

Constitution Committee – 2011 Minutes

2011 Meetings: Thursday, Aug. 4, 2011 – 13:30-14:30
Friday, Aug. 5, 2011 – 13:30-14:30
Sunday, Aug. 7, 2011 – 13:30-14:30

Meeting Room: Palisades I&II

Chairman: Edward Rennell (New Zealand)

Members: John Burt (Australia), Dean Cooper (Australia), Michael Taranto (Australia), Geoff Want (Australia), Dr. Peter Truzla (Austria), John Gallinger (Canada), Knud Erik Ravn (Denmark), Miki Lintilä (Finland), Pekka Soini (Finland), Jacques Chartier (France, UET), Heinz Tell (Germany), Brian Peachey (Great Britain and Ireland), Claudio Lorenzini (Italy), Øystein Dale (Norway), Atle Larsen (Norway), Dmitry Urnov (Russia), Dean Latimer (South Africa), Ulf Hörnberg (Sweden), Jean Pierre Kratzer (Switzerland, UET), David Carr (USTA), Mike Tanner (USA)

Secretary: Ryan Avenatti

Agenda Items

1. Election of a Chairperson

Edward Rennell nominated and elected unanimously.

2. Review and Approval of the 2009 Committee Report

The minutes from the 2009 meeting were read by all members and no remarks were put forward.

3. Formulation of Additional Agenda Items

The Chairman opened the floor for discussion of additional agenda items.

A motion was put forward to discuss Chapter 8 of the UET international agreement regarding wagering and financing of races. The motion was seconded and the item was placed on the agenda under Item 7.

A motion was put forward to discuss Chapter 5, Article 3 of the UET international agreement regarding limiting the age of drivers. The motion was seconded and placed on the agenda under Item 7.

A motion was put forward to discuss the international developments in protecting racing's intellectual property and the status of race field legislation globally. The motion was seconded and placed on the agenda under Item 7.

4. Review of the International Trotting Association Constitution

The Committee reviewed and considered the following recommended alternatives to the ITA Constitution:

2. Objectives

- **It was put forward to change the wording of the third point from “To *ensure* that uniform...” to “To *encourage* that uniform...” and “...are developed, implemented and maintained” to “...and to encourage their development, implementation and maintenance.”**
- **It was noted that the fifth point contains a spelling error and should read: “To encourage and promote interest in the breeding, training and *care*, equine research and veterinary science relating to trotting horses.”**

7. Standing Committees

Considerable discussion ensued regarding the optimal committee structure for future conferences.

It was requested that committee material be provided to attendees prior to subsequent conferences for review

The following table represents discussion of recommended changes.

Current Structure:	Proposed New Structure
<ol style="list-style-type: none"> 1. Constitution & Regulation 2. Equine Health 3. Breeding 4. Marketing/Business Development & Wagering 	<ol style="list-style-type: none"> 1. Constitution & Regulation 2. Equine Health & Integrity 3. Breeding 4. Marketing & Business Development 5. Racing & Wagering
<ul style="list-style-type: none"> • Attendees attend two committee meetings • Only WTC delegate eligible to be members of Constitution Committee • Not followed in light of attendees now attending two committee meetings 	<ul style="list-style-type: none"> • Only one WTC delegate per member country eligible to be a member of the Constitution & Regulation Committee. • This committee would meet once, separate to the other committees, for approximately one hour, largely to review and confirm the ITA Constitution. • The other four committees would meet over the course of the conference, with delegates and observers eligible to attend two of the four committees. • The new Racing and Wagering Committee formed to cover initiatives and global developments in racing and wagering.
<p>World Driving Championship</p> <ul style="list-style-type: none"> • Currently no committee or stated protocol for the report 	<ul style="list-style-type: none"> • Report to General Assembly by host country • Report to cover conduct of series and any recommended changes to rules for next championship • Rules for next championship confirmed by General Assembly

9. Changes to the Constitution

The following table represents discussion of changes regarding the practicality and practice of the clause.

Current Clause	Proposed Clause
<ul style="list-style-type: none">• Two months notice in writing prior to ITA meeting• Not followed in general and practical terms	<ul style="list-style-type: none">• Ideally proposed changes notified prior to conference• Considered by Constitution & Regulation Committee• Committee recommendations considered and approved (if supported) by General Assembly

5. Future World Conferences

The Committee confirmed the current roster of host countries/regions:

- 2013 – Europe/UET, France
 - 20 June – 24 June
 - Draft agenda under development.
- 2015 – Australia
 - Sydney has expressed willingness to host.
- 2017 – Europe
 - Host Country TBD during the 2013 Conference
- 2019 – Canada
- 2021 – Europe
- 2022 – New Zealand
- 2024 – Europe

South Africa would like to register its interest in hosting a conference at some point in the future

6. Review of Life Members and Nomination of New Life Members

No previously submitted nominations. The floor was opened to nominations.

