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ISCA - Q4 2018 International Speedway Corp Earnings Call

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CORPORATE PARTICIPANTS

Gregory S. Motto International Speedway Corporation - Executive VP, CFO & Treasurer

John R. Saunders International Speedway Corporation - President

CONFERENCE CALL PARTICIPANTS

Jaime M. Katz Morningstar Inc., Research Division - Equity Analyst

Timothy Andrew Conder Wells Fargo Securities, LLC, Research Division - MD and Senior Leisure Analyst

PRESENTATION

Operator

Good morning, and welcome to the International Speedway Corporation 2018 Fourth Quarter Earnings Conference Call. (Operator Instructions)
As a reminder, this conference is being recorded on Thursday, January 24, 2019.

With us on this morning's call are John Saunders, President; and Greg Motto, Executive Vice President and Chief Financial Officer. After formal remarks, John Saunders and Greg Motto will conduct a question-and-answer period. (Operator Instructions)

Before we start, the company would like to address forward-looking statements that may be addressed on the call. Forward-looking statements involve risks, uncertainties and assumptions. Actual future performance, outcomes and results may differ materially from those expressed in these forward-looking statements. Please refer to the documents filed by International Speedway Corporation with the SEC, specifically the most recent reports on Form 10-K and 10-Q, which identify important risk factors which could cause actual results to differ from those contained in these forward-looking statements.

So with these formalities out of the way, I will turn the call over to John Saunders. John?

John R. Saunders - International Speedway Corporation - President

Good morning, everyone, and thank you for joining us on our fourth quarter 2018 earnings call. By now you have likely heard about the proposal received by the Board of Directors of ISC from NASCAR Holdings Inc. to acquire the outstanding shares of ISC not currently owned by the France family stockholders. Our board has formed a special committee of independent directors in connection with the NASCAR proposal. The special committee has retained advisors and is evaluating the proposed transaction. There can be no assurance that the transaction proposed by NASCAR or any other transaction will occur, nor can there be any assurance as to the terms of any potential transaction, including pricing and timing. Please refer to our SEC filings, including our Form 10-K, for additional information concerning the NASCAR offer. We undertake no obligation to update any such information, except as required by law. The purpose of this call is to discuss our fourth quarter results and the outlook for 2019. We will have no further comment concerning the NASCAR offer on this call.

Now, moving on to the results for our fourth quarter fiscal 2018. During the quarter, we hosted 7 Monster Energy NASCAR cup weekends compared to 8 in the fourth quarter of 2017. As we discussed in our third quarter call, the cup weekend at Chicagoland moved to the third quarter in 2018 from the fourth quarter in 2017. Greg will discuss the financial impact on comparable results in his update.

We reported solid financial results for the fourth quarter. Our non-GAAP earnings per share of \$0.62 per share -- these results were slightly below our previous expectations, impacted by persistent headwinds and advanced sales that continued from earlier in the year. That said, we had several highlights during the fourth quarter.

In September, Richmond Raceway debuted the DC Solar Fangrounds, which left fans starstruck as they got closer to the action and their favorite drivers. Our investment in ISM Raceway was unveiled in November before a sold-out crowd. Fan and media response proved the investment to be

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a resounding success as fans experienced the first-of-its-kind interaction with drivers in the garage and infield. Corporate and media partners were also treated to newly renovated and constructed suites and media center. These projects are positioned to provide enhanced guest experiences and deliver the expected financial returns. And closing out the 2018 season was the fifth consecutive sold-out championship weekend at Homestead-Miami Speedway where the competition did not disappoint as Joey Logano battled his way to victory lane to win his first Monster Energy NASCAR Cup Series Championship.

Looking ahead to the first quarter of 2019, this weekend marks the 57th running of the Rolex 24 Hours at Daytona. Advanced sales for the event are trending ahead of the prior year. Speedweeks and the NASCAR season will commence in February. We are trending for another consecutive sellout for the 61st running of the DAYTONA 500.

