

OpenTote Network

About OpenTote

OpenTote technology differs from traditional pool betting networks in many key ways:

1. OpenTote is a bet-by-bet network
2. OpenTote delivers race data as well as pool data through a single access point
3. OpenTote handles all settlement of tickets on behalf of the customer

Our Bet By Bet Network

To understand the key advantages of bet-by-bet, you first need to understand ITSP, the Inter Tote Service Protocol, and its limitations for the development of your product coverage.

Simple ITSP overview

ITSP allows the sharing of pool information between two systems. Commonly referred to as a guest and host, where the host holds the 'main' pool, and the guest provides a replica of that pool for its local customers.

In this scenario, a connection to the guest system, which is common in international distribution allows the customer to bet into the guest's mirror of the main pool. Bets are struck with the guest, and not with the host. Periodically, the guest and host share information regarding the nature of the betting that has take place, in order that the pools and prices be calculated on the sum of betting in two locations, as opposed to one. Critical events such as runners scratching and pools opening and closing are also communicated via this link.

The disadvantages of this approach are obvious when you consider that the bet is *struck* at the guest tote system, not the host.

1. Pool type limitation: Each guest can only accept bets for pools it is capable of hosting itself. As each bet must be placed into a local representation of the pool (as only the pool values are shared) the system acting as a guest must be capable of hosting and cashing that pool independently of the host. Development of complete pools is complex and time consuming for the tote operator. This has led to a disparate support for different products globally. For this reason alone the US style tote systems cannot support UK bet types such as Scoop 6, and vice versa.
2. Price and data issues: Displaying prices to a customer is an important aspect of providing race betting. The biggest complaint we hear about pool betting is not the takeout rates, but the lack of transparent, up to date information on the pools. This is primarily caused by the lack of data shared via the ITSP link between systems. It is possible to produce

complex price matrices such as trifecta and superfecta pricing grids on current tote systems, but the data on which they must be built is held in many places and not shared effectively. The pricing issue is further compounded by the fact that this data sharing, where it does occur is periodic, meaning that the display of prices is *never* accurate in an ITSP system, not even when a new price cycle occurs, as before the price can be calculated, you are guaranteed that the guest data received is out of date.

3. Integrity Risks: Although many efforts are underway to shore up ITSP to provide greater transparency and integrity in the ITSP network, it leaves some fundamental issues unanswered until this process completes (which it may never);
 1. Who is the real guest? When the pools are collated and merged before providing the information to the host, the host loses transparency as to where that bet has come from, and who placed it. This allows less scrupulous operators to merge traffic together in order that certain sources of traffic be disguised as another, masking the true origin of the traffic entirely.
 2. What was the original bet? In 2002, Chris Harn, an employee of Autotote attempted to defraud the tote system by creating a ticket and altering it at the last minute. A write up can be found [here](#), however what the author doesn't tell us is that the ITSP system was the fatal flaw that allowed the crime to be facilitated. For complex pools, ITSP doesn't exchange information on tickets at all until the penultimate race is run. This is what allowed Chris to effect the changes to the ticket before the last race ran, and still got a winning entry into the pool. In a bet-by-bet system, this event could never have happened.
 3. When does the pool close? Numerous examples of past-posting have occurred in the US and other countries, where guest systems have left the pools open long after the race is run. While this can occur for many reasons, and sometimes the host also suffers the same issue, but the problem persists despite many attempts to resolve it. At its core the problem exists because the guest system is capable of taking a bet whether the host's pool is open or closed. While messages flow between the two systems to allow them to communicate these events and act upon them, delivery is not guaranteed, and so the action required to effect the closure of the pool is also not guaranteed.

How does this affect me?

You are probably reading this as you are wanting to bet into a pool network, but are not a pool host yourself. In the diagram shown below you are the customer. When connecting into the traditional pool network you will likely be offered a series of gateways into which you can connect for provision of some or all of the following:

1. Transactional capabilities with the Guest system you are connecting into.
2. Data extraction capabilities (often via an XML or Binary stream) for pool pricing
3. A supplemental data service to provide runner/trainer/owner etc. Information.
4. A secondary data service for form and historical information.
5. A mechanism to extract cashing and ticket information after the pool has closed.

Our example below shows a connection into a guest system to access a single host, which is collating pool information from a number of guests. In this very simple example, the logic of connecting to a guest may make sense. Assuming the Guest's ITSP link is capable of delivering the full set of bets from the Host system to you, you have no specific disadvantage over connection with the host directly, as you can access all the products of the host from the guest.

