DANIEL GRADY

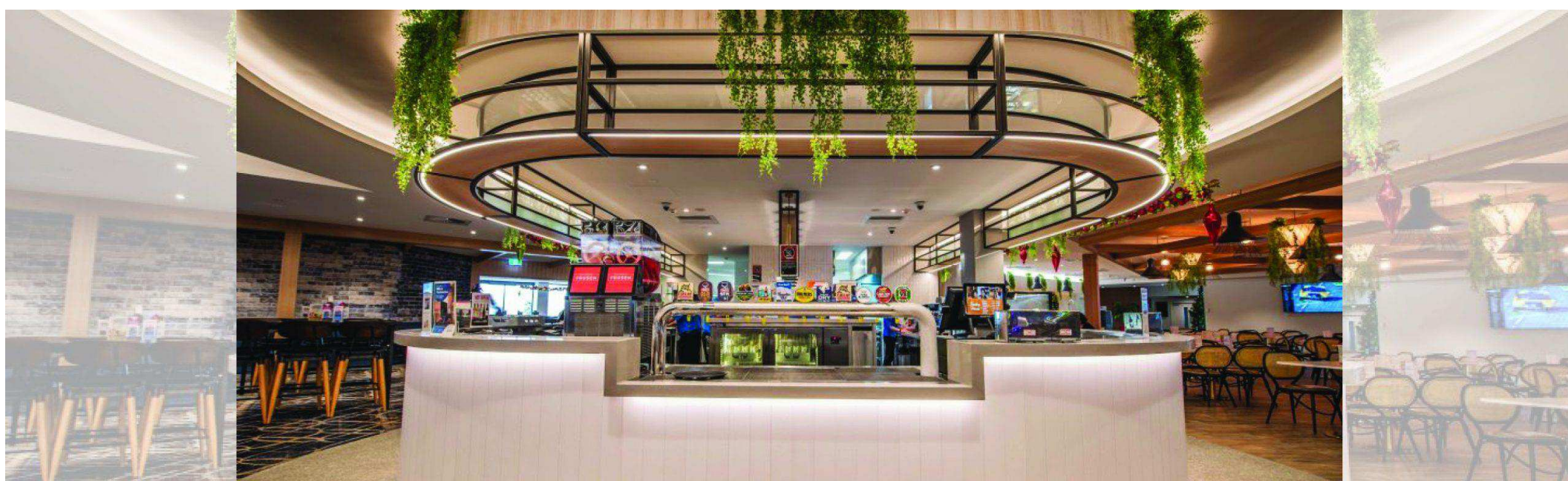## CHIEF EXECUTIVE OFFICER
WEST TRADIES

~~BOARD BORED~~ "BROAD" REPORTING

ENGAGEMENT, SERVICE, *LOYALTY & UNPROVEN TENETS OF LEADERSHIP*

- Know your Board: Invest time and manage up

- Don't ask questions you don't know the answer

- Board should be strategic – not operational

- Be visibly responsive, pro-active and pre-emptive

- Manager composition & dynamics – understand who the key influencers are – Hotels do it well

- Never presume…

Gaming to the Board

Try to have a capital expenditure budget approved by the

Board annually and do all further dealings with the General

Manager.

Beyond that, embed the commercial significance of getting

gaming right and be judicious with relevant detail.

Often, less is more. Do NOT retard the process!

KPI's Vs UPI's
- Mine the right data

JUDICIOUS REPORTING
- After sunshine comes the rain

SHARE REFLECTED GLORIES
- Success has a thousand fathers

SUCCESS FOR BOARD =/=
        SUCCESS FOR MANAGEMENT

How Alex Ferguson chose "a club"

Alignment & Integrity – Never fake your intentions when applying. (Try to) choose a Board with same values & philosophy.

"To thine own self be true…"

By Way of Background...
Gaming out West – The Numbers

⊞ Wests Group Macarthur 2007-2021 - operated four clubs and 905 EGMs. In the last twelve months at the League Club alone, electronic gaming machines contributed;

      Revenue - $39.8m @ $314 per machine per day
      Turnover - $615 million dollars

⊞ West Tradies 2022-current – one club and 143 EGMs (sometimes)
      $4.6m revenue @ $87 per machine per day

