



WEEK 1-2

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THIS WEEK

- Macau suffers 34% downturn
- BwinParty confirms GVC date
- Self-nominations open for GGA 2016
- Columnist: Sarah Harrison on responsibility

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TOP STORY

DRAFTKINGS REACHES ILLINOIS TRUCE

DFS operations to continue ahead of court date



Illinois attorney general Lisa Madigan could be set for a June court date over DFS

DraftKings will continue to offer daily fantasy sports (DFS) in Illinois for the time being after reaching an agreement with the office of state attorney general Lisa Madigan.

Madigan last week ruled that DFS violated the state's gambling laws and indicated that DraftKings and rival operator FanDuel should amend their terms of use to list Illinois as a prohibited state. The firms responded by filing a complaint against Madigan on Christmas Eve, requesting an injunction to prevent her from shutting them down.

Cook County Circuit Court has since confirmed that the opposing parties have now set court dates and agreed not to take any further action "concerning the legality of daily fantasy sports contests that plaintiff offers in Illinois, except before this Court".

Madigan's office will respond to the complaint by 22 January, with all pre-trial proceedings completed by 28 April. If necessary, a trial would then take place around 27 June.

ESPN.com reports that FanDuel and Madigan's office are also in discussions regarding a similar arrangement.

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FROM FRONT PAGE ►

"We are pleased that we have reached agreement with the Illinois Attorney General's Office today on an expedited court schedule for determining the legality of the daily fantasy sports contests that DraftKings is offering in Illinois," said Randy Mastro, counsel to DraftKings and partner at Gibson Dunn & Crutcher.

"We remain committed to providing DFS to the hundreds of thousands of loyal Illinois fans who love the game, and we look forward to our day in court, where we are confident we will prevail."

Illinois state Rep. Michael J. Zalewski introduced a bill to legalise and regulate DFS in Illinois back in October and told ESPN.com he hopes to get it passed by the end of the 2016 legislative session in May.

Meanwhile California has become the first US state to pass a DFS regulation bill out of a committee hearing. AB 1437, sponsored by Assemblymember Adam Gray, passed through the Governmental Organization Committee nearly unanimously.

KEY POINTS

- DraftKings has agreed a truce with the office of Illinois attorney general Lisa Madigan
- Neither side will take any further legal action concerning the legality of DFS until potential June court date
- DraftKings to continue operating in state for the time being

ASIA

MACAU ENDS 2015 WITH 34% DOWNTURN

Regional revenue suffers big drop

The inevitable annual decrease in gross revenue for the Macau casino market for 2015 concluded at 34% to 230.84bn patacas (\$28.91bn).

A total of 19 consecutive months of year-on-year decline have been reported



by the Macau Gaming Inspection and Coordination Bureau, and last year's results followed an annual drop of 3% to 351.52bn patacas for 2014, the first annual fall to have been reported since the market opened up to foreign operators in 2001.

December's gross revenue of 18.34bn patacas represented a 21% year-on-year drop. That figure showed a month-on-month improvement from November's 16.43bn patacas, which was the lowest to have been published since September 2010's 15.3bn patacas.

Anti-corruption measures deployed by the Chinese government, a downturn in tourism and problems with Macau's economy have all been mentioned as potential reasons for the descent.

M&A

BWINPARTY CONFIRMS GVC COMPLETION DATE

Acquisition to complete in February

GVC Holdings will complete its acquisition of fellow online operator BwinParty on 1 February. BwinParty confirmed the date within its pre-close trading update for the fourth quarter of 2015, which



showed that the operator's net revenue grew by 5% year-on-year for the period.

GVC, led by CEO Kenny Alexander [pictured], announced in October that the firm expected the deal to conclude in early 2016 and an official date has now been set after BwinParty shareholders approved the deal at its EGM in December.

Both companies reported in September that GVC is to acquire BwinParty for 25p in cash plus 0.231 new GVC shares per BwinParty share, equating to an approximate value of £1.12bn.

that potential suitors Endeavor have fallen financially short of a deal.

The Florida-based company has revealed it will be accepting new offers for the New Jersey waterfront property. In a statement the company said that Endeavor "was not able to generate the additional deposit funds needed" to secure the complex.

Endeavor spokesman Mark Naples responded that the firm has "a very strong and creditable private equity source to finance the acquisition and development of the Atlantic Club property as an indoor waterpark resort. Endeavor is in the process of satisfying this capital source's documented funding conditions."

Endeavor announced plans last June to convert the former casino into an entertainment complex.



