

Quartet betting to return for first time since 1988

By Alan Aitken, 9 January 2014 - South China Morning Post

A world-first system will be used, with bettors required to pick the first four horses in order

The Jockey Club will relaunch the Quartet wager from January 19, more than a quarter of a century after discarding it but this time using a world-first calculation technology.

There will be two nominated “Quartet races” each meeting and, like the other current bet types, the Quartet – requiring successful bettors to pick the first four finishers in a race, in the correct order – will be a pure parimutuel dividend but that dividend will use the “single pool wagering” technology of New York-based company Longitude.

Any attempt to explain the wider implications of a single-pool wagering system in brief meets with disaster but, Longitude president and chief executive officer, Tom Ascher, says that the Jockey Club’s customers won’t necessarily be concerned with what’s under the hood.

“If there’s a whiz bang new type computer chip – people don’t need to have the new chip explained, but still want what it does for them,” he said. “The win punter doesn’t really want to know the rocket science – he just wants to know that if the screen is saying his horse pays 10-1, he gets 10-1. The system is purely pari-mutuel, just using modern technology and computations that will overwhelm a normal CPU.”

It’s all about graphics cards being used for computation, a technology sector that has advanced rapidly for the needs of graphics in computer games, but which has found use in the high-speed calculations of financial markets and now in wagering.

Ascher said the incident which occurred last year, when one tierce combination had HK\$30 million dumped on it by mistake, would have a lesser impact under single-pool wagering but said his focus was on the relaunch of the Quartet bet, previously discarded in 1988, not the broader possibilities.

“I can’t overemphasise that we are providing the Jockey Club with a tool to do one thing – to relaunch the Quartet,” he said. “It is a world first for Longitude and a great privilege for us to launch it with the world leader, the Hong Kong Jockey Club. We have a robust, very high-speed calculation engine and are confident about what it can do beyond that, but it is entirely a matter of the club’s choosing if or when that tool is used for anything else.”

Ascher said the Quartet, which will not aggregate bets from other pools but operate as a standalone pool using Longitude’s engine, would “look, taste and feel” to the punter like any another parimutuel pool.

“In a 14-horse field, you could calculate Quartets by hand – it would take a while because there are 24,024 possible outcomes, but you could,” he said. “At the atomic level, the mathematical outcome of our way is identical to doing it the old-fashioned way but it’s a lot quicker and, using the old-fashioned way, you can’t turn those building blocks into other bets. Your Quartet calculation can only be a Quartet calculation but just because our engine has the ability to deconstruct those 24,024 quartets and build other bet types out of them, doesn’t mean the club will wish to do it.”

But, hypothetically at least, the application of single pool wagering principles has a mind-boggling potential to allow the customers to invent their own bet types – one day.

“Hypothetically, yes. Use the Quartet as an example – that means we are tracking and calculating bets placed on the first four places – if you took it to its extreme, you could build any bet involving any of those tracked places,” Ascher said. “So if you wanted to bet on one horse to be exactly second and another exactly fourth, regardless of first and third, you can derive a payout for it that can co-exist with, say, Quinella and Quinella Place payouts derived from the same aggregated betting money across all the pools on the race.”

Ascher described those kinds of capabilities as “something compelling in the face of illegal operators”.

“They can’t offer that or the odds on life-changing bets, but single pool wagering can, at the extreme, enable you to come up with a bet on some absurd outcome, and, if you’re right, the number on the screen is what you’ll be paid,” he explained. “In a 14-horse field, there are 87,178,291,200 possible finishing orders.”