⊞ Winners and losers post-COVID

  DGR Ranking for Club Gaming Revenue, qtr Nov 2021;
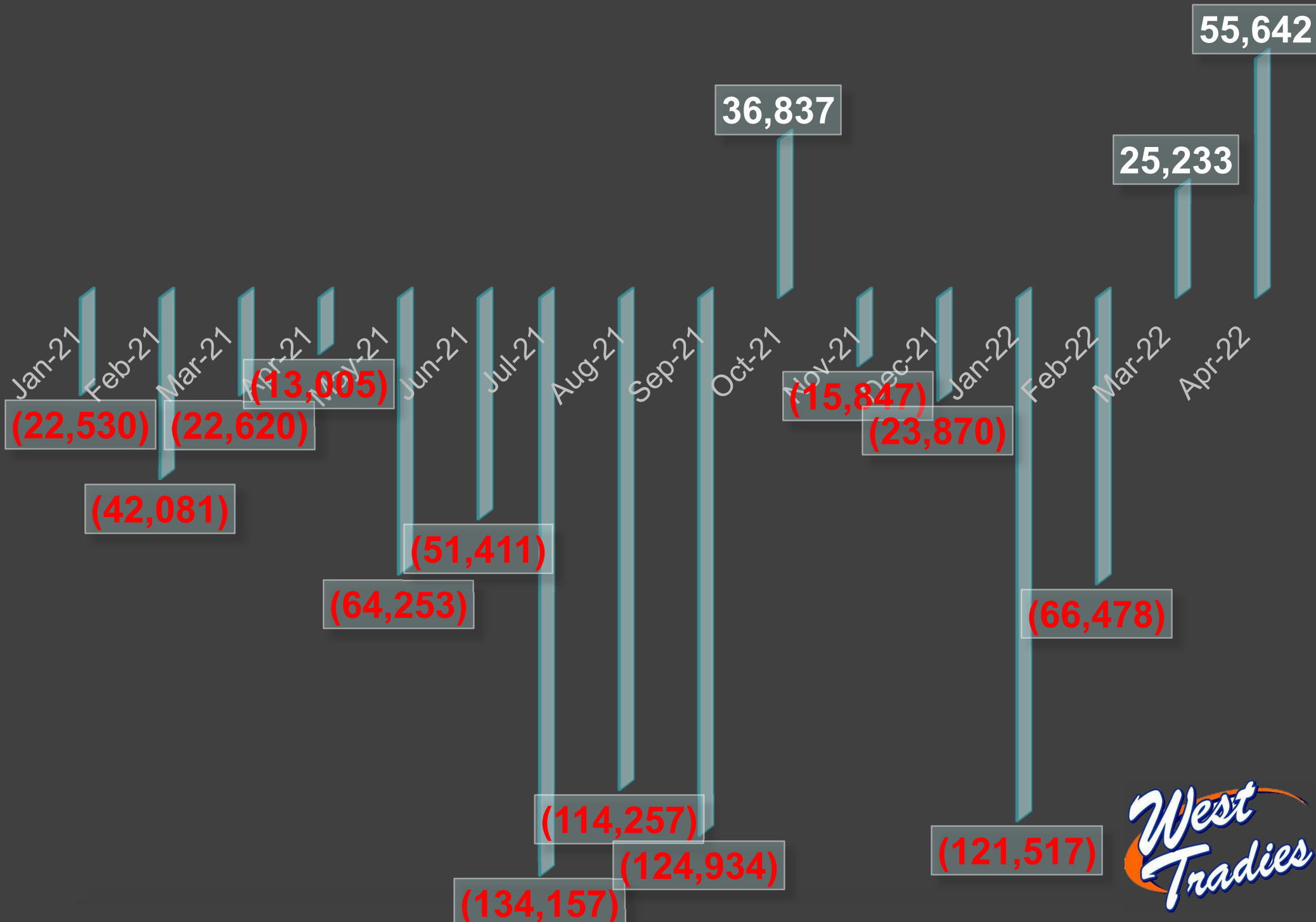
  West League Club # 11   (490 of 490 machines – up 8 on '19)
  Country Club   # 37   (270 of 270 machines – up 15)
  Golf Club   # 432   (71 of 71 machines – up 107)

  West Tradies   #182   (125 of 143 machines – down 25)

MONTHLY NET PROFIT/LOSS

55,642

36,837

25,233

Jan-21
Feb-21
Mar-21
Apr-21
May-21
Jun-21
Jul-21
Aug-21
Sep-21
Oct-21
Nov-21
Dec-21
Jan-22
Feb-22
Mar-22
Apr-22

(13,005)

(22,530) (22,620)

(42,081)

(51,411)

(64,253)

(15,847)

(23,870)

(66,478)

(114,257)

(124,934)

(121,517)

(134,157)

West Tradies

Pareto's Guide to the evolving
Role of a CEO / Gaming Manager / You

"The vital few and trivial many" in any endeavour

- 80% of effects come from 20% of causes
  - Know the 20% of staff/members/product/ departments responsible for 80% revenue
  - Focus on minority of repeated problems and causes which result in a majority of grievances

- In time-poor climate – Identify the high yield items. Direct time, resources and people to tasks which will yield the best outcome

- Just try it - Inertia and inert management are the obstacle…

Pareto's Guide to the evolving
Role of a CEO / Gaming Manager / You

"The vital few and trivial many" in any endeavour…

- Learn the COVID-19 / Darwin lesson – the map exists

- Pursue the *broader* "frictionless economy"

- Create the strongest possible value proposition

- Concede that you will spend more time on 'people'

- Celebrate the patronage of members and espouse the values of "congratulatory" and "complimentary"

- Farm and enhance local engagement

But it all takes time… Fortunately, (PTO)

"If you can't measure it, you can't manage it…"

⊞ Gaming is a very simple science – get your performance reporting right, generate it quickly – use 5 of 20 rule

⊞ Start by conceding, you're not that smart!

