



# WEEK 40

FRIDAY 05 OCT 2018

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## THIS WEEK

- **AGA tells GI about its opposition to federal involvement in sports betting**
- **888 profit up for H1**
- **DraftKings continues to build all-star team**
- **G2E pre-show Q & As with Scientific Games and Sportradar**

### GUEST COLUMNIST:

**Natalie Billingham,  
Akamai Technologies**

## NETENT AMERICAS MD: US MARKET COULD BE 50-75M PLAYERS IN THREE YEARS



Erik Nyman, Managing Director of NetEnt Americas, speaks exclusively to *Gambling Insider* on a range of topics, including the supplier's plans for future growth in New Jersey and Pennsylvania, the impact of US regulated sports betting on online casino and expansion across the US, Mexico and South America.

*You have been with NetEnt Americas since 2010. How has the US market developed in that time and to what extent has this been in line with your expectations?*  
We entered the market at the end of 2015, two years after the market opened. ▶

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# THIS WEEK IN NUMBERS

## \$216m



The amount which could be added to annual NHL revenue from legal sports betting

## \$2.9m

The loss Game Account Network recorded after tax for H1



## £11m



The amount by which Gaming Realms has reduced its pre-tax loss

## 20m

The number of EU customers represented by the European Gaming and Betting Association, which pledges to provide a safer online gaming environment

We have seen a steady growth and US players are becoming familiarised with our content. Our tight collaboration with customers and high-quality content with unique features have proven to be a recipe for success and we are very happy so far.

**How do you plan to keep adapting your offering in the growing New Jersey market?**

We will continue to frequently launch new and unique games that we distribute in all jurisdictions. But we are also looking into new functionality and specific promotions we tailor for customers to optimise performance. For us, it is also important to grow our understanding of US operators and players to be able to be an even better business partner with them.

**What will be your challenges for growth in the regulated Pennsylvania market?**

In every new American market, NetEnt games are new to the players, as we today don't have a presence in the land-based environment. The process of familiarisation is crucial to understand. Besides that, we also spend a lot of time with our new partners to make sure we have a good relationship and understand their real needs, which is essential in any business. Product, business relationship and understanding the market-specific conditions through business intelligence are key.

**You previously commented about how a table game tax of 17.5% offsets the slot revenue tax of 54%. How confident are you that the 54% tax on slot revenue in Pennsylvania will be reduced? What do you think it should be reduced to?**

I am not confident the tax will be reduced, but I am certain the market growth most likely would have been better with a lower tax. We work with local stakeholders and decision makers to inform what we know about healthy taxes from experiences in various jurisdictions globally.

**With much of the US regulatory focus shifting towards sports betting, how challenging is this for online casino suppliers like NetEnt?**

The introduction of sports betting is excellent for online casino for many reasons, not least as it's a driver for online gaming in the US. Our first customers were sportsbooks, so we think the conversion of sports betting players to casino will happen in the US as well.

**What are the chances we could see products such as Exclusive Virtual Casino, that launched earlier this year, launch in the US as the regulated online sports betting market grows?**

Bringing live casino to the US is a major undertaking that carefully needs to be considered. Hence, we have seen very few suppliers enter the market. Regulation and setup are also different, which needs to be understood prior to launching it. We currently have no exact time plan for any of our live casino solutions in the US.

**How many US states would you anticipate could regulate online casino gambling across the next 10 years?**

That's the million-dollar question, right? My assumption is that we will have an addressable regulated market in the US in three years that is some 50-75 million players and the lion's share of that will be in the north-east.

**Following the launch of your games on Caliente's network in Mexico, how likely is it you will look to agree more deals in that market?**

Our ambition is to grow the Mexican online regulated casino business in the coming years. Today we are live with Codere and Caliente, but hope to have more customers soon.

**What are NetEnt Americas' main targets for the coming years?**

It is simply to grow our North American footprint and potentially enter into South America. The whole region is very interesting and considered a strong new business opportunity for us.