John Pawlak (USA) and Peter Truzla (Austria) nominated, seconded, considered and confirmed. These are formally recommended to the General Assembly.

7. Other Matters and General Business

a. Chapter 8 of the UET International Agreement, which reads:

Motion regarding the organisation of betting at foreign racecourses

“In order to preserve the funding of the horse industries in race-organising countries and by virtue of the right of ownership that they enjoy over the events they organise, the horseracing authorities empowered in the countries party to this agreement undertake as follows:

- *to sign a contract for the exploitation of data and images of the races they organise, or for which they hold a license, only with the horseracing authorities of the country in which said exploitation is made for the organization of bets by approved operators*
- *aside from agreements already in existence at 1st January 2010, to waive any direct agreement with betting operators regarding said operation of horseracing*
- *to only sign an operating agreement with a horse racing authority if a royalty of at least 3% on horse racing bets place in a country is collected for allocation to the funding of the horse racing industry of the country organising the race.”*

(66th General Assembly 30.01.10)

Adopted by: Austria, Czech Republic, Denmark, Estonia, Finland, France, Germany, Hungary, Italy, Malta, Netherlands, Norway, Russia, Slovenia, Spain, Sweden, Switzerland.

US, Canada, Australia, New Zealand, Britain and South Africa not covered under the current agreement. Laws from represented countries concerning this issue were canvassed.

Main issue concerning the countries not covered under the agreement is intellectual property – Canada and US feel implement cannot be achieved due to independence of tracks. The accord is beyond the structure and function of these organizations. Australia and New Zealand abstain under similar circumstances, but support the agreement in principle. Delegates from South Africa and Great Britain & Ireland state similar positions.

Considerable discussion ensued on this issue, with all members supportive in principle of the motion. Concerns were raised, however, from the non-European countries in their ability to enforce this, mainly due to the ownership of intellectual property of racing lies with the independent tracks/clubs. As controlling bodies, the members would encourage the adoption of

the motion to their tracks/clubs, and that only authorized betting operators be approved for wagering on their races.

The following recommendation is submitted to the General Assembly:

The 2011 World Trotting Conference supports UET Chapter 8 – Appendix 5 regarding wagering and considers that the application of the principles of this motion be encouraged in member countries. The purpose of this is to ensure that appropriate protocols are applied so that only authorized betting operators are permitted to undertake wagering on trotting races organized in another country, to provide a fair return to the trotting industry.

b. Chapter 5 – Article 3 of the UET International Agreement, which reads:

“No driving license will be issued or renewed to a person over the age 70. (66th General Assembly 30.01.10, except Netherlands)”

The US, Canada, Australia and New Zealand noted this would not be allowed under their respective legislative frameworks on the basis of age discrimination. An overview was given of licensing in these countries, which indicated that licenses granted to those over the age of 65 are contingent on medical evaluation.

c. Review of Developments in Protecting Racing’s Intellectual Property and the Status of Race Field Legislation Globally

Australia: Local/corporate bookmakers licensed the Northern Territory, where the harness racing industry is unable to get return from these bookmakers. If Race Fields legislation is upheld following NSW appeal, further legislation can be drafted to allow industry to start receiving 1.5% turnover from bookmakers. Federal Parliament is currently conducting inquiry into gambling, and the harness racing industry is requesting that state-based regulations be abolished and replaced by federal regulation similar to US’s.

New Zealand: Will follow a similar approach to Australia, pending the outcome of legal appeal. Currently working to communicate with and educate politicians to the immensity of the problem. Bringing to attention that problem gambling is not addressed by private bookmakers. Noted that NZTAB is to offer fixed odds on all harness races next season to counter the competition of corporate unauthorized bookmakers.

France/UET: Currently no European regulation, with each country defining its own regulation. Parimutual wagering is available in some countries. The UET is promoting adoption of the Parimutual system Europe-wide, but implementation and enforcement may be a challenge.

Canada : Currently no fixed-odds wagering. However, illegal and offshore bookmakers do represent a challenge. There exists a legislative debate as to development of online wagering and casinos. The harness racing industry is working to make sure primary and secondary participants in the industry will receive returns from any expanded gaming.

US: The government is working to shut down off-shore/illegal bookmakers. Cannibalization of wagering dollars by fractured wagering/racing industry and drying up of available wagering dollars is of main concern. Only parimutual wagering on horse racing is legal. Sports betting is of interest to racetrack operators, but may represent a threat to horsemen.

South Africa: Currently has two parimutual operations; one harness, one thoroughbred. The thoroughbred is currently receiving the harness signal for overseas races but is not putting any return into harness racing

GB & Ireland: The sole UK tote sold to private company, making all operators now located offshore beyond reach of government or breed association.