⊞ Track performance, try new things, be innovative and responsive – but be ready to react swiftly based on results

"What other business provides you with instant, daily feedback about what you're doing right and what you're doing wrong?"

What Chef wouldn't love a cashbox meter?

The Easy Part - Measuring Machine Performance

Internal

- Performance Rankings via Theo Win/Expected Net Per Day

   Theoretical Win Per Day = Turnover x RTP% / Days

- Contribution Analysis, Heat Maps, Dashboards

- Know Your Market – Talk to Players, Frontliners, Survey Monkeys

External

- Networking –CMA, LCA, GMDC, ClubsNSW, Forums, acronyms

- Manufacturers, Reps, Techs & Service Agents

- Astute BI, Max, DGR Rankings

REACTION TIME – SEPARATES THE WHEAT FROM THE CHAFF...

Inc/Dec 8.06%	4 Wk Ave 213	Prev Wk 197	Rank	Floor	Serial 28/05/18	Manu/Cabinet (through)	Install Date 24/06/18	Name (Leagues Club Exp Net per Day Average)	Den	Exp %	Wk End 24/06/18 (215)	Wk En 17/0..
252.03%	805	229	1	1708	XAW908986	Ali - Helix	22/03/17	MAGIC PEARL - LIGHTNING CASH	Multi	8.78%	785	8
203.23%	804	265	2	5205	XAW328306	Ali - Mk5	11/10/05	QUEEN OF THE NILE	0.01	9.10%	584	1
73.58%	784	452	3	7801	XAW908930	Ali - Helix	09/08/17	PANDA MAGIC - DRAGON CASH	Multi	8.53%	264	8
112.72%	750	353	4	2008	XAWA25859	Ali - Helix+	30/10/17	PANDA MAGIC - DRAGON CASH	Multi	8.78%	688	9
76.19%	735	417	5	7007	XAW932054	Ali - Helix	01/06/16	TIKI FIRE - LIGHTNING LINK	Multi	8.60%	839	4
93.69%	729	376	6	304	XAW880671	Ali - Vir 22 Inch	03/09/13	PC DIAMOND EDITION V01	Multi	6.46%	597	5
82.08%	727	399	7	6404	XAWA28681	Ali - Helix+	15/05/18	HAPPY AND PROSPEROUS - DRAGON LINK	Multi	6.83%	267	9
328.42%	672	157	8	5201	XAW328337	Ali - Mk5	07/04/03	QUEEN OF THE NILE	0.01	9.10%	1025	5
114.90%	628	292	9	4304	XAW947711	Ali - Helix	06/10/15	HIGH STAKES - LIGHTNING CASH	Multi	8.78%	919	10
67.16%	618	370	10	6305	XAW943053	Ali - Helix	12/06/15	HIGH STAKES - LIGHTNING CASH	Multi	8.53%	438	7
73.74%	584	336	11	3809	XAWA23575	Ali - Helix+	14/05/18	HAPPY AND PROSPEROUS - DRAGON LIN	Multi	6.72%	882	8
40.46%	573	408	12	3404	XGT502320	IGT – Crystal Dual	17/08/17	HYPER HITS LONGSHIP LEGEND	Multi	7.61%	752	4
107.43%	571	275	13	201	XAWA21447	Ali - Helix+	09/08/17	AUTUMN MOON - DRAGON CASH	Multi	8.53%	194	2
-17.25%	569	688	14	6405	XAWA28674	Ali - Helix+	15/05/18	AUTUMN MOON - DRAGON LINK	Multi	6.83%	1022	6
-13.29%	545	628	15	704	XAW930512	Ali - Helix	29/03/16	MOON RACE - LIGHTNING CASH	Multi	8.78%	232	4
25.50%	532	424	16	6402	XAWA28677	Ali - Helix+	15/05/18	GOLDEN CENTURY - DRAGON LINK	Multi	6.83%	344	4
-6.83%	523	561	17	1710	XAW940144	Ali - Helix	13/04/16	TIKI FIRE - LIGHTNING CASH	Multi	8.78%	873	6
115.16%	512	238	18	2401	XAW908927	Ali - Helix+	12/10/16	BENGAL TREASURES - LIGHTNING CASH	Multi	8.78%	551	2
56.54%	511	327	19	6407	XAWA28685	Ali - Helix+	15/05/18	PANDA MAGIC - DRAGON LINK	Multi	6.83%	830	4
192.87%	510	174	20	2007	XAWA25856	Ali - Helix+	30/10/17	AUTUMN MOON - DRAGON CASH	Multi	8.78%	583	6
150.24%	506	202	21	6001	XSG306265	MTGM - Multi Game	09/12/15	VEGAS STAR MULTI GAME W BJ	MTGM	2.30%	657	4
75.48%	501	286	22	6805	XGT667108	IGT - Neo N	24/09/15	MS CHAMPION SERIES GOLD	Multi	6.65%	919	6
91.33%	501	262	23	6301	XAW947709	Ali - Helix	29/03/16	MOON RACE - LIGHTNING CASH	Multi	8.53%	114	7
26.01%	480	381	24	6401	XAWA28673	Ali - Helix+	15/05/18	AUTUMN MOON - DRAGON LINK	Multi	6.83%	354	5
57.62%	473	300	25	7104	XAW890497	Ali – Vir 22 Inch	27/11/13	PC DIAMOND EDITION V03	Multi	8.18%	409	9
64.51%	472	287	26	6304	XAW908931	Ali - Helix	12/10/16	WILD CHUCO - LIGHTNING CASH	Multi	8.53%	946	1
7.74%	470	436	27	1705	XAW941047	Ali - Helix	09/08/17	PANDA MAGIC - DRAGON CASH	Multi	8.78%	603	7
-30.74%	464	671	28	1501	XAWA21450	Ali - Helix+	09/08/17	HAPPY AND PROSPEROUS - DRAGON CA	Multi	8.78%	357	7
142.90%	463	191	29	8806	XSG305422	MTGM - Multi Game	28/01/15	VEGAS STAR MULTI GAME - SWL	MTGM	2.50%	724	5
40.25%	463	330	30	2707	XAW932051	Ali - Helix	09/08/16	WILD CHUCO - LIGHTNING LINK	Multi	8.60%	163	1
110.86%	459	218	31	7006	XAW943054	Ali - Helix	11/07/17	HIGH STAKES - LIGHTNING LINK	Multi	8.60%	515	5
-0.94%	458	463	32	2002	XAW908982	Ali - Helix	06/12/17	BENGAL TREASURES - LIGHTNING CASH	Multi	8.78%	717	3
142.51%	458	189	33	6002	XSG306266	MTGM - Multi Game	09/12/15	VEGAS STAR MULTI GAME W BJ	MTGM	2.30%	610	4
130.49%	450	195	34	6003	XSG306267	MTGM - Multi Game	09/12/15	VEGAS STAR MULTI GAME W BJ	MTGM	2.30%	720	4
27.93%	446	349	35	1704	XAW943055	Ali - Helix	09/08/17	GOLDEN CENTURY - DRAGON CASH	Multi	8.78%	395	3
32.19%	445	336	36	4005	XAWA23568	Ali - Helix+	14/05/18	GOLDEN CENTURY - DRAGON LINK	Multi	6.72%	431	4
74.10%	444	255	37	8805	XSG305421	MTGM - Multi Game	28/01/15	VEGAS STAR MULTI GAME - SWL	MTGM	2.50%	614	5
49.57%	440	294	38	4007	XAWA23572	Ali - Helix+	14/05/18	HAPPY AND PROSPEROUS - DRAGON LIN	Multi	6.72%	307	2
199.03%	431	144	39	5203	XAW328339	Ali - Mk5	07/04/03	QUEEN OF THE NILE	0.01	9.10%	767	2
33.67%	431	322	40	4008	XAWA23574	Ali - Helix+	14/05/18	AUTUMN MOON - DRAGON LINK	Multi	6.72%	781	3
134.26%	429	183	41	5404	XAWA28682	Ali - Helix+	15/05/18	PANDA MAGIC - DRAGON LINK	Multi	6.83%	384	2