More Complex Networks

In order to access more pool opportunities, this begins to present more of a challenge for ITSP networks alone. Take for example the following network diagram. In this scenario, you wish to access the products hosted in Host 1 and 2. The following table breaks these out:

Host / Guest Pool Matrix

Host 1	Y	Y	Y	Y	Y	Y	N	Y	N
Host 2	Y	N	Y	Y	Y	N	Y	N	Y
Guest A	Y	Y	Y	Y	Y	Y	N	Y	N

In this scenario, connection to Guest A, will provide you all the pools on Host 1, but only limited access to pools on Host 2, as either Guest A or Host 2 (or both) cannot support ITSP links for the PL4 and PL6 pools.

In order to gain full access to both the Host 1 and Host 2 pools, the customer would need to initiate a second connection to Host 2 to cover the missing PL4 and PL6 pools.

The diagram shows this above. While this looks relatively straight forward, it is almost guaranteed that the second gateway connection with Host Tote 2 will need an entirely different set of code, methods and procedures from the original Guest gateway, as gateway services are not standardised across the industry, and therefore presents a major issue in terms of development overhead and cost. Further, this would be compounded by the fact that the original guest gateway may still offer some of the product on Host Tote 2, and so this product could be inadvertently offered twice to your patrons.

How Does Bet By Bet Networking Differ?

ITSP is an artifact of aging systems whose largest constraint was their ability to share data. ITSP optimises the data transport between two systems so that they share the absolute minimum of data necessary to operate. This was important when telecoms were measured in bits, but those days are long behind us, and the time has come to move on.

Using bet by bet processing, OpenTote brings two main advantages to the customer:

1. Access to a wide variety of pools from multiple systems through a single connection.

2. Removes the need to integrate with multiple gateways and manage dozens of connections.

In the OpenTote network, transactions are *brokered* by OpenTote rather than *placed* with OpenTote. Each bet routed to OpenTote is placed directly with a host (or a guest if that is the only available routing), allowing us at a general level access to all pools for the products we broker for.

The following diagram shows the way in which this works as compared to ITSP networks:

OpenTote is a bet brokering network, not a tote system. It handles on behalf of our customers the following key functions, which then allow you to concentrate on the delivery of the best possible user experience, rather than the complexities of tote systems integration:

The key services that OpenTote delivers:

1. Aggregation of all pool products available for your configuration into a single, consolidated feed to your system. This feed includes:
 1. Pools available
 2. Racecard data from the local supplier (e.g. PA in the UK)
 3. Odds and prices for each runner and pool (as made available from the host)
 4. Cashing of all tickets after the race / pool has closed.

Each bet brokered through OpenTote receives a TSN issued by the Host, guaranteeing that the bet is on, and has been received by the host. This ensures that total transparency in the network occurs at all times, with each bet sent to the host, in order that the host is informed of all activity within its betting network.

As we also supplement the data provided to us by the hosts with local racing information, we create a more usable service for a web application to make the best use of, as well as providing sufficient information to drive displays and other customer touch-points.

Reporting

The OpenTote system also provides reporting across all the pools into which you bet. This includes the break-down of percentages paid to tote hosts and rights holders, and the commissions you have earned on each pool each day.

The reports are emailed as PDFs to your management team on a daily, weekly and monthly basis, as well as being dispatched to the accounts team in a CSV format for inclusion into your own settlements.

The OpenTote Systems

OpenTote is hosted and maintained here in the UK, although our primary operations center is moving to Alderney in 2012, in order to allow us to expand the portfolio of services we offer to our customers.

The data center operation is fully staffed and run by our partners BlueSquare (Note: not the bookmaker of the same name). Their data center facilities provide us with a robust, secure facility from where we manage our global connectivity network.

Our network employs high quality fire-walling, security and network management appliances from Cisco, Juniper and Zeus to ensure that the OpenTote systems stay online 24x7.

Unlike traditional tote systems, the OpenTote system runs 24 hours a day, with no limitations on numbers of runners, number of cards or products hosted.

For further information on the integration into OpenTote, please refer to our online documentation which can be found at <http://docs.opentote.com>.

Our Network Coverage

OpenTote is the truly global network, with access to hundreds of pools every day. Not only is our network already the most comprehensive available, but it continues to grow.

OpenTote is pleased to offer access to the following betting through our network and partners. Access to pools is subject to agreement from the operator or rights holder. Supporting data and video services may be subject to 3rd party licensing fees.

UK	Complete
Ireland	Complete
South Africa	Complete
Dubai	Complete
Singapore B Pools	Complete
Sweden	Complete

Germany	Complete
Holland	Complete
Austria	Complete
US	Complete
Canada	Complete

Non Racing Pools

OpenTote also has agreements to distribute non-racing pools including those from Sportech and Strike 3.

Get Connected

Connecting to OpenTote couldn't be simpler. We provide a comprehensive test system and documentation to support your development efforts, as well as a dedicated team of experienced developers and testers that will assist you through the process.

