



Known fondly as 'The Race That Stops a Nation', the G1 Melbourne Cup has in reality done the exact opposite. Its popularity is such that last year, out-of-state visitors alone spent more than A\$176-million at local businesses, and the Victorian economy realized more than A\$366-million from the event, up almost 5% from 2011. While Melbourne Cup Day is a public holiday in the state of Victoria, for 3 1/2-minutes on the first Tuesday in November, the entire nation stops to watch Australia's showpiece A\$6-million race. The four-day Melbourne Cup Carnival at Flemington Racecourse is executed each year by the Victoria Racing Club, which last year introduced former Crown Casino CEO David Courtney as its new CEO. The TDN's Kelsey Riley caught up with Courtney as he prepares to participate in his first Melbourne Cup Carnival in his new role.

KR: How has the first year of your new role been, and what has your impression been of working in the racing industry?

DC: I was appointed the week before the carnival last year, and they gave me the opportunity while appointed, but not yet in the role, to spend the four days of the carnival with the operations team. So I was



David Courtney

able to see all the different facets of the business during last year's carnival, and then post-carnival I took over. It was a terrific opportunity to look at some of the behind-the-scenes workings of the event, and it gave me a good startup for this year. Before that I was the CEO at Crown Casino in Melbourne, and we were major sponsors of Crown Oaks Day and had a very significant presence

here on the Friday, but also through the whole carnival, so I've been very familiar with and involved with the Melbourne Cup Carnival for many years, but this time last year was a terrific opportunity to get behind the scenes and see it from a different perspective.

What has really struck me is how passionate all the participants are, from our team here to administrators within the industry, owners, trainers, all the staff, all the members and the general patrons. It's a very passionate sport and business--that's probably the number one thing that has struck me in the last 12 months. I think with that we're in for a terrific future.

KR: What goals and objectives did you set out when you took up your new role?

DC: The carnival is incredibly important to Melbourne. It is a major event that drives a lot of in-state and overseas visitors to Melbourne. It's an event that has been growing every year for many years. So it's really very important to continue to grow and enhance the reputation of the event and the success of it, so that's certainly one key objective. Another is to really extend the success of the carnival that we've got here, the four days, throughout other periods of the year. The interest in racing really peaks in Melbourne during the spring racing carnival, but there are also other opportunities where we have some terrific racing, and we're looking at really extending the success of the spring carnival to the autumn. And thirdly, we want to make sure that the VRC is a business on strong and sound footing to enable us to generate sufficient funds to reinvest into our facilities. We have some ambitious plans around a new grandstand, upgrading existing grandstand facilities and continuing to invest in our training facilities, track facilities and gardens. It's important for us to be able to generate the cash flows that are necessary to be able to continue to invest and meet the expectations of our members and patrons in the years ahead.

KR: The VRC recently announced that proceeds from the sale of surplus land surrounding Flemington, as well as profits from bookmakers' access agreements to its new state-of-the-art WiFi system, would go towards infrastructure and improving customer experience. Can you elaborate on this?

DC: In terms of technology, we've rolled out a new high-density WiFi system, and we're the first racecourse in the world to roll that out, and we now join a number of major stadiums in the world to do that. When we have 100,000-120,000 people on course, the 3G and 4G network from the telecommunications companies aren't able to cope with the telephone and internet usage, so it's been important for us to build our own capacity there to service the patrons and members that attend. So that's been a major investment for us. In terms of the land, we've identified a couple of pieces of land that's surplus to our requirements. We've entered into a memorandum of understanding with Greenland Holding Group Overseas Investment Company, who are one of the largest property developers in China, and we're reviewing their development concepts now for the two pieces of land. Subject to being satisfied with their concepts, we'll enter into a sale agreement. The proceeds from that sale will be reinvested into the facilities here, principally the new grandstand.

KR: What can you tell us about the plans for Flemington's new grandstand?