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# \$10M



License fee to enter Pennsylvania's sports betting market, which accepted applications from Park Casino and Hollywood Casino

# 1,500

Races included in SIS' live pictures and data agreement with the Hipódromo Argentino de Palermo racetrack



# 65%

Nektan's growth in net gaming revenue from Q1 FY 18 to Q1 FY 19



## AGA EXCLUSIVE: FEDERAL SPORTS BETTING FRAMEWORK IS "COMPLETE AND UTTER FALLACY"

The American Gaming Association's (AGA) Sara Slane believes it is a "complete and utter fallacy" that an additional federal regulatory framework would protect the integrity of US sport.

Slane, AGA Senior Vice President of Public Affairs, discussed the benefits of state-by-state regulation at a House Judiciary Subcommittee hearing on sports betting last week.

Slane's testimony was backed up by Nevada Gaming Control Board Chairwoman Becky Harris, who suggested the success of Nevada's regulatory system should be used as a blueprint for other states.

However, at the same hearing, the NFL testified the "integrity of sport" would be difficult to maintain without "federal oversight."

Slane told *Gambling Insider*: "That is a complete and utter fallacy that, somehow, there needs to be some additional federal regulatory framework in place that the industry isn't already complying with.

"What I tried to reiterate at the hearing was – if there's something that the industry is not doing currently, per all the regulations that we have in place right now and the information that we share with the law enforcement community, we're open to hearing what these suggestions are."

Slane also emphasised the need for the AGA to educate federal regulators about the distinction between the legal and illegal gambling sectors.

She added: "We've got a lot of work to do as far as educating members of Congress about our industry is concerned, so they understand just how strictly regulated our industry is."

"I feel like we get painted with the illegal gambling operations brush and that's not who we are. That'll be incumbent upon us to ensure that members of Congress, again, understand just how regulated we are."

Slane was speaking exclusively to *Gambling Insider* for the November/December issue. [Sign up here](#) to read the full interview when it is published.

# THIS WEEK'S WINNERS AND LOSERS

## WINNERS

Colombia – Oryx Gaming partners with Wplay to supply online content

Bede Gaming – On track to go live in North America in 2019-2020

Eldorado Resorts – completed its acquisition of Tropicana Entertainment for approximately \$1.85bn

Sweden – Gambling market growth slows to 1.5%

## LOSERS

## 888 TARGETS US FOR FUTURE GROWTH

888 Holdings' profit has risen, with US opportunities and less of a dependency on the UK targeted for future growth.

The online operator has released its half-year report for the six months ended 30 June 2018, revealing a turnaround in pre-tax profit from a \$17m loss in 2017 to a \$60.1m gain in 2018.

As a result, adjusted profit before tax also increased by 13% to \$42.5m, with adjusted EBITDA increasing by 10% to \$52.4m.

However, revenue only increased by 1%, a 5% decline at constant currency, as 888's B2B business declined by 4% to \$26.5m, and B2C revenues increased 2% to \$246.7m.

Sport and casino revenue rose by 11% and 10% to \$37.5m and \$161m respectively, with bingo revenue falling by 11% to \$17.6m, reflecting "heightened regulatory scrutiny in the UK."

Itai Frieberger, CEO of 888, said: "We have maintained strong momentum in casino and sport,

particularly in continental European markets. In the UK, we are pleased to report that since the period end, we have started to see positive trends in revenue."

Declining bingo revenues and faster sports revenue growth in Italy and Spain are not the only reasons 888 is now looking to further diversify away from the UK market.

888 will build a new data farm in Ireland and acquire a Malta gaming license to continue to serve European markets in case a "hard Brexit" challenges Gibraltar's right to rely on freedom of services from the European Union.

The repeal of the Professional and Amateur Sports Protection Act in the US also presented opportunities for 888 to broaden its horizons, launching 888Sport in New Jersey, extending an interstate poker network, a two-year extension with the Delaware Lottery and extending a contract with supplier Kambi to include the US market.