While we have seen declines in attendance, we remain confident our consumer-focused marketing sales strategies will bring ticket sales in line to deliver stronger admission and admission-related results. Our initiatives will continue to target new and lapsed customers through all traditional media, social and digital channels. The overall objective here is to spark interest and demand to drive growth in fan engagement. We are leveraging our extensive customer database to analyze and create predictive models to establish customized packages for guests. Our strategies are focused on value-added options that enhance the live motorsports experience, including exclusive VIP hospitality experiences with driver appearances and Q&A sessions.

We also utilize specific fan feedback received through our guest event management surveys following our race weekends. The information is received directly from our guests and provides us with targeted areas to focus our resources on improving the live event experience.

Youth remains an important strategy for ISC. We continue to include ticket packages aimed at younger demographics with kid pricing and family targeted promotions.

In the near term, we expect these consumer-focused initiatives to slow the current trend, bring us closer to stabilization and position us for longer-term growth.

Recently, we announced the asset acquisition of Racing Electronics. Racing Electronics is known worldwide as a leader in motorsports communications technology and equipment for drivers, teams, series, venues and fans as well as the exclusive provider of FanVision technology to NASCAR and the NHRA. We believe racing electronics, packaged with our tickets and other hospitality, will provide unique value to our fans and further enhance the guest experience. The acquisition of assets from Racing Electronics and certain other assets was a total cost of approximately \$8.5 million and will be immediately incremental to our 2019 earnings.

Our financial position is strengthened by our contracted corporate sales and broadcast agreements that provide long-term visibility. From a corporate sales perspective, we achieved approximately 95% of our 2018 marketing partnership revenue target, which increased 1.7% from 2017. For fiscal 2019, we have agreements in place for approximately 75% of our gross marketing partnership revenue target and only 2 NASCAR Cup Series and 2 NASCAR Xfinity Series entitlements open, which is comparable to this time last year.

TV viewership for NASCAR events remains among the strongest of all sports properties. For 2018, Monster Energy Cup Series was the #2 sports property on television with over 4 million average viewers tuned in per minute, per event and over 41 million total unique viewers tuned in throughout the year. NASCAR also ranked as the #1 or #2 most-watched sport of the weekend 14 times during the 2018 season.

It is important to look at NASCAR or any sports property by cross-platform consumption as TV viewership in general has been experiencing a decline. Our web and mobile apps have seen strong demand for consumption of written and video content. Social media is an important and growing channel for content distribution.

In 2018, NASCAR's social and digital platforms continued to experience increased usage with an approximately -- average of approximately 19 million per race day social impressions and approximately 326 million video views for the year. ISC continues to support NASCAR and our broadcast partner strategy to remain competitive, relevant and compelling with content generation. As the media landscape continues to evolve, we believe

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we are well positioned to navigate, given our long-term partnerships with industry leaders, Fox and NBC, who own the rights to digital distribution of NASCAR content through 2024, the current broadcast agreement.

Recently, NASCAR announced several initiatives involving esports in an effort to broaden its demographic and reach new audiences. In 2018, NASCAR established an esports tournament called Road to Miami, with online competition connected to the respective Monster Energy Cup Series events during the season-end playoffs. Over 11,000 players competed in over 100,000 online races throughout the 10-week tournament. Tournament culminated with a live event finale, attracting large crowds to the display area during the championship weekend at Homestead-Miami Speedway.

In 2019, NASCAR will expand its strategy in esports with the introduction of the esports Pro League, and NASCAR will also increase the prize money for the eNASCAR PEAK Antifreeze -- iRacing Series competition, which is celebrating its 10th year. Both series include an exciting 2019 event schedule. Monster Energy NASCAR Cup Series teams will recruit players to compete with other professional esports teams in these eNASCAR leagues. ISC will participate in these competitions by hosting live events during select race weekends, furthering fan engagement. This strategy aligns with ISC's initiatives to reach new audiences and younger demographics.

