



Sponsored by



THIS WEEK

- **Yggdrasil sees huge revenue hike**
- **Icahn sells Fontainebleau casino for \$600m**
- **Catena Media enters Stockholm NASDAQ**
- **Brazil considers privatising national lottery**
- **Guest Columnist: Peter DeRaedt, President, Gaming Standards Association**

WEEK 35

FRIDAY 1 SEP 2017

NJ FANTASY SPORTS BILL SIGNED INTO LAW

DFS now legal in 16 US States



Governor Chris Christie has now signed the Fantasy Sports Bill, making New Jersey the 16th state to legalise paid-entry fantasy sports. Last July, the Senate had approved S-1982/A-3532 legislation but it was not until last Thursday when the law was formally signed.

However, the law will not change the current DFS scene in the state. Operators such as DraftKings or FanDuel are already fully active under assurances from the Division of Gaming Enforcement. From now on, operators seeking a licence must apply through the state's Division of Consumer Affairs.

New Jersey follows the framework that has been set up by other states that have legalised fantasy sports in the last two years. It declares paid-entry fantasy sport a game of skill, and players must be over 18.

It is handled it by the Division of Consumer Affairs and subsequently it institutes a number of protection like responsible gaming protocols.

Similarly to the 15 other states where DFS has been officially regulated, operators will pay 10.5% tax on revenue derived from New Jersey DFS ▶

LOTTO HERO

From ordinary
to extraordinary

With Lotto Hero in tow you are bound to make waves.

sales@lottohero.com | lottohero.com
Sales: +356 20925 844 | General Enquiries: +356 20925 800



THIS WEEK IN NUMBERS

\$120M



The required minimum investment for the smallest plot (17.2 hectares) in Primorye Russia.

\$216M

The estimated losses of Macau casinos as a result of Typhoon Hato

74%



The increase in revenue announced by Canada-based sports betting and DFS operator Gaming Nation

\$357M



Cash generated by the sale of 27 land-based casinos and subsidiary operations by operator Casinos Austria

12



The number of tribal casinos currently operating in New York State

players and the state believes it could reap an annual \$6.6m in revenue from this activity.

However, unlike the other states, the New Jersey amendments will also allow fantasy sports games to be based on college sports.

Marc La Vorgna, a spokesperson for both DraftKings and FanDuel, said: "The law establishes multiple layers of oversight, placing New Jersey at the forefront of consumer protection nationally, and creating a new source of tax revenue with major potential for growth in the state.

"On behalf of nearly 1.5 million fantasy sports fans in New Jersey, we want to thank Governor Christie and the legislature – especially Senators Sarlo, Stack and Sweeney and Assemblymen Caputo, Mazzeo, Burzichelli and Brown – for coming together on this bipartisan legislation."

KEY POINTS

- Governor signs Fantasy Sports Bill into law
- Legislation includes consumer protection and responsible gaming protocols
- Operators to pay 10.5% tax on revenue, but can offer college sports DFS

YGGDRASIL CORPORATE REVENUE UP 116%

CEO hails 'exciting' growth in first half of 2017

Online gaming company Yggdrasil has attributed "accelerated growth", which has seen a 116% increase in corporate revenue, to the securing of 24 new partner operators during the H1 period.

The company's Q2 2017 reported revenues grew by 103% in comparison with the same period last year, topping SEK40m (£3.9m), a new company high. With the profit margin now at 42%, the companies EBITDA has increased by 76% to £2.9m.

Player transactions have also seen a considerable increase, reaching 1.5 billion rounds demonstrating an increase of 99%. In addition, the company has recruited 23 new staff

this quarter with a view to add even more members to their ever-growing team of 143 people.

In a statement released with the results, Yggdrasil's CEO Fredrik Elmqvist commented: "Yggdrasil has been expanding its regulated footprint in recent months, and investments in new markets, including the UK, are now generating revenues. It is exciting to see that these investments have proven to be bang for our buck, and it underlines our commitment to these markets as part of our wider corporate strategy.

"Costs are growing, which is necessary for us to deliver upon our ambitions, but to be able to deliver an operating profit of more than SEK15m for the second quarter shows that we remain focused on the bottom line."

ICAHN SELLS UNFINISHED VEGAS CASINO FOR \$600M

Casino mogul sells his second casino in a year

Billionaire casino financier Carl Icahn has sold an unfinished casino development in Las Vegas for \$600m, seven years after purchasing the site for \$148m.