# EVOLVING ENTERTAINMENT



At Scientific Games, we're EVOLVING ENTERTAINMENT, and at G2E this year visitors will see how we not only have the full spectrum of products, services, technology and talent to meet today's challenges, but also the VISION and capacity to help shape the FUTURE of entertainment.

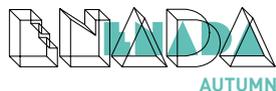
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### THE WEEK IN QUOTES

*“Launching our games to players in British Columbia is an important milestone for us in our expansion in North America. Entering regulated markets is a vital part of our strategy going forward, especially within the WLA segment.”*

**Therese Hillman, Chief Executive of NetEnt, discusses its launch in Canada through IGT**

*“Securing the exclusive rights of live racing from the Hipódromo Argentino de Palermo racecourse is an important step in our ambitions to offer premium, round-the-clock action to operators and their customers across the globe.”*

**Simon Fraser, Head of International Racing at SIS, on its Buenos Aires racing deal**

*“I don’t think right now is the time for any kind of federal engagement with regard to gambling. States do a great job in every area including sports betting and we’ve just begun to see the roll out in other states.”*

**Nevada Gaming Control Board (NGCB) Chairwoman Becky Harris warns against federal regulation**

### DRAFTKINGS ADDS WYNN RESORTS EXEC

DraftKings Sportsbook has added experienced sports betting director Johnny Avello to its team.

Avello has left his Executive Director post at fellow operator Wynn Resorts to join the sportsbook and oversee retail operations.

DraftKings co-founder Matt Kalish is quoted by Legal Sports Report as saying: “Johnny is considered a legend in Las Vegas. He is very respected in the gaming industry and brings well over 30 years of experience, insights and ideas to DraftKings.”

The addition of Avello follows those of Frank Kunovic as Head of Retail Operations and Jamie Shea as Head of Sportsbook Digital.

Kunovic was previously Director Specialty Games for operator Caesars Entertainment, while Shea has joined from supplier IGT, where she was Sports Betting and PlaySpot Specialist.

DraftKings was the first mobile sportsbook in the US to offer bets in a state other than Nevada, when it accepted wagers in New Jersey in August.

Wynn Resorts did not comment on Avello’s departure, with the casino operator having plenty else to focus on at the moment.

Last month, it was announced Wynn Resorts and its former CEO, Steve Wynn, are being sued for allegedly rigging the application process to win the license for the Boston area’s only casino.

The lawsuit, citing a lack of “honest competition,” also names CEO Matthew Maddox and former General Counsel Kim Sinatra as some of its defendants.

Sterling Suffolk Racecourse is seeking over \$1bn in damages, which could triple under the racketeering law.

Wynn Resorts is also being investigated for how it handled allegations of sexual misconduct against its former CEO by a five-member commission.

The latest development on that front has seen the Massachusetts Gaming Commission Chairman Stephen Crosby resign amid accusations of bias towards the operator.

Crosby denied the claims, but said he did not want them to compromise the ongoing investigation.

*“The Lottery declines to intervene between negotiations between private business entities.”*

**The West Virginia Lottery Commission on its decision to reject integrity fees in its regulated sports betting framework**

*“My advice to you is this: a storm is gathering, but it can be avoided. Learn from the mistakes of the past – listen to what the public is saying and put responsible advertising standards at the very heart of your business.”*

**Gambling Commission Programme Director Ian Angus on potential future regulation of gambling advertising in Great Britain**

*“Alex is the perfect addition to our team as we level up our product portfolio and continue the rapid transformation of our sportsbook business to meet the needs of our growing US customer base.”*

**Jason Walbridge, SG Digital COO, on the appointment of Alex Ambrose as the supplier’s CFO**

## MACAU CASINO GROWTH SLOWS

Monthly gross gaming revenue (GGR) for Macau casinos increased year-on-year in September – but only by 3%, to MOP21.95bn (\$2.72bn).

The region’s casinos were forced to shut down for a 33-hour period on the weekend of 15 September, due to the impact of Typhoon Mangkut.

However, analysts had taken the closure into account and adjusted their projections to a 10% year-on-year growth for the month.