The ONE DAYTONA development continues to gain momentum as additional tenants complete construction and establish operations. We entered the 2018 holiday season at ONE DAYTONA with a flurry, providing shoppers with weekly activities in the entertainment epicenter, Victory Circle, and throughout the property. Guests experienced greater options for dining, entertainment and shopping. Construction of The Daytona, the Marriott Autograph Collection Hotel continues, with an expected opening in spring of 2019. Also, we expect our partner Prime to break ground on residential apartments within the next 4 weeks. We expect ONE DAYTONA to reach full year stabilization in 2020.

ISC maintains strong visibility of future cash flow, with over half of its revenue secured through the industry's 10-year broadcast agreement and multiyear partnership agreements. We will continue our strategic focus on consumer marketing initiatives to deliver growth through our core business. We will seek opportunities for increased utilization of our facilities through ancillary events, and investments in qualified developments, like the casino in ONE DAYTONA, will provide further growth and shareholder value.

I will now turn the call over to Greg to give you the financial review for our fourth quarter fiscal 2018 and the outlook for 2019. Greg?

Gregory S. Motto - International Speedway Corporation - Executive VP, CFO & Treasurer

Thanks, John, and good morning, everyone. Before reviewing the financial results, it's important to note several items impacting year-over-year fourth quarter comparability. These include the Monster Energy NASCAR Cup, Xfinity and Truck Series were held at Chicagoland Speedway in the third quarter of fiscal 2018 compared to the fourth quarter of fiscal 2017; lease rents received and corresponding operating expenses incurred related to ONE DAYTONA during the fourth quarter of fiscal 2018 as a result of certain tenants commencing operations; certain marketing and consulting costs recognized in general and administrative expense that were not capitalized associated with the redevelopment project at ISM Raceway; accelerated depreciation and removal of assets not fully depreciated related to the redevelopment projects at ISM and Richmond Raceways, ONE DAYTONA, facility-optimization initiatives at certain tracks and other facility capital improvements; capitalized interests associated with ONE DAYTONA and ISM Raceway; in 2017, a tax benefit related to the worthlessness of our investment in Motorsports Authentics; and the lower effective tax rate associated with the Tax Cuts and Jobs Act of 2017. All of these are outlined in the earnings news release and are included in the GAAP to non-GAAP reconciliation, where appropriate.

Now looking at the income statement. Admissions revenue for the fourth quarter was \$29 million, a decrease of approximately 25.1% from 2017, primarily related to the aforementioned event at Chicagoland Speedway as well as lower attendance and average ticket prices at certain NASCAR cup weekends held during the quarter, some of which were impacted by inclement weather. After adjusting for the Chicagoland event, admissions revenue was down 12.5%. The average ticket price of grandstands for cup events held during the quarter was approximately \$78, down 1.8% from 2017.

The decrease in motorsports-related revenues to \$152 million was primarily due to the timing of events at Chicagoland Speedway, advertising and other track rentals. Partially offsetting the decline were increases in TV broadcast rights, ancillary and sponsorship revenues. ISC's domestic television broadcast and ancillary revenues were \$110.5 million for the fourth quarter and \$350.8 million for the full year. The decrease in food, beverage and

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merchandise revenue to \$8.6 million is primarily related to the timing of events at Chicagoland Speedway and lower attendance at certain NASCAR cup weekends. Also contributing to decline were certain catering services provided in 2017 that did not occur in 2018. The increase in other revenue to \$5.6 million is primarily related to rents received from tenants at ONE DAYTONA.

NASCAR event management fees decreased to \$60.9 million. The decrease is due to the timing of events at Chicagoland Speedway. Partially offsetting the decrease were higher variable costs associated with increased television broadcast rights fees for the Monster Energy NASCAR Cup, Xfinity and Truck series events as well as contracted increases in non-TV NASCAR event management fees associated with our 5-year sanction agreements.

