

but, there we were being asked to pay for the privilege to take 'formal title'.

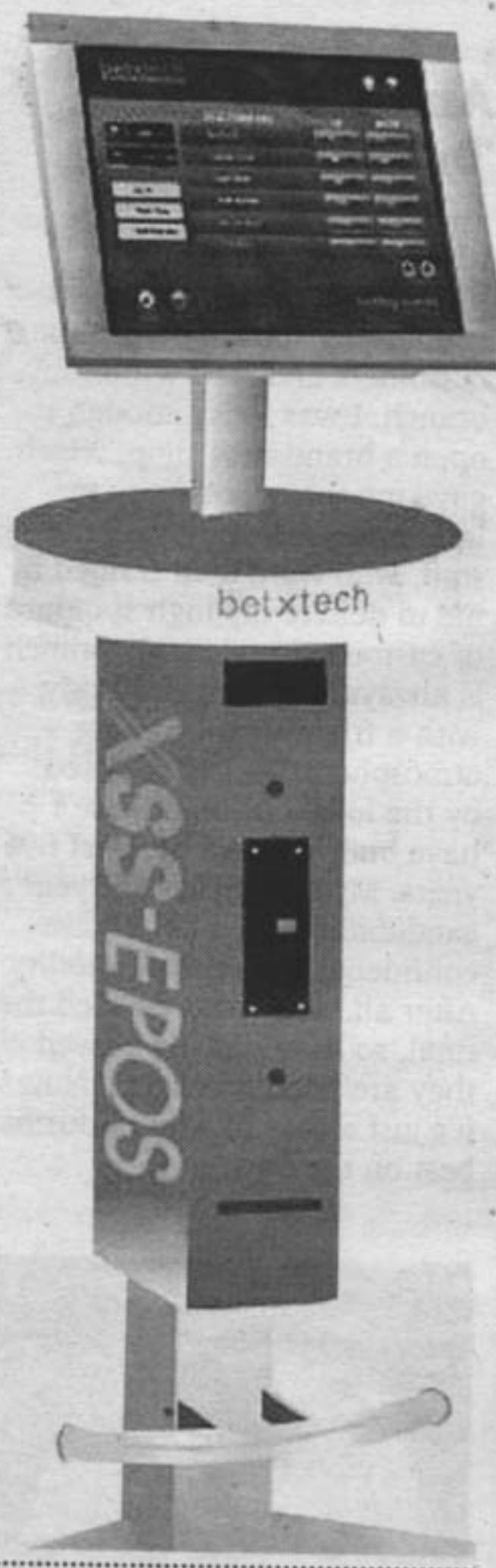
Admittedly, such ownership had the advantage of allowing the Tote to operate more like a normal company, with borrowings to invest in competing more radically with bookmakers. This came at a time when the then-incoming Labour government was intent on staying out of racing matters, such as the Tote and Levy Board, and pressure from it grew for change.

Hence, the concept for a deal emerged that involved a payment to tidy up the legal position, with its half-price solution recognising racing's existing claim, but also the role of government as 'guardian'.

All that fell apart under European law, but any chance of racing paying a full price was never a runner – it's not affordable, and simply isn't fair – which is why we now have bookmakers sniffing around.

▶▶My own view is that racing has a good chance of persuading the government not to go down the latter route – a sale to Gala Coral, for example. If so, there are really only two options left.

jjA sale to the mooted employees trust, presumably with some sort of guarantee of a commitment to racing and run along the lines of the John Lewis Partnership. However,



**A prototype self-service Betfair terminal, intended for shops and shown at last month's Betting Show**

since the latter was essentially the gift of its founder, John Spedan Lewis, who signed away his personal ownership rights, it is difficult to see how there will be real value for those investing in the deal – unless the government can find a way to make it attractive to Tote staff. The concept has attractions – after all, anyone who uses John Lewis stores tend to swear they offer a high-quality service. Were a Tote 'Partnership' to work, it would prove a significant achievement by the government.

▶▶As happened with the Levy Board, a reversion to the status quo.

Old Tote hands always reckoned the status quo, oddity that it was, was the only way to preserve something special that worked. And with bookmakers screaming that the Gambling Commission is a vast bureaucracy that may actually achieve nothing positive, perhaps putting the Tote under its direct control would give it a real function and feel for the marketplace in which it operates.

You can imagine the reaction of Gala Coral, already fuming at the interference of the Gambling Commission across its bingo halls, betting shops and casinos, suddenly finding the GC will be running a major competitor, too.

Well, since this is our blue-sky moment, why not? Bookmakers have been handed a green light to maintain the FOBT cash cow, is it not time to work out how the Tote can be given an edge, too? Don't the profits racing generates for the Treasury require a 'duty of care'?

If that is too controversial, how about giving the Levy Board a broader role, and letting the Tote sit as a sub-section of that organisation, which has the advantage of being well-run and understanding the marketplace.

Admittedly, this would be a huge culture change as the Levy Board is purely a money-raising administrative body, but from the point of view of racing, isn't that surely what the Tote does for it, too?

Racing is in a position of having to trust the DCMS, and before we all panic, let's see what Richard Caborn, the Minister for Sport, actually comes up with.

What has definitely changed is that the government does now own the Tote, having effectively nationalised it to remove all doubt. In my view, Caborn has yet to let us down – and has proven a good friend to racing and betting. We desperately now need him to sort out the mess.