The controversial businessman confirmed that he entered an agreement with real estate investment and development firms, Witkoff and New Valley who are both owned by the Vector Group. The move follows Icahn selling the shuttered Taj Mahal casino in Atlantic City earlier this year.

The 27-acre, \$2.9bn, 68-storey Fontainebleau Las Vegas hotel and casino development is across the street from the Las Vegas Convention Centre, which is also currently undergoing a \$1.4bn renovation.

In an emailed statement to Forbes, New York-based developer Steven Witkoff said: "We acquired a well-designed, structurally sound integrated resort at a significant discount to both replacement cost and the implied public market valuations of comparable Las Vegas Strip resorts.

"We look forward to applying our industry-leading value-



The number of casino venues currently owned and operated by Caesars Entertainment

178%



The increase in pre-tax profit recorded by Ainsworth Game Technology

enhancing platform to this property to unlock its true growth potential.”

Construction was due to begin on the property in 2009, but stalled due to the economic effects of the worldwide financial crisis, which later forced its former owners to file for bankruptcy.

The Las Vegas Strip-located Fontainebleau casino resort was scheduled to feature nearly 2,900 hotel rooms, more than 1,000 condominium units, food and beverage facilities, a 180,000-square-foot retail facility, and a nearly 100,000-square-foot casino.

Icahn purchased the site in February 2010 and ever since then, potential buyers including the MGM Resorts International group have circled the property, but none have taken the plunge.

The sale of the Fontainebleau hands Icahn and his co-investors over \$450m in profits.

Shares now trade on Sweden's premier financial index

Affiliate marketing network Catena Media has confirmed that it has received the required permissions to list its shares on the Stockholm NASDAQ main market, Sweden's largest stock exchange.

Catena is now only awaiting final approval from the Swedish Financial Supervisory Authority to commence its migration from the smaller NASDAQ North Premier stock exchange, where its shares are currently listed.

The last day of trading on this index is expected to be Friday 1 September. The company's shares will be traded in the Mid Cap segment under the same ticker (CTM) and with the same ISIN code as it had previously. Catena have confirmed that no new shares will be issued in connection with the listing.

In a statement confirming the approval, Robert Andersson, CEO of Catena Media said: "The listing on Nasdaq Stockholm is a result

CATENA MEDIA GAINS LISTING ON STOCKHOLM NASDAQ

A WORLD OF OPPORTUNITIES

SPORTS

bet365 affiliates



BINGO

POKER

© Barcrest Group Ltd 2015

CASINO

VEGAS

20,000



The size in square feet of the MGM Grand's new virtual reality and social gaming space

10,000



The number of people taking part in a Japanese government review of gambling disorders next month

of great teamwork and is proof of the solid organisation we have built. This will continue to enable our further growth. Another big milestone in our company's history."

BRAZIL CONSIDERING STATE LOTTERY PRIVATISATION

Move aims to curb government involvement in sector

The Brazilian Government has announced plans to privatise the current state-run lottery industry. According to reports by news agency Reuters, the Finance Minister Henrique Meirelles has revealed the government's intentions to auction off the national lottery system before the end of the year.

Whilst gaming legislation talks have been put on pause, the Congress of Brazil is evaluating a privatisation operation of the state's lottery market which is currently operated by Caixa Econômica Federal.

Following the Latin American giant's political scandal, with the impeachment of President Dilma Rousseff for illegally manipulating government accounts, the move to privatise the lottery is a part of a greater economic restructuring strategy undertaken by the Brazilian government. The country hopes to escape its political and social crisis by limiting government's influence over businesses.

Although further details regarding the plan have yet to be disclosed, local media reports point out those political parties themselves could become lottery operators under the new legislation. By doing so, running gaming businesses would contribute to fund their campaigns. However, this decision may generate greater controversy.

Leaving difficult times behind, Brazil remains an attractive market for foreign investors. For instance, US casino operators Las Vegas Sands and Caesars Entertainment have confirmed their interest in expanding to South America's biggest country.



2017 CEEGC budapest

REGISTER NOW
Early Bird Rate available until Sep.3

€299,00

www.ceegc.eu

Central and Eastern European Gaming Conference

SEPTEMBER 19-20, 2017

GAMBLING INSIDER PRESENTS

A NEW DIGITAL AFFILIATE MAGAZINE

trafficoLOGY

AFFILIATE FOCUS BY GAMBLING INSIDER

GamblingInsider.com/TrafficoLOGY

DATA CENTRE

Provided by fantiniresearch.com



LV STRIP SLIPS, LOCALS SOAR

The Las Vegas Strip led year-on-year state gaming revenues down in July compared to an exceptionally strong month last year.