Motorsports-related expense decreased to \$37.2 million. The decrease is primarily related to the timing of events at Chicagoland Speedway. Food, beverage and merchandise expense decreased to \$6.5 million, primarily a result of lower attendance at certain NASCAR event weekends, to a lesser extent catering services provided in '17 that did not occur in 2018. Food, beverage and merchandise expense as a percentage of associated revenue increased to approximately 75.6%.

Other operating expenses of \$1.7 million represent operating costs associated with ONE DAYTONA and Shoppes. General and administrative expense decreased to \$27.7 million. The decrease is primarily related to lower real estate taxes at certain facilities, maintenance expense and other administrative and employee-related costs.

Depreciation and amortization expense was \$27.2 million, comparable to the prior year. Losses on asset retirements decreased to \$900,000 related to the completion of capital projects at ISM Raceway. This compares to \$10 million of similar costs incurred in the fourth quarter of 2017 related to capital projects at ISM and Richmond Raceways as well as facility-optimization projects at certain other facilities.

Interest income increased to \$911,000, primarily a result of higher yield on cash deposits. Interest expense was comparable at \$2.5 million. Equity and net income from equity investments of approximately \$5 million, which represents our 50% interest in the Hollywood Casino at Kansas Speedway and, to a lesser extent, our 33.25% interest in the Fairfield Hotel at ONE DAYTONA.

For the full year fiscal 2018, equity and net income was \$21.8 million compared to \$19.1 million in fiscal 2017. The increase is primarily related to higher operating profits and lower depreciation expense at the casino.

During fiscal 2018, cash distributions from the casino to ISC totaled \$26.6 million compared to \$25.5 million in fiscal 2017. Our effective income tax rate for the fourth quarter was 26.1%. The lower effective tax rate is primarily a result of the Tax Cuts and Jobs Act of 2017.

Net income for the 3 months ended November 30, 2018, was \$27.2 million or \$0.62 per diluted share on approximately 43.8 million shares outstanding. However, when you exclude certain costs incurred in connection with the ISM Raceway project, removal of assets not fully depreciated at certain facilities, capitalized interest related to ISM Raceway project and ONE DAYTONA, we still posted non-GAAP earnings of \$0.62 per diluted share for fiscal 2018 fourth quarter compared to non-GAAP net income for the fourth quarter fiscal 2017 of \$0.77 per diluted share.

As for the balance sheet and future liquidity, at November 30, our combined cash and cash equivalents totaled \$269 million, and shareholders' equity was \$1.6 billion. Our deferred income was approximately \$36.8 million, down slightly from the prior year.

At the end of the quarter, total debt was approximately \$257.3 million, which includes approximately \$165 million in senior notes, \$46.3 million in TIF bonds associated with the Kansas Speedway and \$46 million for our term loan on our headquarters office building.

As it relates to capital expenditures for the fiscal year 2018, we spent approximately \$159.8 million, including capitalized interest and labor.

In the fourth quarter of fiscal 2018, we received approximately \$200 -- or \$20 million in cash from public incentives related to the sale of certain assets associated with ONE DAYTONA. For existing facilities, we expect capital expenditures up to \$500 million from fiscal 2017 through fiscal 2021, and these include the recently completed projects at ISM and Richmond Raceways, the infield renovations underway at Talladega as well as other maintenance and guest experience capital expenditures for the remaining existing facilities.

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While many components of these projects will exceed weighted average cost of capital, considerable maintenance expenditures, estimated approximately \$40 million to \$60 million annually, will likely result in a blended return of invested capital in the low to mid-single digits.

In addition to the \$500 million in capital expenditures for existing facilities, we expect we will have an additional \$111 million of capital expenditures related to ONE DAYTONA, including the Shoppes at ONE DAYTONA. At stabilization, which we target to be fiscal 2020, we expect this phase of ONE DAYTONA and the Shoppes to deliver incremental annual EBITDA of approximately \$10 million and an unlevered return above our weighted average cost of capital.