The end result was reduced growth, with the 3% rise in stark contrast to a year-high GGR in August, which rose 17% year-on-year to MOP26.56bn. September’s GGR was 17% less than that of August overall.

Nevertheless, September marked the 26th consecutive year-on-year monthly gain for Macau’s casino industry and brings GGR to MOP224.05bn for the first nine months of 2018; a 16% year-on-year increase.

Last year, Macau’s casinos generated MOP26.63bn in October; the highest

monthly total of the year.

Macau casinos will also be hoping September was somewhat of an outlier based on the amount of visitors the region received in August.

According to data released by the Statistics and Census Service (DSEC), Macau saw a 12.2% month-to-month increase in visitor numbers, with over 3.4 million people entering the region during August, fuelled by an influx of Mainland Chinese tourists.

More impressive than the month-to-month increase is the fact that year-on-year visitation numbers to the gambling hub went up 18.7%.

The largest increase came from same-day visitors, up 21.6%, with overnight visitors going up by 16.3%. However, the average length of stay actually declined, albeit by just 0.1 days year-on-year to 1.2 days.

Over 2.5 million visitors came from mainland China, representing a 25% year-on-year increase, with 1.3 million of those from the Individual Visit Scheme.

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### NV, STRIP FALL

Nevada and Las Vegas Strip gaming revenues fell in August, with the Strip having its worst year-on-year comparison since August 2016. For Nevada, it was the worst since June 2015.

The state was on a tough comp given the influx of visitors for the Floyd Mayweather vs. Conor McGregor fight last year, while analysts and operators have warned of a soft third quarter, featuring less conventions, meetings and special shows on the Strip.

Nevada gaming revenues declined in both July and August. Sportsbooks last year generated over \$30m in revenue, while boxing and mixed martial arts revenue was at \$19.797m, in relation to the Mayweather/ McGregor fight.

PROPERTY/MARKET	REVENUE (M)	% CHANGE
Nevada	\$912.881	-7.75
Las Vegas Strip	\$477.919	-12.40
Clark County	\$756.098	-10.16
Downtown LV	\$46.213	-4.75
North LV	\$23.232	-6.28
Laughlin	\$38.210	-2.25
Boulder Strip	\$62.171	-16.27
Mesquite	\$9.276	+3.87
Balance of County	\$99.078	-1.38

Factor out that boxing and mixed martial arts revenue and Nevada would have been down 5.73% this year. Areas outside of Clark County grew well, with Reno leading Washoe County in terms of revenue generation and continued to be strong in terms of year-on-year growth.

In fact, Reno outgrew its year-to-date growth, which was 5.82% as of July.

August had nine Fridays and Saturdays this year versus eight last year.

Las Vegas locals market	\$184.481	-7.53
Washoe County	\$82.948	+7.37
Reno	\$61.570	+7.27
Sparks	\$12.103	+5.32
North Lake Tahoe	\$3.249	+3.16
Balance of County	\$6.026	+15.57

South Lake Tahoe	\$26.789	+4.74
Elko County	\$23.979	+5.29
Wendover	\$16.101	+8.95
Balance of County	\$7.878	-1.48

Carson Valley Area	\$9.651	+2.77
Other areas	\$13.416	+3.68



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## LAND-BASED OPERATOR

Industry stalwarts MGM Resorts, Las Vegas Sands and Hard Rock International are joined by new entrants Churchill Downs Racetrack and William Hill US

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## DIGITAL OPERATOR

Bet365 is in with a chance of winning the Award for the third time in four years, while 2016 winner 888 Holdings is also on the list of nominees, along with successful US operators NYRA Bets and Play Sugar House

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## LAND-BASED PRODUCT

IGT was last year's winner for its Cardless Connect product, and the supplier is back this year with its PlayShot sports betting solution. NOVOMATIC's Otium OT300 cabinet and SG Gaming's 88 Fortunes cabinet are also on the list