USA

ATLANTIC CLUB BACK ON THE MARKET

Owner seeks new deal

Atlantic Club owner TJM Properties is looking for new buyers after it claimed

AWARDS

SELF-NOMINATIONS OPEN FOR GLOBAL GAMING AWARDS 2016

Entries welcomed across 12 categories

The self-nominations window for the Global Gaming Awards 2016 is officially open.

Now in their third year, the Awards will once again consist of 12 industry-wide categories, recognising and rewarding innovation and achievement across both the digital and land-based gaming sectors.

The destination of each award is decided by a panel of 50 judges made up of esteemed industry executives from a range of sectors and geographies.

Judges vote for their winner and runner-up in each category based on a shortlist compiled by an official Nominations Panel alongside the in-house editorial team at *Gambling Insider*.

Self-nominations from within the industry are welcomed for consideration at the shortlisting stage, with interested parties encouraged to visit the website globalgamingawards.com to submit their entry.



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GUEST COLUMNIST

"DO MORE THAN THE MINIMUM"



by Sarah Harrison
Chief executive,
UK Gambling
Commission

Having taken on my role fully on 1 October, what's become obvious to me in the very short period that I've been talking with people is the very rich picture of initiatives to help prevent harm from gambling that are going on across the sector.

The Responsible Gambling Trust itself plays a really critical role, and we put a high priority on working constructively and in concert with the Trust, and with the Responsible Gambling Strategy Board (RGSB). So for example work that the Trust is commissioning around gambling-related harm will help identify the nature of the resources that will be needed to address that harm, and how best to target those resources to the maximum impact. Forthcoming work on identifying patterns of play indicative of a heightened risk of harm in the online environment will also add to our understanding of what's possible in terms of player protection.

The betting industry is announcing its own work in relation to identifying customers who might be at risk of harm, and the industry along with other sectors have been developing their own codes for tackling responsible gambling.

The message from me is that there is a real opportunity from this work, led by what's being described to

me as a sea change in the industry's recognition of its need to own and act on problem gambling, and it's really important that our efforts cohere.

A revised version of the RGSB strategy is now out for consultation, and it makes clear that behind the complex picture there needs to be a clear and logical process, whereby efforts to improve our understanding help to identify the appropriate actions that can be tested, trialled and evaluated.

Our latest research into 2,000 consumers online will be published as part of a quarterly analysis. It found that almost a third of online gamblers were not aware of the information available to help them control their gambling. Similarly, almost a third were unaware of information about where to go to seek help. Encouragingly, awareness and use were greater among problem gamblers, with awareness in the 90s and usage itself at around 80%. But a successful harm minimisation strategy must be seeking to prevent harm, not just deal with it when it arises.

The survey found a similar story when it looked at awareness and use of tools that are available to help people manage their gambling online. The proportion of those who use those tools was small. Again, problem gamblers were more likely to use those tools, although even they were still relatively low in proportion terms, with the financial limits being the most used at around 18%.

As a regulator, the key priority for me is to do all that I can to ensure that consumer protection is at the heart of the Commission's decision making. But I'm conscious that the industry, meeting fully the ambitions of its licence obligations, is best placed to

take many of the actions that ultimately could help protect consumers.

I've heard a lot of goodwill and commitment, but as a regulator I've got a responsibility to challenge the industry to deliver on that, and to maintain its progress. In general we would like to see much greater pace and clear evidence that operators are applying the same kind of intellectual and commercial expertise, and innovation, to social responsibility that is applied to efforts to compete.

Are operators doing the minimum, or taking their responsibilities further? Are businesses considering every aspect of the customer journey, including where it begins, with marketing and advertising? Will operators take stakeholders with them, be open about the inputs, as well as the outputs and the conclusions?

The challenge, more broadly, for everyone in this room, including the Commission, is to engage those well beyond it: represent us to the public, media, consumers, communities such as faith groups, and other stakeholders and interest groups. The industry really has to be at the top of its game, placing social responsibility at the heart of what it does. It's got to be able to build public confidence that gambling merits its place as a legitimate leisure activity, subject to a firm but balanced regulatory regime, under which it can develop and grow.

Sarah Harrison was speaking at the RGT Harm Minimisation Conference

Want to be a guest columnist in GI Friday?
Write to: editor@gamblinginsider.com

OPEN NOW: The self-nominations window for the Global Gaming Awards 2016 is officially open. Self-nominations from within the industry are welcomed for consideration at the shortlisting stage, with interested parties encouraged to visit globalgamingawards.com to submit their entry.

