

## Glossary

<b>1963 Act</b>	The Betting, Gaming and Lotteries Act 1963.
<b>1989 report</b>	The MMC report <i>Grand Metropolitan PLC and William Hill Organisation Limited: a report on the merger situation</i> (HMSO, Cm 776) dated August 1989 into the acquisition of William Hill by Grand Met, owner of Mecca.
<b>400 metre measure</b>	A term referring to what is known in the betting industry as the 440 yard measure or the 440 yard rule. It derives from the <b>1989 report</b> which accepted that a pragmatic approach to measuring local markets was to examine areas based on a 440 yard radius from <b>LBOs</b> . The 440 yard measure is the interpretation given by the betting industry to the <b>1989 report</b> 's concern at the effect of the <b>Mecca/William Hill merger</b> eliminating competition within a 440 yard radius in 33 locations and its recommendation that such competition be restored through divestment of at least one <b>LBO</b> by Grand Met in each of these locations. However, for the reasons given in the second footnote to paragraph 2.11 we use the term '400 metre measure'.
<b>Advertised prices</b>	Prices (odds) advertised in the press and on teletext by off-course <b>bookmakers</b> . See <b>early prices</b> .
<b>Ante-post bet</b>	A bet placed before the day of a race at <b>ante-post prices</b> . The stake is forfeited if the horse selected is withdrawn before the race.
<b>Ante-post prices</b>	Prices (odds) created and quoted by off-course <b>bookmakers</b> , usually the leading chains, before the day(s) of the event. See <b>early prices</b> .
<b>AWPs</b>	Amusement with prizes machines; up to two permitted in <b>LBOs</b> from June 1996, with a maximum payout of £10 per machine. Also known as slot machines, slots or fruit machines.
<b>BAGS</b>	Bookmakers' Afternoon Greyhound Services Limited, a company, limited by guarantee, formed by <b>bookmakers</b> . It arranges for the provision of greyhound racing mainly in the afternoons and on Saturday mornings. This service is usually available on days when there are fewer than five horse-race meetings.
<b>BAGS formulae</b>	The SP-based formulae used to determine dividends on <b>forecast</b> and <b>tricast</b> bets on BAGS races.
<b>BBOA</b>	The British Betting Office Association, which was formed in 1992 and now has about 420 independent <b>bookmaker</b> members. (See also <b>BOLA</b> and <b>NAB</b> .)
<b>Betting duty</b>	See <b>GBD</b> .
<b>Betting levy</b>	A statutory levy on off-course bets placed on horse races, collected from <b>bookmakers</b> by the <b>Levy Board</b> for the benefit of horse racing.
<b>Betting office or betting shop</b>	See <b>betting office licence</b> .
<b>Betting office licence</b>	A licence issued under the <b>1963 Act</b> authorizing the holder to use specified premises as a betting office. Licences are issued by committees of magistrates in England and Wales, and by licensing boards in

