's Festival where Cheltenham council issued Public Space Protection Orders, but with the maximum fine of £80 it was no surprise that this was no real deterrent.

So, well done Cheltenham on this ground-breaking initiative which is very likely now to be copied by other racecourses and sports venues, particularly rugby, tennis and football. Apparently the number of fake badges sold at last year's Festival was over 1,000, with many racegoers then denied entry, having been fleeced by the touts. JCR believe that the touts were costing them an estimated £1m a year across their 15 racecourses, and the total cost to British Racing has been estimated at between £10m and £15m a year. From the racegoers' perspective, it has finally removed the intimidatory presence of touts and their often aggressive behaviour. It will be interesting to see what happens now over the next 12 months because the injunction has only been granted until July 2019.

However, from an owner's perspective, the subject of badges always raises the problems that still exist in both obtaining and allocating them. It is not really a problem for a sole owner. However for those who are actively involved in shared ownership, particularly partnerships and syndicates, it remains as I said in the header to this blog, a "beastly badge bureaucracy" which still causes anxiety and embarrassment when owners struggle to convince staff at Owners & Trainers desks that they are entitled to them.

The pass card system is OK as far as it goes, but clearly the quality of the owner experience is then determined by the people encountered behind the O&T desks. That remains very variable. In fact I don't necessarily blame them, even though their social skills are sometimes lacking, because there are lots of opportunities for mistakes to be made and for badges, records, emails, requests etc. to be mislaid. To illustrate the problem using Cheltenham as an example, the course has two entrances and there is quite a steep slope separating them, so elderly owners can easily go to the wrong entrance and then struggle to get to the other one; the number of badges for shared ownership is different to the number of complimentary lunches, which leads to irritating negotiations within the ownership group; they require owners' badges, arm bands and also tokens for lunch, and not every owner welcomes this festooning with accreditation; they post four badges and two car park labels to the syndicator and / or first-named owner, who then may find it difficult to forward the badges to co-owners in the time available. And then unfortunately, looking across UK racing the arrangements and bureaucracies vary from course to course.

It often feels that the owner is at the bottom of the pyramid, from an owner badge perspective. There are plenty of people who have automatic entitlement, not least the large network of individuals under the Racecourse Association (RCA) auspices who are deemed to be eligible for access; the press; trainers, jockeys and also conditional and apprentice riders. As a result, many in racing, particularly from the training ranks who are immediately recognised by the O&T staff, fail to appreciate the embarrassment that occurs for "ordinary" owners. I've deliberately but this in inverted commas because the pass card system, when it was introduced, completely ignored best practice in customer relationship management (CRM) so it is impossible for courses to assess whether the individual proffering the card is a small shareholder in one horse or someone investing huge amounts of money in the sport every year. I always compare this to the CRM systems deployed by airlines, which have considerable amounts of data on the value of their customers from a profitability perspective. Whenever they can, they upgrade the customers of greater value to better quality facilities. At the moment this is totally impossible in British racing – partly because there is no tiering of facilities so the syndicate member with a 2% share can be treated in the same way as someone who owns 10 horses outright, and also the pass card doesn't retain any data that can be accessed on the owner's individual profile and importance to racing.

**B**asically the pass card system, although an improvement, is not fit for purpose when evaluated from three perspectives: properly controlling abuse and the illicit market in owner's badges (obtained by and for people not entitled to them); maximising the overall owner experience through the tiering of benefits; and incentivising owners to invest more in ownership in order to obtain those greater benefits. A big opportunity was missed, but then it was motivated primarily by the RCA trying to address the first of my three perspectives rather than, just as importantly, the other two.

Finally, and perhaps the subject of another blog, not many successful consumer-orientated companies would survive on a totally fragmented basis with every part of their business doing their own thing, in their own way. Ideally the whole of British racing would participate in a Shared Service Racing Transaction Centre where all the administration to do with racing and ownership would be done using state of the art systems, software and communications processes from one site. We are light years away from that, and I'd be pretty certain that there has been no discussion of an initiative which would lead to a huge improvement in efficiency, a much better customer experience and considerable cost savings. Such a pity!