Return of capital to shareholders through dividends and share repurchases is a significant pillar of our capital allocation plan. Our plan contemplates approximately \$280 million in dividends and share repurchases from 2017 through 2021. In fiscal 2018, we increased our dividend approximately 9.3% to \$0.47 per share. Also, in fiscal 2018, we repurchased through our 10b5-1 plans approximately 864,000 shares of ISC Class A stock on the open market at an average price of \$38.01 for a total of approximately \$32.9 million. At November 30, 2018, we had approximately \$138.7 million remaining purchase authority under the current \$530 million Stock Purchase Plan. Immediately upon receipt of the previously discussed NASCAR offer, we terminated all active 10b5-1 plans.

We will continue to explore development and our acquisition opportunities beyond the previously discussed initiatives that build shareholder value and exceed our weighted average cost of capital.

And now for our outlook for 2019. In an effort to enhance the comparability and understandability of our forward-looking financial guidance, we adjust for certain nonrecurring items that will be included in our future GAAP reporting. We believe this adjusted information best represents expectations for our 2019 core business performance.

For fiscal 2019, our non-GAAP guidance excludes any cost incurred related to the NASCAR offer; accelerated depreciation and future loss on retirements, mostly noncash, or relocation of certain long-lived assets, which could be recorded as part of capital improvements resulting in removal of assets prior to the end of their actual useful life, partially offset by capitalized interests; any start-up or financing costs should our Hollywood Casino at Kansas Speedway joint venture pursue construction of an adjacent hotel; any costs or income related to legal settlements; gain or loss on sale of other assets; and any onetime nonrecurring costs or benefits related to the Tax Cuts and Jobs Act of 2017.

For fiscal 2019, our guidance includes: total revenues to range between \$685 million and \$705 million. The increase is primarily attributable to the contracted broadcast rights for NASCAR's top 3 national touring series and returns on capital investment projects at ISM and Richmond Raceways, Talladega Superspeedway, ONE DAYTONA and Racing Electronics. EBITDA will range between \$230 million to \$250 million. Included in EBITDA is between \$26 million to \$27 million of pretax cash distributions from the Hollywood Casino. Operating margin is estimated between 13.5% and 16%. Our non-GAAP effective tax rate is forecasted between 25% and 26%, and we expect non-GAAP earnings of \$1.85 to \$2.15 per diluted share.

From an earnings perspective, the fourth quarter will be our most significant, followed by the first, second and third quarters, respectively. As for the schedule of major events, in 2019, the NASCAR XFINITY Series event at Darlington will occur on August 31, ISC's fiscal third quarter, as compared to the fourth quarter of fiscal 2018. Also, the IndyCar event at ISM Raceway, which occurred in the second quarter of 2018, will not occur in 2019.

In closing, we continue to generate increased revenues and earnings as a result of our focused strategies and strategic investments. We maintain a solid financial position developed over many years that affords us the ability to follow our disciplined capital allocation strategy and maintain our leadership position in the motorsports industry.

We have a balanced capital allocation plan, which extends through fiscal 2021, demonstrating our ongoing commitment to building long-term value. For the future, we are well positioned to balance the strategic capital needs of our business with returning capital to our shareholders. We look forward to speaking with you on our next earnings call in April.

With that, I'll turn it back over to the operator, who will lead us through the Q&A portion of the call. Operator?

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QUESTIONS AND ANSWERS

Operator

(Operator Instructions) And your first question comes from Jaime Katz of Morningstar.

Jaime M. Katz - Morningstar Inc., Research Division - Equity Analyst

I'm curious, given that you guys think most of the gains this year will stem from the broadcasting contract, and you've indicated that you're confident in your marketing strategy despite that it seems like admissions should be either flat or modestly down maybe in the year ahead. What gives you the confidence that the marketing steps that you're taking are working going forward?