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## DIGITAL PRODUCT

Following Scientific Games' acquisition of NYX Gaming Group earlier this year, SG Digital has joined the list with its OpenBet sports betting platform. SBTech and Kambi Group have also been nominated for their sportsbooks, while NetEnt's Live Beyond Live product appears on the shortlist

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## CUSTOMER LOYALTY PROGRAM

MGM Resorts is in the running to win the Award for the fifth consecutive year for its M life Rewards program. MGM will face stiff competition from Caesars Entertainment's Total Rewards and Wynn Resorts' Wynn Red Card among the other programs on the list

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## LAND-BASED INDUSTRY SUPPLIER

Scientific Games was victorious in this category last year, and it is in with a chance of winning the Award again. Aristocrat, IGT and NOVOMATIC will be among the other contenders

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## DIGITAL INDUSTRY SUPPLIER

This Award is one of the least predictable, as it has been won by four different companies in the last four years. Previous winners NetEnt and Playtech are nominated this year

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## PRODUCT INNOVATION

The Award is making its debut at this year's ceremony, and the shortlist includes last year's Digital Gaming Innovation of the Year winner Betgenius, which has been nominated for its BetBuilder product. IGT's Virtual Zone and Play'n GO's OMNY have also made the list

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## RESPONSIBLE BUSINESS

Last year's winner Sportradar is back again, but competition will be provided by returning nominees such as BMM Testlabs, Caesars Entertainment and GeoComply

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## SLOT

Another new category in this year's Awards will see the likes of Aristocrat's Game of Thrones, Greentube's From Dusk Till Dawn and NetEnt's MAX compete for the prize of the best slot game in the industry

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## PROPERTY

Operators will compete for the very first Property of the Year Award, and there is a strong tribal presence, with Foxwoods Resort Casino and Mohegan Sun Casino making the list. There is a truly global feel to the category, as Argentina's Casino de Tigre and Studio City, Macau are nominated

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## AMERICAN EXECUTIVE

The last of this year's new categories will showcase some of the industry's most successful executives, including SG Digital's Matt Davey, BetConstruct's Vigen Badalyan and IGT's Renato Ascoli

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# G2E PRE-SHOW Q+A

*Doug Albregts, Executive Vice President and Group Chief Executive, Gaming at Scientific Games, talks us through the supplier's G2E plans*



## **What are you most looking forward to about G2E in Las Vegas this year?**

This year is shaping up to be unique, especially given the shifting gaming landscape in the US. Obviously, the initial wave of sports betting has marked vast change in the industry and we're looking forward to seeing how our partners are approaching this new market, as well as sharing our sports betting expertise. We're also looking forward to sharing our most innovative products at the show.

## **What makes G2E a unique show?**

G2E stands as a unique opportunity to celebrate all of the advancements in gaming and to learn about how our partners are embracing new technologies. The size and scope of the show are incredible, and G2E remains the premier show for our industry.

## **Which products will you be showcasing at the Scientific Games stand?**

Our booth at G2E is an interactive theatre that offers our customers a chance to connect with our team and experience all of our products in a new way. The products we are showcasing at G2E are part of Scientific Games' world class portfolio that combines great games that players love, robust data and innovations to provide wagering across all gaming environments.

For example, visitors to our booth get a first-hand look at our award-winning sportsbook

technology, OpenBet. OpenBet features end-to-end sports betting solutions, including a best-in-class retail offering across self-service betting terminals, electronic point of sale and in-venue screen solutions. The digital offering includes cutting edge front-ends driven through customer insight. We've also geared up the operational structure to offer managed trading services and managed sportsbook operations.

We'll highlight our breakthrough lottery products including SCiQ®, the intelligent instant game retail technology and the PlayCentral® HD terminal, which is at the forefront of player self-service technology and allows for rapid introduction of new lottery products and technologies. We'll also show lotteries how to drive retail sales with our next generation loyalty solution, simulated online lottery demos from our portfolio of eInstant and eDraw games, and our player-engaging suite of interactive games.