However, all of the state's other significant markets grew, the Las Vegas locals gaming jumped a whopping 13.13% and downtown Las Vegas rose 7.84%.

The numbers suggest especially good news for Boyd. With the purchase of Aliante and Cannery casinos in North Las Vegas and East Side Cannery on Boulder Strip, downtown and locals markets account for about 45% of BYD's total revenue.

July breaks Nevada's four month winning streak, as the last time revenues declined was February.

US STOCK UPDATE

Below is a list of stocks that high 52-week highs this week:

COMPANY	52-WEEK HIGH AS OF WEDNESDAY
Monarch Casino	\$35.04
Tropicana	\$47.25
Golden Entertainment	\$23.19
Gaming and Leisure Properties	\$38.69

Jurisdiction	Revenue (\$m)	Year-over-year growth (%)
Nevada	\$997.973	-1.73
Las Vegas Strip	\$565.606	-7.73
Clark County	\$848.564	-2.21
Downtown LV	\$45.113	+7.84
North LV	\$23.691	+16.78
Laughlin	\$40.647	+6.78
Boulder Strip	\$66.434	+19.34
Mesquite	\$8.968	+6.13
Balance of County	\$98.105	+8.48
Las Vegas locals market	\$188.229	+13.13
Washoe County	\$77.856m	+2.27
Reno	\$57.384	+1.75
Sparks	\$11.220	+0.71
North Lake Tahoe	\$3.444	+3.65
Balance of County	\$5.808	+10.21
South Lake Tahoe	\$23.853	-14.76
Elko County	\$25.204	+8.13
Wendover	\$16.526	+7.49
Balance of County	\$8.678	+9.37
Carson Valley Area	\$9.530	+8.00
Other areas	\$12.966	+12.14

GAMING AFRICA Q&A WITH **KATE CHAMBERS**, MANAGING DIRECTOR AT CLARION GAMING

24-25 OCTOBER, 2017
JOHANNESBURG, SOUTH AFRICA



Why did you think it was so important to create an event that is solely focused on the African market?

The decision to launch Gaming Africa was taken following requests from major players in the market for a quality business-to-business event which is dedicated specifically to meet the gaming needs of the continent. Wherever Clarion has created a bespoke event, whether

only really talk about our aspirations for it. It's clear that new events must have some points of difference in order to prosper and to develop. Gaming Africa will be an event where operators and regulators can meet, share knowledge and move forwards in a strategic and sustainable manner. The content of the conference programme has been curated with operators and regulators in mind, and will feature a line-up of expert speakers in order to help identify the opportunities that exist for business growth. We know from the many conversations that we've had with the market in Africa and, indeed, throughout the world, how important training is in terms of raising standards and creating a professional and sustainable industry. To satisfy this need, we will be bringing the highly acclaimed 'Totally Gaming Academy' master classes to Gaming Africa, offering full training streams for online, land-based, sports betting and affiliate sectors. Overall, it's an exciting and interesting proposition, underpinned by the extremely high standards of organisation, of content and of professionalism

The content of the conference programme has been curated with operators and regulators in mind, and will feature a line-up of expert speakers

that's in Japan, Brazil or the United States, we have worked extremely closely with the market. Dealing specifically with Gaming Africa, the industry has requested a dedicated event and we are both delighted and excited at the prospects and opportunities ahead.

What makes this event different to any other gaming expos?

Gaming Africa is a new event, so I can

that we bring to every event that carries the Clarion Gaming kite mark.

What networking opportunities are available at the show?

Networking, learning and training are the foundation stones of Gaming Africa and networking underpins every element of the two days delegates will spend with us in Johannesburg. I believe the gaming industry, wherever it meets in the world, is at its very best

when it has the opportunity to sit down and talk about opportunities, challenges, technology, regulation, personalities and products. This is what networking is all about; it's wonderful to experience that energy and it will be in abundance at Gaming Africa. You could say that networking is the currency of Gaming Africa.

What do you think will be some of the main issues discussed amongst attendees at this year's expo?