Expected Net Per Day Heatmap
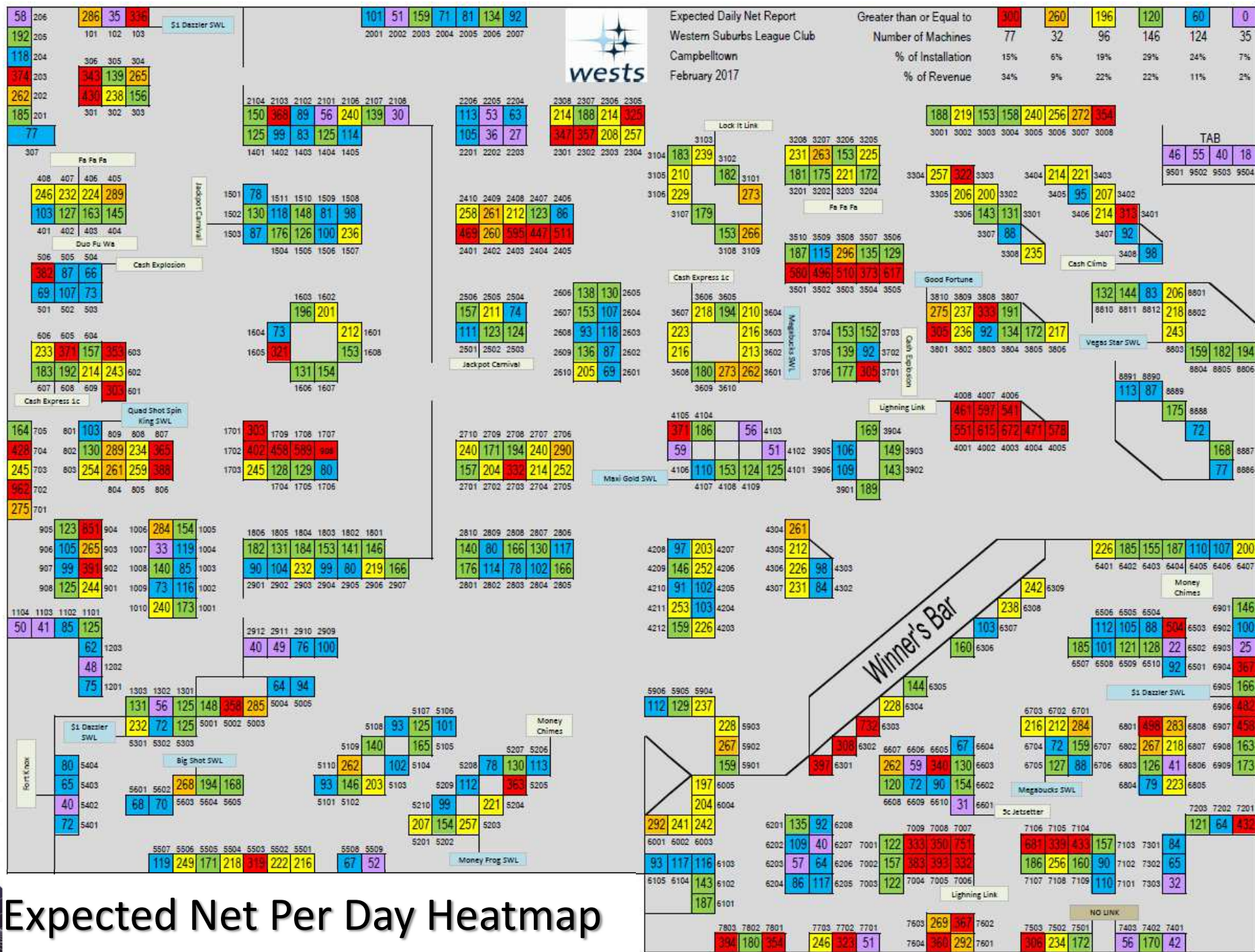
The relativity of data…