Visitors will also get a look at dynamic games that showcase new platforms and innovative game mechanics. This year, we're proud to introduce the new TwinStar Wave XL cabinet, which builds on the celebrated ALPHA Pro Wave legacy, offering a bigger and better player experience. This cabinet showcases a curved, ultra-high-definition display that generates the kind of graphics only seen in high-end home theatres. Games available on this cabinet include enhanced versions of player favorites, such as Dragon Spin Age of Fire and Cash Wizard World, in addition to Jin Ji Bao Xi - Endless Treasure and Jin Ji Bao Xi - Rising Fortunes.

## **Are there any particular events at this year's show you are looking forward to?**

There are always so many exciting events at G2E. We're looking forward

to starting the show strong with the Global Gaming Women track on Monday, where two of our fantastic leaders, Cath Burns and Katherine Anderson, will participate in the programs. We're also looking forward to the first-ever Sports Betting Symposium, which includes our Executive Vice President of Sportsbook Keith O'Loughlin as a panelist.

## **What do you think will be the main industry talking points that people will be discussing at G2E?**

Gaming across all channels and venues is changing and as an industry, we all must respond to the dynamic shifts in player preferences and technologies. Sports betting will be the talk of the show in many circles. As the US market expands, we will all be talking about how to launch quickly and solutions that solve for all aspects of sports betting.

## **What do you hope to get out of the show?**

G2E provides immense value to industry stakeholders, and we're looking forward to having valuable discussions with our current and potential partners about

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*“Our booth at G2E is an interactive theatre that offers our customers a chance to connect with our team ”*

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how to help grow their business and delight their players. We also know that G2E provides a great opportunity for us to learn from our partners and to receive valuable feedback that will help us continue to improve our products and innovate.

# G2E PRE-SHOW Q+A

*Neale Deeley, VP Sales, Gaming at Sportradar, tells us about the supplier's plans for this year's G2E, which will be held in Las Vegas next week*



## **What are you most looking forward to about G2E in Las Vegas this year?**

This is the first G2E post the repeal of the Professional and Amateur Sports Protection Act, so the excitement around sports betting is huge. We've increased the size of our stand from last year and brought along an experienced team of betting experts, including traders who will be ready to walk people through how betting in 2018 is done. Whatever your interest in sports betting, we'd encourage you to drop by and chat to us.

## **What makes G2E a unique show?**

The scale of G2E and the fact it's in Vegas - the capital of casinos - makes it a must-attend event. People from all over the world will be coming together to network, share and learn about concepts related to best practice, growth opportunities and legalisation, as well as exploring the range of products and solutions on offer.

## **Which products will you be showcasing at the Sportradar stand?**

We're the backbone of the betting industry globally, so we will be showing people how these services come together to deliver a modern sportsbook. This will include everything, such as fixtures, results, odds suggestions, trading tools, in-running services, front-end bet stimulation tools, live streaming services and esports betting services.

We will have a range of interactive exhibits at our stand, as well as our variety of expert representatives on hand to show clients through the information, technology and services we provide.

## **Are there any particular events at this year's show you are looking forward to?**

We're looking forward to the Sports Betting Symposium and the keynote speaker sessions, which will explore discussions around sports betting

in the newly-regulated market. As a company whose thought leaders, many of whom will be present at the event, have several years' expertise in this space, we have spoken at depth about this topic, including the challenges, opportunities and threats. So, it will be a good chance for us to keep abreast of the thoughts and concepts of the industry as it stands, as well as the possible directions it could head.

## **What do you think will be the main industry talking points that people will be discussing at G2E?**

Over the next few years, the US will emerge as one of the biggest markets for sports betting in the world. We therefore expect the main talking points will circulate around what this means for US sports and how the regulation will and should be executed. This will obviously bring up conversations around how businesses can make the most of the opportunities available, but also how they can prepare for the challenges that this may present.

