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WEEK 03

FRIDAY 18 JAN 2019

**DEBATE: SHOULD UK
GOV BAN CREDIT CARD
GAMBLING?**

U L T I M A T E

F R E E D O M



GLOBAL
GAMING
AWARDS
LONDON
2019

SHORTLISTED



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THIS WEEK

- **DraftKings sports betting championship debacle**
- **William Hill buries hatchet with FanDuel**
- **Ladbrokes Coral attempts to revamp shops with BOG**
- **DOJ u-turns on Wire Act**

GUEST COLUMNIST:

- **Steven Valentine, Director of Interactive, Comtrade Gaming**

WEEK 03

FRIDAY 18 JAN 2019

DEBATE: SHOULD UK GOVERNMENT BAN CREDIT CARD GAMBLING?



Following reports the UK government is considering banning the use of credit cards to gamble, the *Gambling Insider* team argues the case for and against.

Tim Poole

The essence of a free market is consumer choice; a ban on gambling with credit cards restricts that fundamental right.

In fact, if the UK government goes ahead and bans credit card gambling, why not just scrap credit cards altogether? After all, a gambler losing more through a credit card is no different to a clothes shopper, sports car enthusiast

U L T I M A T E F R E E D O M



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Sportsbook Unlimited

THIS WEEK IN NUMBERS

8,600 ft²

The minimum size of William Hill's sportsbook it will operate at Prairie Meadows Racetrack and Casino, pending the legalising of sports betting in Iowa



The number of titles Quickspin launched on the first day of entering Sweden's new regulated market

\$50,000

The cost of an online casino license in West Virginia if a new bill is passed to legalise internet gaming in the state



777

The amount of rooms planned for Circa Resort & Casino; the first casino resort to be built in downtown Las Vegas from the ground up in over 30 years

6

The number of months before Ocean Resort Casino in Atlantic City was acquired by an unidentified new owner



or customer at a bar. Are we then to prohibit buying clothes, cars and alcohol with credit cards too?

Ultimately, this is where measures recently introduced by banks such as Barclays are far superior. Consumers can categorise what they lose money on – gambling being only one option of many – and block the category in question. The same principle should be adopted across the board, whether it's debit or credit cards, mobile or online.

If you were told to spend on chicken but not bacon, you'd not only feel patronised, you'd wonder if we were part of George Orwell's Big Brother universe.

Nathan Joyes

The problem begins with the banks. These days it's so easy to get a credit card, it's frightening. A few quick questions online, with no real proof required, and your brand spanking new credit card is in the post.

Banks and credit card companies aren't encouraging gambling, nor are they promoting it, but they are providing an easy way to spend money an individual may not have.

Those using credit cards to gamble are spending money which they do not own. It is as simple as that. Having access to thousands of pounds of credit can lead to debt, which is proving to be the case.

Both parties are responsible and need to unite to support those with gambling addictions or people who may be vulnerable. The problem stems from those issuing the credit cards, but it certainly doesn't end with them.

David Cook

At school, there was a constant frustration about the number of blocked websites. I longed for a day when Miniclip.com's free-to-play games could pass the time while my imagination took my focus away from IT lessons.

Now, as a responsible adult that goes to work and pays bills, I am expected to know what is and isn't good for me.

Why should I and other responsible players be punished for those playing with money they do not have? Isn't the very point of having a credit card to spend money you don't have, or at least money you don't wish to spend at that moment?

We are not infallible to temptation, but gambling is not the only activity people are prone to splurging money on; that's why we have credit card limits.

Banning gambling with credit cards could prevent addicts from racking up more debt after they have run out of money, but how would this prevent people spending all their money through gambling in the first place?

Matthew Enderby

There's a big difference between gambling with your money and gambling with credit. Watching earned money put to risk on a roulette table has a tangible effect; it's immediate. A delayed financial reaction behind a credit card transaction makes it more likely for problem gamblers to place bet after bet, trying to dig their way out of a hole.

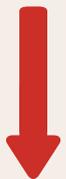
There are many though, who will be organised and restrained with their credit gambling and argue this is not fair to them. They will say blocking credit cards is removing an opportunity.