We are event organisers, so it would be wrong of me to pretend that I am an expert in gaming. In terms of the content, delegates will be debating some big issues such as the dynamics of payments technologies and how they impact gaming, integrity in sports betting, the importance of anti-money laundering initiatives, how international companies view investing in Africa, as well as regional differences on the continent. It's an exciting and comprehensive agenda which, I'm sure, will connect with the industry.

What are some of your personal highlights that will be at this Gaming Africa?

Gaming Africa is a launch event, so we are starting with what is, essentially, a blank canvas. In terms of what I'm looking forward to, it's going to be interesting to experience the chemistry in place at Gaming Africa. Getting the chemistry right is the key to a successful event, whatever the size. As we do with all of our events, we will be in close contact with all of the stakeholders from all sides of the business in order to build on the strengths and to address those areas which perhaps require a different approach. If industry professionals leave Gaming Africa in October wanting more and in an upbeat, optimistic mood, I will know that we've done a solid job.

GUEST COLUMNIST:



PETER DERAEDT
GAMING STANDARDS
ASSOCIATION, PRESIDENT

**EXPANDING THE FRONTIERS
OF GAMING STANDARDS**
*The Gaming Standards Association
has been at the forefront of the charge
towards high standards in gaming.
DeRaedt explains the advances
that have shaped its approach*

The Gaming Standards Association (GSA), is the leading international forum for technical innovation in the gaming industry, and in 2017 it refined its mandate and set clear goals for the organisation. Under these goals, the GSA would continue its mission to support, develop and maintain existing standards and to investigate and support the need for new ones. In addition to this, the organisation would expand into Europe, increase outreach into the online gaming space and education and support the regulatory and operator communities.

GSA Europe

January saw the launch of the GSA's Malta-based European division which focuses on better serving the regional needs of members outside North America.

The aim is to continue fostering an environment of collaboration between European suppliers, operators and regulators while identifying common issues and jointly developing solutions to the betterment of gaming globally. To head up this important operation the GSA brought on board long-time GSA board member and gaming veteran Mark Pace as GSA Europe's Managing Director to lead the effort in Europe from a base in Malta.

Education

In February of 2017, the GSA partnered with e-learning specialists iGaming Academy to develop and host a series of e-learning modules related to GSA standards. The GSA lecture series will provide an easily-accessible platform for users to learn more about GSA's standards, and the impact they have had on the global gaming industry.

Covering the entire portfolio of GSA standards, these will provide greater insight into GSA standards and their applicability and potential. The online educational platform will be available to anyone with an interest in learning more about the gaming industry and a number of modules have already been released.

Regulatory Committee

In 2016, the GSA established its Regulatory Committee (RC), which has brought the regulatory community together and has been making a significant impact worldwide. To date, nine regulatory jurisdictions are participating in monthly Regulatory Committee meetings, which help to support an open and transparent environment. The committee's first efforts have been the visualisation and production of the emerging Certification Database Interface (CDI) Standard.

Since the GSA's inception, a number of industry regulators have approached the organisation on issues ranging from standardisation, gaming devices/databases, and centrally collecting regulatory information.

The GSA successfully created its GAT (Game Authentication Terminal) standards which are supported by the industry and is used by various regulators. GSA Europe is likewise collaborating with European Regulators as it works on the iGaming Regulatory Reporting Interface (RRI) standard.

Online Gaming Standards

In April of this year, GSA North America and GSA Europe gained sufficient support from online gaming companies to begin work on a new standard, the Third Party Interface (TPI). This new standard, specifically for the online gaming industry, will simplify system integration between content providers and platform providers.

At our recent online gaming committee meeting in Europe, we made significant progress to finalise the Third Party Interface (TPI) standard and also took the opportunity to discuss the draft Regulatory Reporting Interface Standard (RRI).

GSA has engaged in a number of conversations with various interested parties related to Responsible Gaming. The RRI being developed by the OGC is seen as potentially having a significant impact on early detection and intervention with problem gamblers.

This year GSA is laying the groundwork with influential European National Standards setting Bodies (NSB), offering our assistance with the creation of the online gaming standards under the management of CEN as per European Commission (EC) guidelines.

GSA has engaged with the European Commission (EC) to further build relationships across Europe. GSA is working with NSB's to ensure that GSA will participate and potentially represent them at the CEN Technical Committee level working on the creation of Regulatory Reporting standards.

If you're interested in joining the GSA, please visit our website gamingstandards.com for information in how to participate.

JULY/AUGUST ISSUE OUT NOW

Click **HERE** to view