## **What do you hope to get out of the show?**

We have been preparing for the market opening in the US for a number of years, so we hope to engage new clients and show them the products and services we can offer, and not just in the gaming and wagering space. We are one of the largest in sports data procurement and distribution rights, analytics, AV production and distribution for more than 60 sports and for hundreds of thousands of games globally. We also partner with professional leagues with our integrity services. We want to build overall awareness of our work in this space through the networking opportunities that G2E offers.

## GUEST COLUMNIST



### NATALIE BILLINGHAM

VICE PRESIDENT SALES EMEA  
& MANAGING DIRECTOR UK,  
AKAMAI TECHNOLOGIES

***Billingham talks us through the  
cybercrime threats the industry needs  
to be aware of and how it can combat these***

Research from Juniper shows that revenues from online gambling alone will reach \$1trillion by 2022. However, this growth has made gaming and gambling sites a key target for cyber-attacks. Data shows that video game publishers lose more than 40% of in-game revenue to cybercrime each year.

It's not just the businesses that suffer; cybercrime is having a big impact on customers too. For example, downtime, due to breaches, can frustrate consumers, who expect fast and responsive gameplay. Worse still, if customer databases are compromised, personal details can be sold and abused.

#### ***Credential stuffing gains traction***

Credential stuffing is the act of taking stolen account details from one site and deploying bots to try to use them to log into vast numbers of other sites. Recent estimates put the number of stolen credentials currently circulating — usernames, passwords, and email addresses — in the billions.

According to the Gambling Commission, the average online gambler has four accounts, and, since three out of four people are thought to use duplicate passwords, credential stuffing can be a particular problem for the industry.

Bots, as you can imagine, behave nothing like real people and, while standard log-in systems just check whether a username and password match, sophisticated bot management tools can monitor those behaviours and use AI to distinguish bots from genuine login attempts. Key-press patterns, mouse movements and even the orientation of a mobile device can all be measured and compared during the authentication process to establish how likely a login attempt is to have come from a bot.

Because these credential attacks have become so sophisticated, many organisations are even unaware when they are under attack. Having the right tools and insight to be able to gain the required intelligence is vital for targeted analysis. By identifying and blocking credential stuffing

actions, gaming companies can protect both user accounts and their corporate reputation.

#### ***The additional cost of DDoS attacks***

When your business relies on being available to your customers in real time, Distributed Denial of Service (DDoS) attacks can have a massive impact on your business. So, for gaming companies, where the quality of gameplay, especially competitive online games, is reliant on a stable, good-quality connection, losing that at a critical moment in play can ruin the customer experience. Similarly, for gambling companies, where odds can change in a fraction of a second, the opportunity for downtime to impact customer satisfaction is enormous.

However, the passion that some people have about gaming and gambling events means that they can become motivated to attempt to deliberately damage some companies in the industry. For this reason, among others, gaming and gambling sites are extremely popular targets for DDoS attacks. In fact, according to a recent report for Q4 2017, nearly 80% of all DDoS attacks were directed at the gaming and gambling industry.

Most of these are volumetric in nature, meaning they employ networks of hijacked devices to send huge numbers of artificial requests to the server, overwhelming the site with requests until it eventually crashes. The recovery costs resulting from these forms of cyber-attacks are extremely high, so businesses should be aware of the financial risks to them.

Preventing these attacks requires a company to be insulated from the botnet that initiate them. The first step is to gain visibility of threat – knowing where and when you're being attacked is vital to being able to deal with it. Then, inserting a distributed delivery platform between the host server and the wider internet means that attack traffic can be buffered, while genuine traffic can be rerouted to ensure it reaches players. The larger and more distributed, the platform is, the greater the volume of attack traffic it can absorb, and the more reliably content can be delivered.

Ultimately, for any gaming or gambling company's IT decision-maker, the focus should be on serving customers and providing the best possible online experience. But, in the changing threat landscape, keeping up to date with the latest types of attack, and minimising downtime, can be a constant effort. These businesses must balance their drive to innovate with the need to protect. Partnering with a company that understands their industry, and has the flexible, broad based, security capabilities to protect them, can help gaming and gambling companies to focus on innovation, while the platform provider alleviates some of the burden of security.

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