



AN OPEN LETTER TO OUR VALUED RACE FANS

We feel it is important to provide additional information about our recent decision to adjust the days of the week that we present live racing.

First and foremost, we believe it is important to let you know that the mandate of the Manitoba Jockey Club Inc. is to protect and promote live horse racing in the Province of Manitoba. We would like to assure you that any and all decisions that we make are soundly grounded in that mandate.

The opportunity for revenue generation for our racetrack is primarily through the following areas:

- Wagering on live horse racing directly within Manitoba
- Wagering on simulcast horse racing directly within Manitoba
- Selling our live race signal to facilities outside of the province
- VLT gaming
- Food & beverage sales
- Facility rentals
- Sponsorship & Corporate sales

We consistently monitor and analyze the current and historical patterns that those revenue areas generate. At the same time, we are always looking at opportunities to increase revenue in those areas.

With that in mind, we have watched as Sunday afternoon racing peaked and then had actually begun to decline for more than one live race season. We took initiatives through our marketing department to try and stem that trend such as the creation of “family fun days.” This promotion saw us provide free pony rides, face painting, a petting zoo, giant inflatable jumping gyms and more. We introduced concession “combo” meals to minimize the cost to families. On the racing side, many of our stakes races were also showcased on Sundays. In addition, we supported the entire endeavour with a significant part of our available advertising dollars.

Wagering and other revenue continued to decline on Sundays.

In analyzing our ability to “sell” our Sunday afternoon live race signal to other markets, we again were faced with not only a declining trend, but also an extremely limited opportunity. In the simplest of terms, we were faced with an afternoon marketplace that was saturated with the top branded racetracks in North America (New York, Kentucky, Florida, California). Most of the facilities that we tried to sell our signal to simply had no room to take our product.

With no ability to achieve revenue from the sale of our signal (which in turn also boosts the size of the wagering pools for those within Manitoba to wager into), combined with declining on-track wagering, Sundays were becoming a significant losing proposition.

Another opportunity to increase revenue and patron traffic to the racetrack comes through booking corporate events which create food and beverage sales in addition to the potential for wagering on horse racing and playing VLTs. This was also difficult as companies trend away from asking their employees to attend company functions on weekends. “Why don’t we offer more live racing days during the week?” came the plea from “corporate Winnipeg.” Our Terrace Dining Room, in fact, was completely sold out on Tuesdays during the 2008 live race meet. And, again, there was a demand for more.

Our next step was to talk directly to our valued race fans – and make no mistake about it – we do value each and every one of you. During the 2008 live race season we completed an extensive on-site survey. In response to the question “If one of these days were eliminated (Friday, Saturday, or Sunday), which day would you be LEAST sorry to lose?” **The overwhelming and definitive choice was the request to remove Sunday from the calendar.**

At the same time that we surveyed our patrons on-site at the racetrack here in Winnipeg, we completed an exhaustive survey of outside jurisdictions to determine which days of the week they would be interested in buying our live race signal. The results were again overwhelming and conclusive that Sundays presented very little opportunity while Wednesday evenings featured significant potential.

A typical week of live racing will consist of Wednesday, Friday and Saturday evenings. Tuesday will be added June 9 and will continue through to the end of July.

FAMILIES ARE IMPORTANT TO US!

We cannot say strongly enough how much we value the support of families at Assiniboia Downs.

While our entire 2009 marketing and promotions campaign is not yet fully complete at this time, we can tell you that we have booked the afternoon racing cards as incredible family fun days! These afternoon race cards with a post time of 1 p.m. will be featured as follows: Mother's Day - May 10, Victoria Day - May 18, Canada Day - July 1, Manitoba Derby Day - August 3, Labour Day - September 7.

In addition, we remind you that free admission and free parking every day makes Assiniboia Downs a great destination for budget-conscious families any day of the week. As we all know in Manitoba, there is daylight until well into the evening for most of the summer and our 2009 racing program features 33 live race days during school summer holidays – more than 50 per cent of our live race meet!

WE COUNT ON YOUR SUPPORT!

In conclusion, we hope that the additional information that we have provided above has helped further your understanding of our decision-making process.

We are a non-profit racetrack run by a volunteer Board of Directors. Once again, all of our efforts are directed towards our mandate to protect and promote live horse racing in Manitoba. We would like to thank everyone who has supported Assiniboia Downs since our inception in 1958. And we promise everyone an exciting, innovative season when we launch our 51st year of live racing on Mother's Day, May 10!

Kindest Regards,

MANITOBA JOCKEY CLUB INC.



Harvey Warner
MJC President