



Global Wagering from the U.S. Perspective

Presented by:

Scott Daruty, President, Monarch Content Management

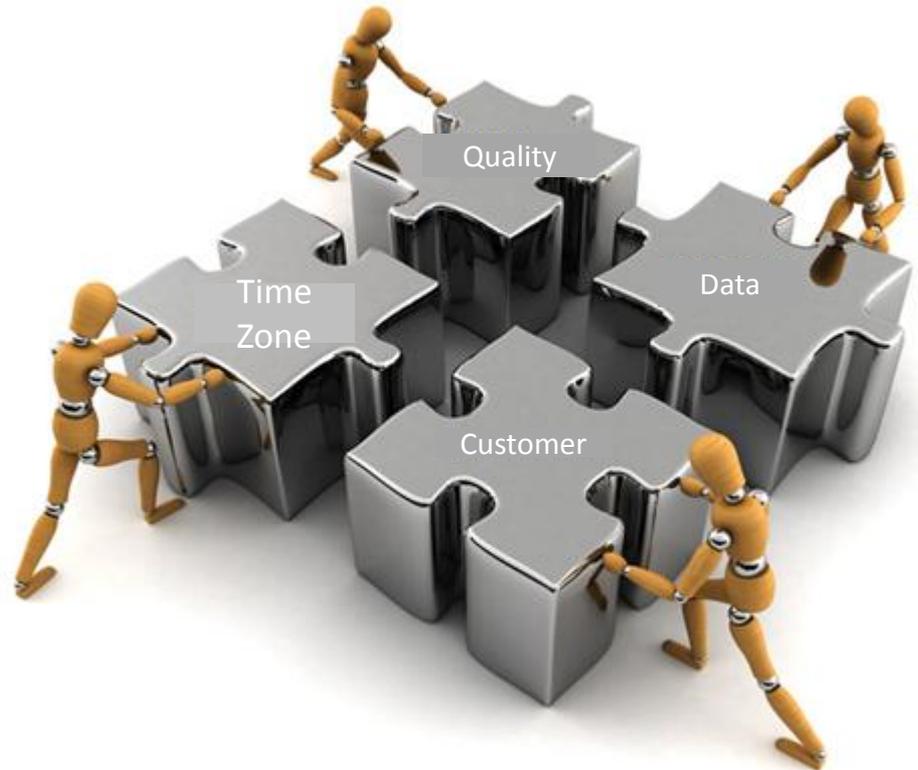
Goals for International Simulcasting

- Export our product to new markets = new revenue
- Import new product into our markets = new revenue
- Reciprocity is key



Factors for Success - Import

- Time zone
- Affinity of U.S. customers for product
- Pool size – commingled/separate
- Data
- Field size
- Reciprocity





Current Monarch Imports

- Latin America – Argentina, Chile, Uruguay, Mexico
- France
- UK
- Australia
- New Zealand
- South Africa
- Hong Kong
- Dubai
- Japan