	Scotland.
<b>Betting percentage</b>	See <b>over-round</b> .
<b>Betting slip</b>	The paper on which details of the bet or bets are recorded by the person placing it.
<b>BGRB</b>	The British Greyhound Racing Board Limited, the representative body for greyhound racing run under the auspices of the National Greyhound Racing Club.
<b>BGRF</b>	The British Greyhound Racing Fund, a body made up of off-course <b>bookmakers'</b> and <b>BGRB</b> representatives with the task of collecting and distributing the non-statutory, voluntary <b>greyhound levy</b> .
<b>BHB</b>	The British Horseracing Board Limited, the governing authority for British horse racing. Its board members are drawn from a variety of racing interests.
<b>Big 3</b>	The three major bookmaking chains in 1997, namely <b>Coral</b> , <b>William Hill</b> and <b>Ladbroke</b> .
<b>Board prices</b>	Odds displayed on boards by on-course <b>bookmakers</b> in the <b>ring</b> in the period immediately before a race. Also this phrase describes latest shows of betting from the on-course betting ring relayed to <b>LBOs</b> by <b>SIS</b> or <b>Racing Data</b> . See also <b>show prices</b> .
<b>BOLA</b>	Betting Office Licensees Association Limited, a <b>bookmakers'</b> trade association of which the leading chains are all members.
<b>Bookmaker</b>	A person or company (including <b>the Tote</b> ) who accepts bets in the course of business on his own account. Bookmakers other than <b>the Tote</b> are required to hold a <b>bookmaker's permit</b> issued under the <b>1963 Act</b> . The permits have to be renewed every three years.
<b>Bookmakers' Committee</b>	A statutory body funded by the <b>Levy Board</b> with the function of recommending to the <b>Levy Board</b> the level of betting levy to be applied. The committee consists of 12 members appointed by <b>BOLA</b> , <b>BBOA</b> , <b>NAB</b> and the Scottish SP Bookmakers' Association.
<b>Bookmakers' deduction</b>	See <b>tax</b> .
<b>Bookmaker's permit</b>	See <b>bookmaker</b> .
<b>Bookmakers' prices</b>	Prices, other than <b>board prices</b> , <b>SPs</b> and <b>Tote odds</b> , offered by off-course <b>bookmakers</b> at which they are prepared to accept a bet.
<b>Computer straight forecast</b>	The <b>SP</b> -based formula used by <b>bookmakers</b> to determine winnings on horse-race forecasts. There are also formulae governing <b>tricast betting</b> and <b>BAGS</b> racing.
<b>Coral</b>	Arthur Prince (Turf Accountants) Limited, Coral Estates (Holding) Limited, Coral Holdings Limited, Coral Stadia Limited and Coral Leisure (Ireland) Limited. These companies were wholly owned by Bass until 31 December 1997 and are now wholly owned by Ladbroke. These companies run the Coral betting business. (See Appendix 3.1.) We use the term Coral to refer to the groups, the parent companies and any of their subsidiaries, according to context.

<b>Deduction</b>	See <b>tax</b> .
<b>Each-way bet</b>	A pair of bets placed with a single instruction on one horse or greyhound to win and to be placed (usually in the first three).
<b>Early prices</b>	Term used in this report to refer collectively to <b>ante-post</b> , <b>advertised</b> and <b>morning prices</b> .
<b>EPOS</b>	Electronic point of sale.
<b>FACTS</b>	Full Audio and Captions Televised Service provided by <b>SIS</b> .
<b>Fixed odds betting</b>	Betting at odds fixed at the time the bet is placed or <b>SP</b> or <b>Tote odds</b> under <b>Tote Authority</b> . It therefore incorporates all forms of betting other than <b>pool betting</b> . Confusingly the expression is also used on occasion to denote only odds fixed when the bet is placed, but this narrower sense is not employed in this report.
<b>Forecast bet</b>	A bet, particularly popular in greyhound racing, aiming to name in correct order the first two to finish (in the case of the first three, it is called a <b>tricast</b> ).
<b>Gaming Board</b>	The Gaming Board for Great Britain, the regulatory body for casinos, bingo clubs, gaming machines and larger lotteries (including all local authority lotteries, but excluding the National Lottery which is regulated by the Director General of the National Lottery through the Office of the National Lottery).
<b>GBD</b>	General betting duty, currently 6.75 per cent on all money staked off-course with <b>bookmakers</b> ; it is payable to HM Customs and Excise. Not to be confused with <b>tax</b> .
<b>Greyhound levy</b>	The voluntary payment made by some off-course <b>bookmakers</b> to support greyhound racing. It is currently set at 0.4 per cent of money staked on greyhound racing off-course. The <b>BGRF</b> administers the fund.
<b>HBL</b>	Horsrace Betting Levy. See <b>betting levy</b> .
<b>Hedging</b>	The action of a <b>bookmaker</b> in placing a bet with another <b>bookmaker</b> in order to offset part of his liabilities resulting from bets taken.
<b>Ladbroke</b>	Ladbroke Group PLC. We use the term Ladbroke to refer to the group, the parent company and any of its subsidiaries according to the context but excluding <b>Coral</b> (unless the context indicates otherwise).
<b>Ladbroke Racing</b>	The division of <b>Ladbroke</b> that is responsible for the group's UK retail betting business.
<b>Laying-off</b>	The action of off-course <b>bookmakers</b> in placing bets on-course, using office money, to reduce their risk on a race and to reduce the <b>SP</b> on a particular horse. A form of <b>hedging</b> .
<b>LBO</b>	Licensed betting office. See <b>betting office licence</b> .
<b>Levy Board</b>	The Horsrace Betting Levy Board, a statutory body, which assesses and collects from <b>bookmakers</b> and <b>the Tote</b> monetary contributions which it distributes to horse racing.
<b>Mecca/William Hill merger</b>	See <b>1989 report</b> . (Also referred to as Grand Metropolitan/William Hill merger.)