Gregory S. Motto - International Speedway Corporation - Executive VP, CFO & Treasurer

Well, Jaime, this is Greg. And I think something that we started talking about last year was a shift in our sales-focused culture, particularly better leveraging our database using analytics and the predictive modeling. So we're not just cold calling customers anymore, we're actually using these analytics, more big data as well as our GEM surveys to see what the right package is for the right customers. And what we've seen so far is some continued success in this area. It was -- it's in its infancy in 2018 and it's an area that we are continuing to resource as we get into 2019. So as I think our confidence and what we said in our scripted remarks shows is to see a slowing trend in that admissions and ultimately bring it to stabilization and position it for growth.

Jaime M. Katz - Morningstar Inc., Research Division - Equity Analyst

Okay. And then I know there's no real comment on the special committee, but I'm curious if there's any idea on a timing guideline from when we might hear something? Just some sort of conclusion from the engagement and whatever assessment they determine to make on the offer.

John R. Saunders - International Speedway Corporation - President

Jaime, we can't give any outlook on timing. That's all within the special committee purview.

Jaime M. Katz - Morningstar Inc., Research Division - Equity Analyst

Okay. And then has there -- have you guys seen any difference between maybe higher-income consumers and lower-income consumers as economic growth has been sort of positive but slowing in the last quarter or 2, just out of curiosity?

Gregory S. Motto - International Speedway Corporation - Executive VP, CFO & Treasurer

I don't know that, that's directly measurable. We'll monitor the local, national and global economies as everyone else is. There's probably some uncertainty right now in that area.

Operator

(Operator Instructions) Your next question comes from Tim Conder, Wells Fargo Securities.

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Timothy Andrew Conder - Wells Fargo Securities, LLC, Research Division - MD and Senior Leisure Analyst

A couple of things, John and Greg, any way -- you alluded to weather impacts in the quarter but I think also for the year. Any way to quantify that -- as -- with admissions are on track, any perspective of how you all look at that and track any impact from that? And then as it relates to, as you talked about, Greg, in response to Jaime's question, the data analytics, anything you can tell us about retention rates or customers -- the percent of customers maybe adding on, trading up within the packages?

John R. Saunders - International Speedway Corporation - President

Well, Tim, regarding weather, I think on our -- if memory serves, on our third quarter call, we talked about the introduction of the ISC Weather Protection plan. That plan is designed to incent in the event of an unfortunate inclement forecast to give assurance to the fan that if the event is postponed to another date, they can redeem their ticket. So I -- we're looking at strategies there, but if you look over the last 10 years, it's been about 5% of the events have been postponed to another date. So we don't necessarily contemplate it in our guidance. It hasn't been, over that 10-year period, significant materially, but we are looking at ways to ease the consumer's mind about forecasts because we've talked on previous calls about people waiting later in the sales process to make their purchase. With regard to the data analytics, do you want to...?

Gregory S. Motto - International Speedway Corporation - Executive VP, CFO & Treasurer

Yes, Tim, maybe you can reask your question about data analytics. But just to build on to what John was saying and to help you understand a little bit about the weather impact, we have about 25% of our customers that are buying in the last few weeks of the race, which opens ourselves up into that weather forecast window, which is also why we've put in the Weather Protection policy. But I'll let you go and reask your question concerning data analytics and see if we can answer that.

Timothy Andrew Conder - Wells Fargo Securities, LLC, Research Division - MD and Senior Leisure Analyst

Well, yes, just to wrap up the weather, is there any way that you can quantify in Q4 or for '18 as a whole or both, the impact on admissions or in-track spend, I guess, is the, understanding that there is some impact there, but any way you can quantify that? And then on the data analytics, the question was: what are you seeing as far as a existing customer retention rate on a year-over-year basis? And maybe percentage of customers who are maybe trading up, adding on to their -- to the package that they had in the prior year?