Licence Number	Licence Name	Local Government Area (LGA)	EGM Numbers				2022 May			Change Quarter		2022 May
			As at 2022 May	vs Last Qtr	vs Last Year	vs Last 3 Years	vs Last Qtr	vs Last Year	vs Last 3 Years			
LIQC300231135	Mt Pritchard & District Community Club Lir	Fairfield City Council	615	615	615	615	0	0	0			1
LIQC300225550	Bankstown Sports Club	Canterbury-Bankstown Council	745	745	745	745	0	0	0			2
LIQC300226174	Canterbury League Club Ltd	Canterbury-Bankstown Council	591	590	699	711	2	0	1			3
LIQC300241866	Rooty Hill RSL Club Limited	Blacktown City Council	694	720	710	726	-1	1	2			4
LIQC300230880	Wentworthville Leagues Club Limited	Cumberland Council	545	545	545	545	-1	1	2			5
LIQC300226107	Cabra-Vale Ex-Active Servicemen's Club Lt	Fairfield City Council	450	450	450	450	1	-2	-1			6
LIQC300228215	Dooleys Lidcombe Catholic Club	Cumberland Council	450	450	448	450	-1	0	-4			7
LIQC300229823	Revesby Workers' Club Ltd	Canterbury-Bankstown Council	525	525	525	525	2	0	0			8
LIQC300231755	Liverpool Catholic Club	Liverpool City Council	435	435	435	435	-1	0	1			9
LIQC300229459	Parramatta Leagues Club	City of Parramatta Council	441	439	473	520	-1	0	-1			10
LIQC300245217	Western Suburbs League Club (Campbelltc	Campbelltown City Council	490	488	448	490	2	3	4			11
LIQC300244695	Campbelltown Catholic Club Ltd	Campbelltown City Council	518	523	519	514	-1	-1	2			12
LIQC300241386	Western Suburbs (N'cle) Leagues Club Ltd	Newcastle City Council	495	540	535	542	2	-1	-2			13
LIQC300226883	Dee Why RSL Club Limited	Northern Beaches Council	471	454	488	494	2	2	-2			14
LIQC300226301	Castle Hill RSL Club	The Hills Shire Council	312	312	330	354	-3	3	15			15
LIQC300241858	Penrith Rugby League Club Limited	Penrith City Council	525	525	625	625	4	-1	-3			16
LIQC300227286	City Of Fairfield RSL Memorial Club Limite	Fairfield City Council	332	332	332	332	0	3	3			17
LIQC300230481	St Johns Park Bowling Club Ltd	Fairfield City Council	372	372	398	398	0	-1	-2			18
LIQC300226484	Club Marconi of Bossley Park Social Recre	Fairfield City Council	374	374	368	359	0	3	6			19
LIQC300228193	Smithfield RSL	Fairfield City Council	325	325	325	325	-6	-7	8			20
LIQC300228649	Merrylands RSL Club Ltd	Cumberland Council	277	277	271	300	0	6	-4			21
LIQC300225828	Workers Blacktown	Blacktown City Council	430	430	430	430	0	1	1			22
LIQC300230929	Western Suburbs Leagues Club Limited	Inner West Council	382	382	323	475	0	-4	-5			23
LIQC300226069	Burwood RSL Club	Burwood Council	294	294	294	294	1	4	7			24
LIQC300200183	St Marys Rugby League Club Ltd	Penrith City Council	445	447	445	437	2	0	-4			25
LIQC300226379	Chatswood R S L Club Ltd	Willoughby City Council	302	300	312	310	3	5	7			26
LIQC300226204	Canterbury Hurlstone Park RSL Club	Canterbury-Bankstown Council	348	348	370	374	5	2	-1			27
LIQC300230317	South Sydney Junior Rugby League Club L	Randwick City Council	376	374	427	509	-2	-7	-9			28
LIQC300242285	Queanbeyan Leagues Club Limited	Queanbeyan-Palerang Regional C	309	309	308	373	6	-5	8			29
LIQC300235068	Commercial Club (Albury) Ltd	Albury City Council	440	422	452	616	-2	-4	-3			30
LIQC300200337	Building Workers Club Limited	Blacktown City Council	143	139	113	138	29	20	28			153