<b>Morning prices</b>	Prices quoted by off-course <b>bookmakers</b> on the morning of a race until <b>show prices</b> are reported through to <b>LBOs</b> from the course. See <b>early prices</b> .
<b>Multiple bets</b>	Bets, of which there are a wide range, where the payout depends on the outcome of more than one event, the original stake and any winnings from the first event being regarded as the stake for subsequent events.
<b>NAB</b>	The National Association of Bookmakers Ltd, a federation of 11 regional <b>bookmakers'</b> associations (with about 1,000 members in total) representing on- and off-course <b>bookmakers</b> .
<b>Numbers betting</b>	Fixed-odds wagers in which customers place bets on one or more numbers being drawn from a pool of numbers; introduced into <b>LBOs</b> from late 1995.
<b>OFT</b>	Office of Fair Trading.
<b>On-course deduction</b>	<b>Deduction</b> made by on-course betting shops at the rate of 6 per cent to cover the commission payment by the shop to the racecourse concerned, among other things (see <b>tax</b> ).
<b>Over-round</b>	Also known as the betting percentage. A <b>bookmaker's</b> theoretical gross profit margin, expressed as the amount by which the odds offered, expressed in percentage terms for each of the runners in the race and totalled, exceeds 100 per cent.
<b>Pitch</b>	The area in the betting <b>ring</b> occupied by an on-course <b>bookmaker</b> .
<b>Pool betting</b>	Betting where all stakes on a particular outcome are pooled, and the stakes shared out among those who correctly predict the outcome (after deductions to cover <b>tax</b> and the promoter's expenses and profit) (see <b>fixed odds</b> ).
<b>PSD</b>	Petty sessions division. The jurisdictional area in England and Wales for the purposes of <b>bookmakers' permits</b> and <b>betting office licences</b> is the petty sessions area. Applications for permits and licences are made to a committee of magistrates acting for the appropriate petty sessions area. The petty sessions area in which applications have to be made is specified in the <b>1963 Act</b> . In parts of the country that are divided into petty sessions divisions, a petty sessions division and a petty sessions area is one and the same. However, it is common practice to refer to petty sessions divisions, instead of petty sessions areas, even in relation to parts of the country that are not so divided. Accordingly we use the term PSD to refer to both petty sessions areas and petty sessions divisions.
<b>RaceTech</b>	Racecourse Technical Services Limited, a company owned by the <b>RCA</b> whose principal function is the provision of technical services to support the integrity and security of racing at all licensed race meetings. It provides starting stalls, computer photo-finish equipment and among its television facilities it ensures CCTV coverage and operates a television outside broadcast fleet.
<b>Racing Data</b>	Racing Data Ltd, a company that provides a text information service to <b>LBOs</b> providing shows, results and dividends for horse and greyhound races.