DC: We have a series of grandstands. The oldest stand is about 90 years old, so it's served us well for many decades, but customer expectations are now for a lot more than a grandstand with great seating and viewing, and we're looking at replacing that particular stand with a new stand that would be about 30% larger, incorporating a range of restaurants from casual dining experiences right up to your premium restaurant offers, a range of bars, and also terrific views of the track. As a club, we have a membership of 30,000 people. We have a four-year waiting list for membership, so we know that there's demand for additional membership, but we're capped based on our existing grandstand facilities. Building a larger stand will allow us to admit those who are on the waiting list and also take on additional members. It's really about meeting the demand for membership that we have already, and that we can see coming our way in the years to come. So there's a number of objectives there, but it's really important for an iconic event such as the Emirates Melbourne Cup and the Melbourne Cup Carnival that our facilities reflect that, and they reflect the positioning of our brand. That's why we have our plans to construct a new stand. We are hoping to commence construction post the 2015 Melbourne Cup Carnival. It would be out of action for 2016, and completed for 2017.

KR: It has been said in the media that the VRC must rise to the growing challenge of Sydney racing, which has also seen a number of recent improvements. What is your response to this?

DC: Sydney racing, the Australian Turf Club, have announced an ambition to really build their autumn racing program, and I understand details of what changes might take place might be coming soon. We have a strong autumn racing program as well in February and March, and that leads into the Sydney carnival, which is in April. So we're really pleased to see that they've got some ambition to grow their carnival. I think it's important for the industry in Australia that the Sydney carnival grows in its success as well. The more attention and interest that we can generate as an industry, whether its Sydney, Melbourne or elsewhere, is good for all of us. So we're really looking forward to hearing the plans there.

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KR: Being the former CEO of Crown Casino, you clearly have a lot of experience dealing with customer care in a gambling-focused environment. Can you describe the importance of giving patrons a great experience, and of staying ahead of competing industries?

DC: It's really critical, because the competition for the entertainment dollar and leisure time is just intensifying. Other options that people have are getting better and better, so it's important for us to meet the expectations of our customers as we compete for leisure time and dollars. We have a great product here, which is very high quality racing, and we'll continue to develop our racing program, but we're also focusing on broadening the entertainment on offer. In terms of restaurants, we've teamed up with a number of high-profile brands, which are familiar Australian brands, and we'll have a number of pop-up restaurants at the carnival. We're bringing the very best of the restaurant offers in Melbourne onto course here. In our new facilities, we'll be creating some terrific restaurant offers that are equal to any offers you would find in the food precincts

in Melbourne and Sydney. We're also exploring other opportunities. We have some exciting plans rolling out soon for the autumn carnival in terms of broadening the entertainment on offer. Flemington is already known for high-level customer service, and we'll continue to build on that as well.

KR: The Melbourne Cup Carnival, and to a large extent Australian racing in general, has benefitted from packaging its events as must-attend social experiences as much as race meetings. Do you think this aggressive marketing approach has contributed to the carnival's success?

DC: Absolutely. People see it as a great day of racing, great entertainment, and fashion is the key here. We have the best food, the best wine, and people in Melbourne really dress up for the occasion. That's all central to what the event is really about. We have terrific support from our sponsors, who activate incredibly well on course. Many of them also invite national celebrities to the event, so each year we have high profile celebrities attending, either as guests of sponsors or coming on their own right. Last year we had Prince Charles and Camilla here.

Camilla presented the Melbourne Cup and Princes Charles presented the following race, so it's certainly an occasion that attracts royalty, celebrities and also all of Melbourne, and all of Australia. We describe it here as 'the race that stops a nation'-it's a public holiday in Melbourne.

The day before the race city streets are closed for the Melbourne Cup Parade. The jockeys and trainers are driven down the street and the crowds come out to cheer them on. Raceday is a public holiday in Melbourne, but come Cup time all of Australia turn their attention to the Melbourne Cup.

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KR: Who is your pick for the Melbourne Cup?

DC: My track record for picking Melbourne Cup winners isn't that good, but I have to say, the international contenders this year are very, very strong, probably the strongest contingent we've seen. We've also got Lloyd Williams' team, they have a large number of entries as well. Lloyd won with Green Moon last year and won the Caulfield Cup with Fawkner, so that stable is certainly in form. So it seems to be a three-way contest. The international contingent, Team Williams, and the rest of the local contenders.