The Hard Part – People

We are in the hospitality business. Be hospitable! Invest time in managing relations with key stakeholders around your venues, use their favourite word, feed the beast ceaselessly.

Don't be the two mouthed, one eared Club Manager - learn from the fabled masters;

- Raff and the Sports Bar Bleeder
- The VIP promise and the Carwash
- John Anthony and Tony Donnelly – vigorously hunt the 1%'ers
- McAleer's Bilby's and Silence is approval
- The Red Flag of Ballesty & Levett

The Hard Part – People

Less resilient staff and low unemployment makes for a very tough HR / IR Climate. Post-COVID, many businesses have had to lower recruiting standards. Ensure your HR Dept have the appetite for the good fight.

If they don't bark as puppies...
They will not bark as dogs!

When interviewing and employing prospective staff, it's not always easy to pick the good ones so use intuition, performance management & use probation periods mercilessly...

Marketing and Promotions

⧆ Gaming-specific promotions aside, it is essential that all club-wide promotions return a yield if not directly; from the gaming department

⧆ **Get or make a gaming-savvy Marketing Manager**

⧆ Typically measured by looking at pre- and post-promotion turnover and machine occupancy levels to ensure that a breakeven point has been achieved. More important than NPS (*sorry Shannon!*)

⧆ Target! Reduced scatter gun marketing/promo spend

⧆ Shear, don't slaughter – foster reinvestment & recycling (money)

⧆ Members & Major Draws -> Use accelerated earns

The capacity to break the shackles of S.10.1(i) of RCA and drive targeted returns to deserving recipients is the crux of VIP in clubs

"Pokies Aren't Cool"

- Craig Butler, esq.

Where/how can we fix?

Pokies *in Clubs*
Aren't Cool!

COVID-19 and the last decade of getting bashed by pubs have shown the way

Re-orienting for post-COVID life

We've just enjoyed three biggest revenue booms in a generation

Learn the lessons of history – eg gaming tax increases

- ❖ Market has polarised – not everyone has profited
- ❖ Have you asked the right questions?
- ❖ What is the new normal?
- ❖ Where has friction been introduced?
- ❖ What are pubs doing that is so cool?
- ❖ Have millennials finally discovered pokies?

Time vs Space vs Money

❖ Management Focus and the inequity of how we allocate Time & Space & Money

❖ Gaming is fundamental to the financial feasibility of the business – aggressively pursue the sum of cumulative gains. 1% more is a lot of schooners – so, *"nothing is not your job"*

❖ Spend time with staff and supervisors on the gaming floor

❖ Stay informed & in touch with each other

❖ Speak with players and hear their concerns, criticisms, praise and feedback – engage them, be *"complimentary"*

❖ Literally and figuratively, everything else is marketing…

Planting the post-COVID seeds...

❖ Duty of Care in COVID-19 world

❖ Loyalty Programs vs Rewards Programs

❖ The RTP% complaint – "Russia in a box"

❖ 18 to ~~38yo~~ don't go to clubs – relevance?

❖ Know your market – flock and engage!

❖ Fit-out – emulate hotels post-COVID

- Facilitate social distance - wider and shallower

❖ Innovate

- No need to reinvent – build on knowledge and XP

- Other jurisdictions - Service, space, finite capacity

- Dynamic Player Recognition

How Do You Eat an Elephant?

One Bite at a Time...