How Content Measures Up

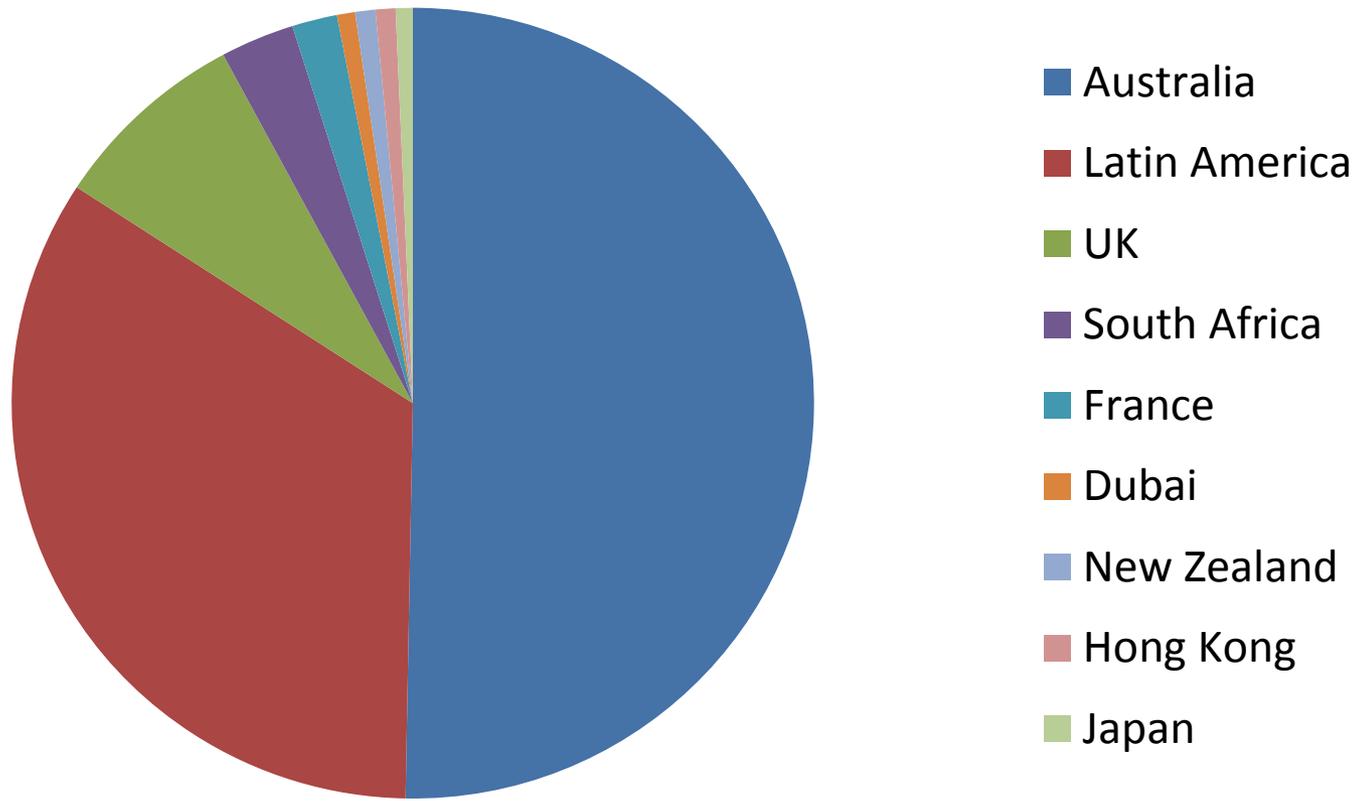
Content	Time Zone	U.S. Affinity	Pool Size	Data	Field Size	Reciprocity
Latin America	√	√		√	√	√
France			√	√	√	
UK		√		√		
AUS/NZ	√			√		√
South Africa				√		√
Hong Kong			√	√	√	
Dubai				√	√	
Japan				√	√	

Method of Import

- Stand-alone signal (Hong Kong, PMU, Australia)
 - Pros: Can take an entire card, can negotiate track specific agreements
 - Cons: It can be difficult to convince simulcast locations to add another signal
- Piggy-back signal (Latin America)
 - Pros: Simulcast locations already receive the main signal so get the piggy-back signal with no additional hassle or expense
 - Cons: The signal contains a mixture of multiple racetracks, data must be integrated