The Process

Getting you up and running is what we live for, and it's an easy 3 step process to begin betting on the global pool market.

Step 1: We'll supply our standard service contract, detailing the costs to you and what we will provide.

Step 2: Your development team or software provider works with our integration team to get your system talking to ours.

Step 3: We will introduce you to our operator network for each territory you will be offering betting on to agree contracts.

The Price

No-one likes unexpected costs, and that's why with OpenTote we've made sure there aren't any. Our pricing structure is very simple.

We charge a service fee equivalent to 0.5% of bets from your customers through the OpenTote service. There are no additional fees for connection, testing or our support service. Even better, in some cases you won't pay anything for our service - we've negotiated deals with some of our tote providers to bring you their product at no charge from us!

For additional race data such as jockey silks or race data, each country has a service provider that can supply these services. We've done the integration work to provide the information to you, but you will still need a contract to use the data. The prices for each country's data are listed below. If you already have a contract for the data, it's likely that you can use our data service under your existing contract.

OpenTote is the only truly global pool distribution network, giving your business the opportunity to bet into worldwide pari-mutuel pools. OpenTote offers thousands of betting opportunities through a single system. Our unique technology integrates betting from multiple vendors and pool operators, and the necessary supporting information into a single API, significantly reducing the cost and effort of offering pool products to your customers.

Why Offer Pool Betting?

Pool betting is the only way to allow bettors to access betting on global horse racing products without risk to the operator. With pool betting integrated not only can customers bet on a wide variety of racing and other sports 24 hours a day, they also have access to a huge range of bets, offering a broad choice of betting options, as well as access to low stake opportunities with multi-million jackpots on a regular basis.

Better Choice

Through OpenTote you can access pools from around the world. We support a diverse range of products on each and every race, including:

- Win and Place betting
- Forecast bets including Exacta (pick first 2), Trifecta (pick first 3) and Superfecta (pick first 4)
- Novice friendly bets such as the Swinger (pick 2 from first 3)
- High return bets such as the Pick 6 (six winners from 6 consecutive races) and the Scoop6 (Pick 6 winners from 6 premium UK races each week)
- Bettor's favourites such as the Placepot (Pick 6 horses to place in 6 consecutive races), where the bettor can win without even backing a winner.

... and many more betting options through a single system

Not only does OpenTote provide a wide range of bet types easily and without risk, it also brings together the widest selection of racing from around the world. Working closely with the local pool operators we can offer betting opportunities from many of the world's top racing nations including UK, Ireland, Sweden, USA, South Africa, Australia, Dubai and many more.

Better Value

OpenTote has been designed to be quick and easy to integrate into your betting product, and we support you every step of the way to ensure a smooth process. Once connected, adding new product to your system couldn't be quicker. We assist in helping you make agreement to access pools with our providers, discuss with you what bet types and data service you require, and turn it on without any extra programming. It really is that simple!

Once operational the revenue model is also very simple; Tote betting works as a common pool, where every player contributes to the prize fund, and those with winning tickets divide the prize fund between them proportionately. Profit from the bet comes as a deduction (also known as take out) from the total amount bet before prizes are calculated, which is shared between you and the rights holder or operator of the pool.

For Example:

Bettors betting into a typical Win pool with 18% take out

\$1,000,000 bet into the Win pool from all sources

\$100,000 of that bet into the pool comes via your operation

\$18,000 of your \$100,000 is deducted for take out, while \$82,000 goes to the prize fund of \$820,000 for winning bettors

*The \$18,000 is split between you and the operator or host, \$7000 for the host, **with \$11,000 (11% of gross handle from your customers) commission to your business.***

The Benefits of Pool Betting with OpenTote

With OpenTote integrated you can begin to enjoy the benefits that pool betting can bring to your business.

- Offer a comprehensive race betting service: Give your customers a wide choice of betting from all over the world with a range of great alternatives to the standard fixed odds bets.
- No risk from new markets: Because you earn commission whether the player wins or loses, there is no risk in offering markets for which you have little or no trading experience.
- No limits on winnings: Big winners are welcomed by totes, and with huge payouts on multi-race bets, your customers can access exciting betting every day.
- High stakes players welcome: As a risk free environment, your high stakes players can stake large amounts on races without fear of rejection, improving customer service and your bottom line.

Not Just Pool Access

OpenTote not only allows you to expand your betting service without risk or extended development efforts, but also supports you in delivering a better customer experience. We provide you all the supporting information you need to give your customers the very best user experience through the same OpenTote gateway. Important content such as race information for display on your system, runner details, past performance, trainer and owner information and everything else you need to get customers betting.

Working with our partners, we can also help you access many added value services such as:

- Live and historic racing video feeds
- Detailed handicapping information
- Tips, form guides and up to the minute going information