Leadership and Culture; unproven tenets of…

- Have a personal impact on VALUES and CULTURE via recruitment and retention.

- Imbed expectation. Use probation judiciously

- Ask yourself - if this was my money, would I do it?

- Be grateful and gracious – acknowledge excellence, whether in sporadic displays by suppliers, staff or any other minor victory that deserves celebrating

- Be a good, loyal lieutenant – including butting heads and fighting the good fight when necessary

- Get a good, loyal lieutenant – find like-minded people and be patient with delegation; *"follow the spearhead"*

- *"Reflected glory"* - Definition of teamwork is…

Staff / Members Rewards Programs

✦ Zebras attract zebras − consider the impact of communal thinking on your staff, management and players

✦ Integrity - Stand for something. In a woke world, use core values to your advantage.

✦ Brace yourself - a strong program will mobilise and unite a group of your "biggest losers"

✦ Try to comprehend *cognitive dissonance* in staff & gaming players' inconsistent thoughts and beliefs contradicted by their own actions

✦ Market engagement and philanthropy - ensure your advocates understand the difference between pubs & clubs

Running clubs in a post-COVID-19 world…

HOW THE MARKET HAS SHIFTED

- Learn from other jurisdictions
- Have you recalibrated your business to meet change?
    - Layout, scenting, space, sanitising
    - Invisible tasks - suddenly, cleaners are cool!
    - Staff
    - AEMP Spend
- Regulatory appetite - Digital Wallet
- Barriers to Entry diluted
- Younger, hungrier, time-poor client base has emerged
- Staff and Community engagement prioritised
- Excruciating labour market
    - Capacity to attract and retain talent is challenged
    - Capacity to earn is enhanced

EVERYONE MAKES MONEY IN A BOOM, BUT A GOOD CRISIS POLARISES…
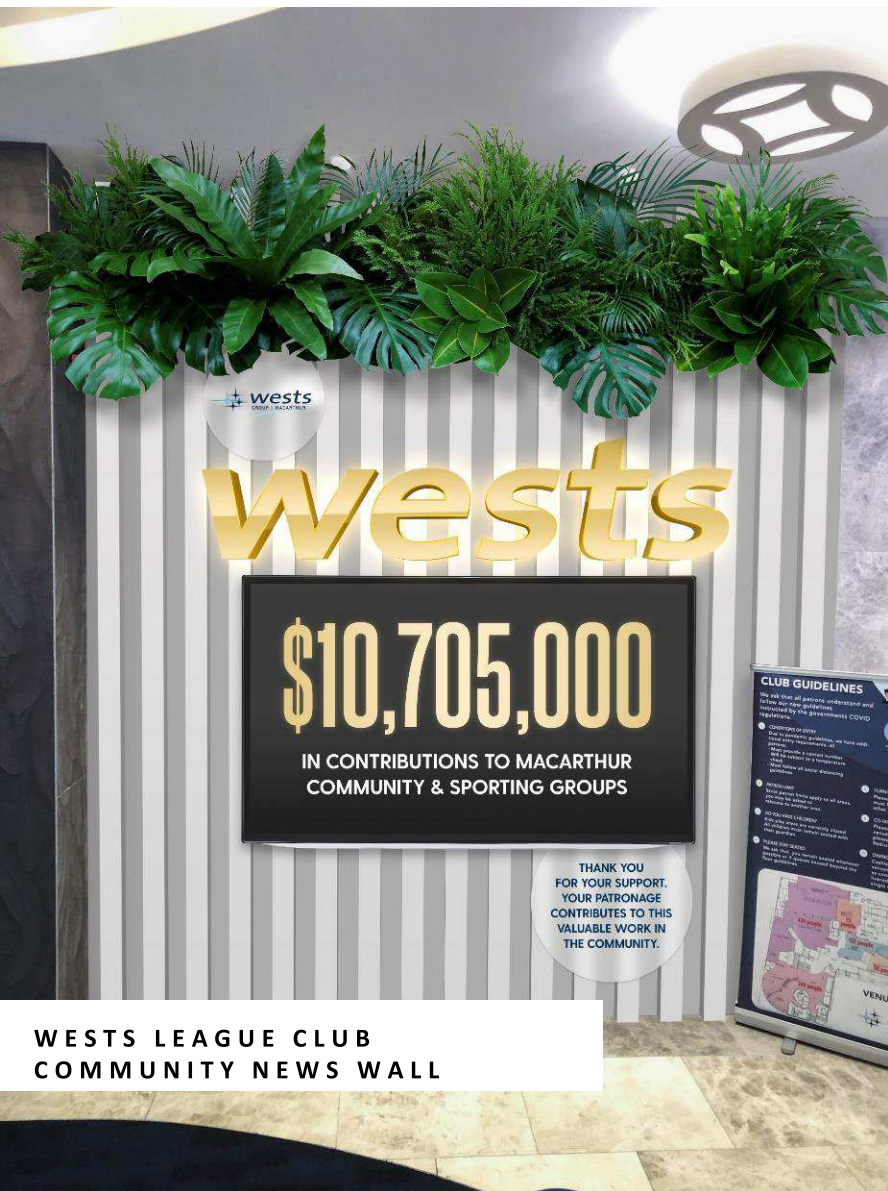
Engagement – bring others along for the ride….