Gregory S. Motto - International Speedway Corporation - Executive VP, CFO & Treasurer

Okay, so just closing out the weather discussion, it's not really something that's quantifiable. It's something that is -- there's many things that impact the purchasing decision and a decision late in the sales cycle when they're into -- and the open window of the weather forecast will impact the current event, then it also impacts subsequent events in the following year. I know we've discussed that previously, so I hope that helps there. Concerning the data analytics, we're seeing just good retention, between half to over 70% renewals in these specific areas that we're targeting with the programs from our Sales Academies. They're -- not only do they find a solution within the event that they're calling the customer about, but they're also looking at other opportunities for these guests. This is about selling experiences and selling relationships. Our Sales Academy folks will -- they'll go and meet the -- our guests at an event and they'll see them to their seats. It's, again, the relationships. And as we're looking at the data analytics, we're really focused on what we would call the fence sitters. These are the people who have not made a decision or are trending either way, may have other events in their lives that might change or sway their decision. And we're really -- we're going after them and trying to find the right package to incent that decision for them to come to our events.

Timothy Andrew Conder - Wells Fargo Securities, LLC, Research Division - MD and Senior Leisure Analyst

Okay. But nothing yet at this point as far as the percentage of those that you're retaining that are trading, adding on or trading up, so to speak, in the packages they're purchasing?

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Gregory S. Motto - International Speedway Corporation - Executive VP, CFO & Treasurer

Well, we don't really disclose the percentages of our renewals or retention.

Timothy Andrew Conder - Wells Fargo Securities, LLC, Research Division - MD and Senior Leisure Analyst

Okay. Two other questions. One on the esports. So new initiative, and John, you talked about how that's expanding and the links with the games. Can you kind of, at this point, go through, is there the monetization in any way from a business perspective of that? Or is it at this point just a way to try to build and expand the fan base and then through that flow into the overall model? I guess a little more color on the initiative there.

John R. Saunders - International Speedway Corporation - President

Yes, and as I said in my scripted remarks, these are NASCAR initiatives, NASCAR-driven initiatives and most recently in partnership with -- particularly with the NASCAR Heat Pro League with the teams. It's early on in terms of trying to quantify monetization. It's new space. Certainly, in the sale of the games from a mass market standpoint, there's royalties paid to NASCAR and the tracks that participate. But really, the opportunity for ISC is sparking more interest and fan engagement in the sport. And to bring new fans into the sport, we first have to get them interested in the sport, and that's the value that we see initially. The PEAK Antifreeze iRacing Series has been around for, as I said, for 10 years, entering its 10th year. And we've actually seen drivers, William Byron for one, who has now risen up into the national touring division, actually begin his career in the iRacing Series. So it's about -- at that level, it's about talent development, attracting aspiring drivers, and it is a real virtual extension of the sport. But back to your initial question on monetization, this is a space that's in its infancy, but NASCAR is resourcing it, and we'll see where it goes.

Timothy Andrew Conder - Wells Fargo Securities, LLC, Research Division - MD and Senior Leisure Analyst

Okay. And lastly, gentlemen, again, just to follow on to Jaime's question here. I know the special committee is evaluating the NASCAR proposal, but is there any way you could give some reasonable time frame? Are we talking 3 months, by this -- by the time we [get this home] -- 3 months, 6 months? Any type of parameter time frame here, a reasonable time frame -- understanding that things can ebb and flow -- that could be given would be helpful.

John R. Saunders - International Speedway Corporation - President

It's a fair question, Tim, but we just can't shed any light on that. We don't know. We just don't know.

Operator

And there are no other questions in queue.

John R. Saunders - International Speedway Corporation - President

Well, thank you all for joining us on our fourth quarter call, and we look forward to a very successful Rolex 24. And as I said, trending towards a sellout on the DAYTONA 500, and we will see you on the first quarter 2019 call. Thank you for joining us.

Gregory S. Motto - International Speedway Corporation - Executive VP, CFO & Treasurer

Thank you.



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Operator

This concludes today's conference call. You may now disconnect.

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