Import Handle

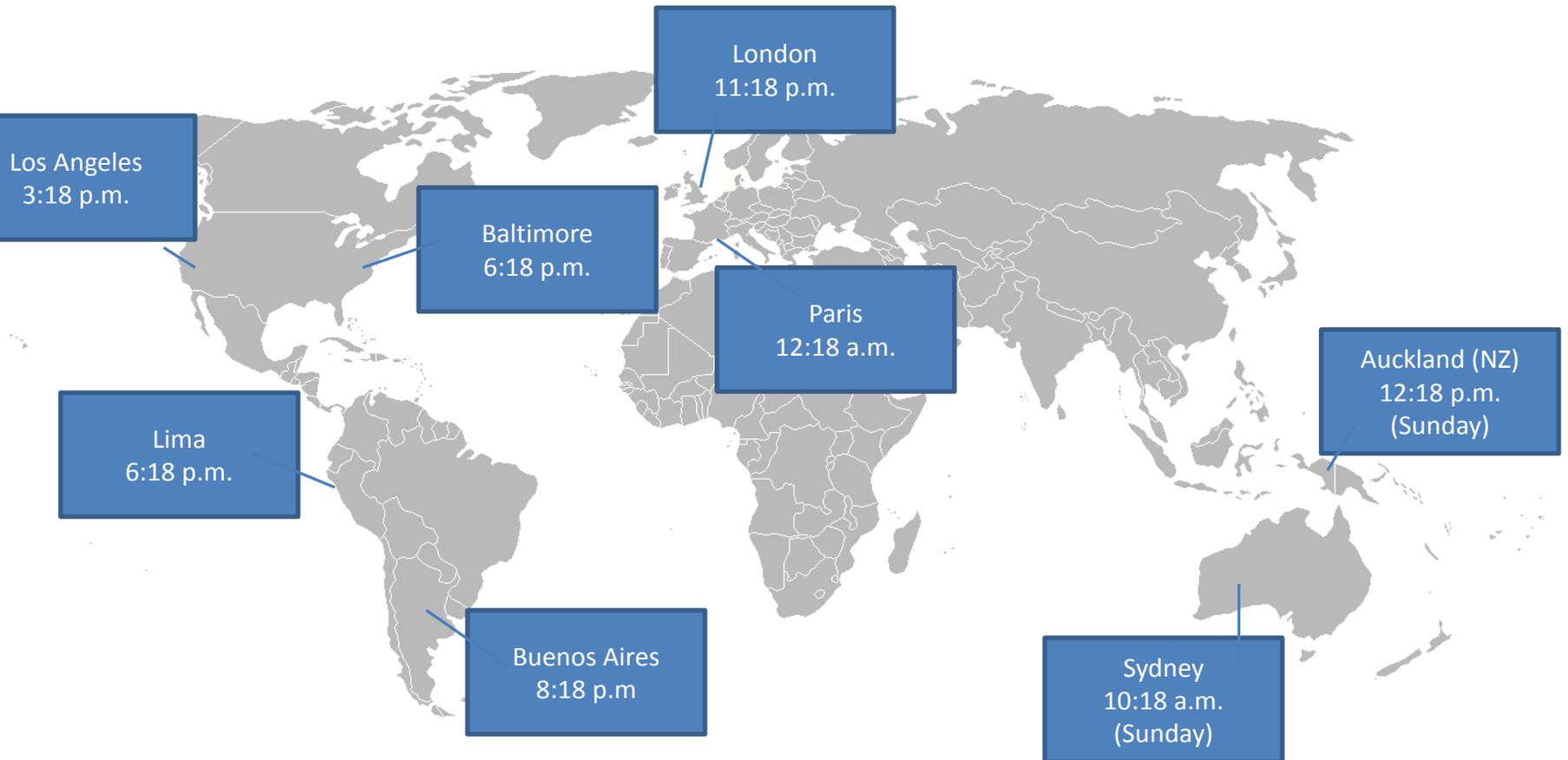
Monarch Handle on International Imports



Factors for Success - Export

- Time zone
- Size of market
- Ability to commingle
- Affinity of local customers for U.S. racing
- Reliable distribution partners

Post Times Around the World





Export to Latin America

- Panama, Uruguay, Venezuela, Peru and others
- Time zone works well, particularly for West Coast
- Mature racing markets
- Successful conversion to commingled wagering
- Local customers know our product
- Local racetracks have been good partners
- Annual handle over \$25 million a year on Monarch

Challenges in the Global Market

- Technology integration
- Piracy
- “Closed” markets
- Transfer of funds
- Intricacies of international taxation



What Can U.S. Racetracks Do

- Import – work to introduce international simulcast product to your customers
- Export – U.S. product is more desirable if we all work together



Contact Us

Scott Daruty, President – scott.daruty@hrtv.com

Jack Jeziorski, Executive Vice President - jack.jeziorski@monarchmgmt.com