WESTS LEAGUE SPORTS COMMUNITY WALL

WESTS LEAGUE TAB & SPORTS BAR WALL

$10,705,000

IN CONTRIBUTIONS TO MACARTHUR COMMUNITY & SPORTING GROUPS

THANK YOU FOR YOUR SUPPORT. YOUR PATRONAGE CONTRIBUTES TO THIS VALUABLE WORK IN THE COMMUNITY.

WESTS LEAGUE CLUB COMMUNITY NEWS WALL

$684,160

in contributions to the Macarthur community and sporting groups.

Our board, management and staff thank you for your patronage which contributes to this wonderful work.

Country Club

COUNTRY CLUB COMMUNITY WALL

WESTS LEAGUE CLUB SPORTS WALL

wests cares

THANKS TO YOUR SUPPORT, WE HAVE BEEN ABLE TO DONATE **$1,579,195** TO THE LOCAL COMMUNITY

WE ARE PROUD TO PROVIDE RESOURCES TO OVER **17 SCHOOLS**

CONTRIBUTE **$598,089** TO LOCAL SPORT

SUPPORT OVER **62 LOCAL** SPORTS CLUBS & ATHLETES

ASSIST **OVER 43** BUSINESSES & CHARITIES WITHIN THE REGION

MAKE A DIFFERENCE TO **THOUSANDS** OF LIVES

Our board, management and staff thank you for your patronage which contributes to this wonderful work #westsinthecommunity

Leadership and Culture; unproven tenets of…

- Have a personal impact on values and culture via recruitment and retention.

- Imbed expectation. Use probation judiciously

- Ask yourself - if this was my money, would I do it?

- Be grateful and gracious – acknowledge excellence, whether in sporadic displays by suppliers, staff or any   other minor victory that deserves celebrating

- Be a good, loyal lieutenant – including butting heads and fighting the good fight when necessary

- Get a good, loyal lieutenant – find like-minded people and be patient with delegation; *"follow the spearhead"*

Building a Legacy

- Be a good ancestor by espousing the "*legacy*" of actions and the planting of seeds which you may never see grow

- Do more – because *"Champions do extra"*

- The power of humility as a foundation

- Leadership – *visibly "Sweep the sheds"*

- No dickheads policy - who's got the time?

- Authenticity - everything becomes easier when people become the key to good judgement;

- How do you put the best team on the park?

"Better people make better All Blacks
                    [and everything else…]"
                           – James Kerr
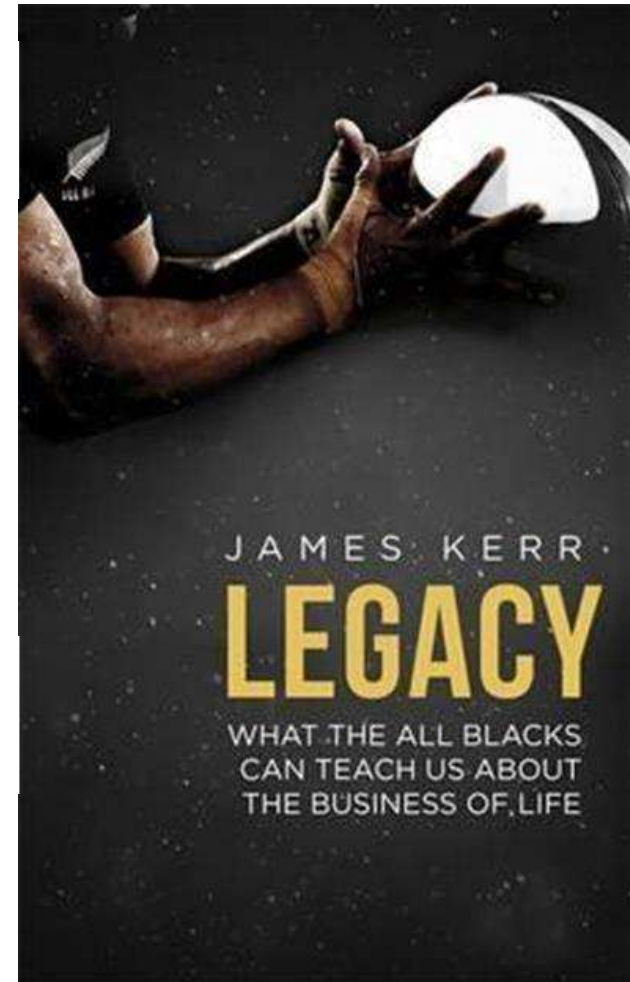
Remember that Potential Greatness Lurks Everywhere...

Tap into it!

Questions?

Any questions, queries, philosophical objections or employment applications available from;

Daniel Grady
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