<b>Rails bookmaker</b>	An on-course <b>bookmaker</b> who takes bets on the rails between the <b>ring</b> and the members' or club enclosures. A rails bookmaker is not allowed to display prices for races taking place on the racecourse at which that rails bookmaker is present.
<b>RCA</b>	The Racecourse Association Limited, a trade association of which the operators of all 59 British racecourses are members.
<b>Ring</b>	The area at each racecourse approved by the <b>Levy Board</b> for on-course <b>bookmakers</b> to carry on their business. Also known as Tattersalls ring or the betting ring.
<b>Ring bookmaker</b>	An on-course <b>bookmaker</b> who operates from a <b>pitch</b> in the <b>ring</b> .
<b>ROA</b>	Racehorse Owners Association.
<b>Show prices</b>	Prices available prior to <b>SPs</b> which are reported to <b>LBOs</b> from the racecourse by <b>SIS</b> or <b>Racing Data</b> in the period immediately before a race. They represent the odds generally available at the time for each runner, reflecting principally the <b>board prices</b> displayed by on-course <b>bookmakers</b> in the <b>ring</b> .
<b>Showcase race</b>	A daily feature horse race with a minimum level of prize money, funded by off-course bookmakers to promote competitive racing. Showcase races are supported by the availability of <b>early prices</b> .
<b>SIS</b>	Satellite Information Services (Holdings) Limited, the parent company of Satellite Information Services Limited, whose operations include providing <b>LBOs</b> with an integrated programme of television pictures, text and voice on the racing of the day at horse-race courses and greyhound stadia. We use the term SIS to refer to both companies individually or the two companies together, according to context.
<b>SP</b>	Starting price, ie the odds prevailing on-course at the time a race begins. They are determined for each runner by the SP returners of MGN Limited (publishers of the <i>Racing Post</i> ) and the Press Association on the basis of their observations of the prices available from on-course <b>bookmakers</b> .
<b>Spread betting</b>	Also known as index betting. Betting where punters can place complex bets on, for example, an individual's or team's performance in a sporting or other event covering a range of outcomes.
<b>Stake</b>	The amount of money wagered on a bet, exclusive of <b>tax</b> .
<b>Stanley</b>	Stanley Leisure plc, which through its subsidiary Stanley Racing Limited runs a chain of 473 <b>LBOs</b> in Great Britain.
<b>Tax</b>	A term used by some <b>bookmakers</b> and their customers alike to describe the deduction (or charge), currently 9 per cent, made by off-course <b>bookmakers</b> to cover <b>GBD</b> , <b>betting levy</b> , <b>greyhound levy</b> , VAT and associated administrative costs. Punters can ask for 9 per cent to be added to the stake, which most do, or deducted from winnings. Not to be confused with <b>GBD</b> or <b>on-course deduction</b> .

<b>The Tote</b>	The Horserace Totalisator Board, a statutory body which has the exclusive right to run pool betting on horse racing in Great Britain. Through its subsidiaries Tote Bookmakers Ltd and Tote Credit Ltd it runs a telephone betting operation, a chain of <b>LBOs</b> and on-course betting offices. See also <b>Tote Direct</b> .
<b>Tote Authority</b>	See <b>Tote odds</b> .
<b>Tote Bookmakers</b>	Tote Bookmakers Limited, a subsidiary of <b>the Tote</b> .
<b>Tote Credit</b>	Tote Credit Limited, a subsidiary of <b>the Tote</b> .
<b>Tote Direct</b>	Tote Direct Ltd, a company in which, following the Ladbroke/Coral merger, 50 per cent of the share capital is to be held by <b>the Tote</b> and 50 per cent by <b>Ladbroke</b> . Prior to the merger, <b>the Tote</b> , <b>Ladbroke</b> and Bass had a third of the shares each. Tote Direct runs an <b>LBO</b> -to-racecourse pool betting operation. There are currently some 4,400 terminals in betting shops accepting Tote bets for transmission to the pool.
<b>Tote odds</b>	Betting with a <b>bookmaker</b> where the <b>bookmaker</b> undertakes to pay winning bets at the same stake to dividend ratio that the Tote pool pays, but the <b>stake</b> does not go into the pool. The <b>bookmaker</b> is required to have <b>the Tote's</b> authority to operate a Tote odds betting facility. This is termed <b>Tote Authority</b> .
<b>Tricast bet</b>	See <b>forecast bet</b> .
<b>William Hill</b>	The William Hill Organization Ltd, a major bookmaking chain acquired in October 1997 from Brent Walker by the Grand Bookmaking Company Limited, which is indirectly and beneficially owned by Nomura International PLC.