To regulate credit gambling, authorities must look at how it is used. Are operators benefitting from a system specifically detrimental to gambling addicts, or are players making smart moves to grow their accounts? If mutually beneficial, it should continue; if not, a deeper look at legislation is essential.

\$11m+

The sum Borgata Hotel Casino and Spa will invest into building a new sports betting venue

The amount of sportsbooks William Hill plans to add in Nevada after receiving preliminary regulatory approval

**\$61m**

Loss in sports betting revenue DC Lottery Executive Director Beth Bresnahan believes the District of Columbia will suffer, if Virginia and Maryland offer sports wagering before it

CONTROVERSY AT DRAFTKINGS SPORTS BETTING CHAMPIONSHIP

There was controversy at the first ever DraftKings Sports Betting National Championship last weekend.

The tournament took place in New Jersey, where handicappers started with a \$5,000 bankroll on the DraftKings Sportsbook mobile app, playing for a share of a \$2.5m jackpot.

More than 200 participants entered the \$10,000 buy-in contest, with almost \$5m wagered in the three-day event. On the final day of the tournament, there were only two NFL play-off games players could bet on.

However, as the New England Patriots beat the San Diego Chargers, the match overran and nearly overlapped with Philadelphia Eagles' clash against New Orleans Saints.

Consequently, several bettors could not place a wager on the second game in time, having their entire bankroll in play during the first match before their winnings were paid out.

Randy Lee, a New Jersey poker dealer who played under the username rleejr86, scooped the \$1m prize money with a final bet of \$47,500 on Eagles +8.5. But some of those at the top of the leaderboard before the final twist became victims of bad timing.

A DraftKings spokesperson released the following statement: "The first ever Sports Betting National Championship was an incredibly thrilling event. We recognise that in the rules the scheduled end of betting coincided very closely to the finish of the of Patriots-Chargers game.

"While we must follow our contest rules, we sincerely apologise for the experience several customers had, where their bets were not graded in time to allow wagering on the Saints-Eagles game. We will learn from this experience and improve upon the rules and experience for future events."

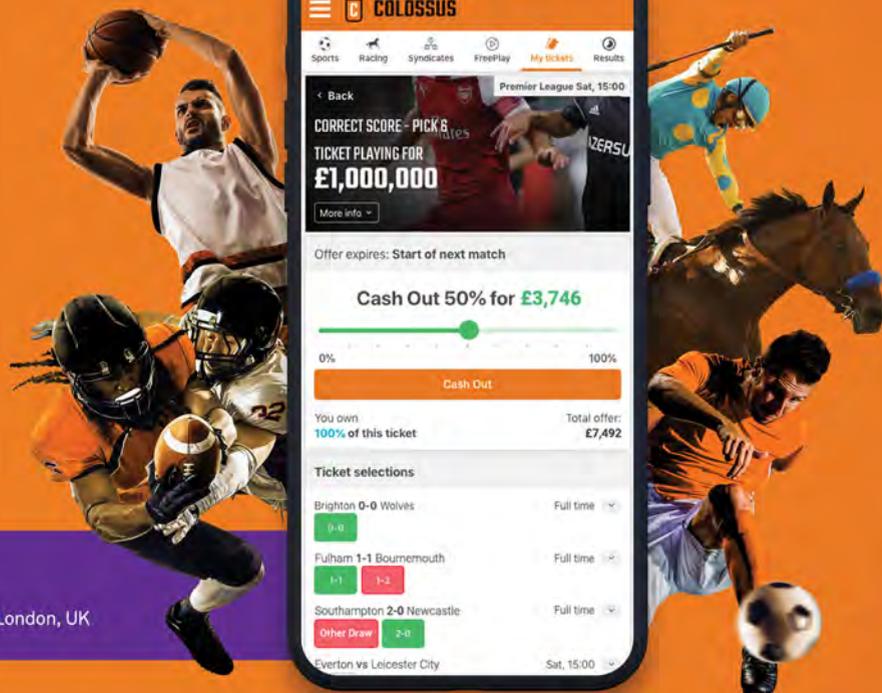
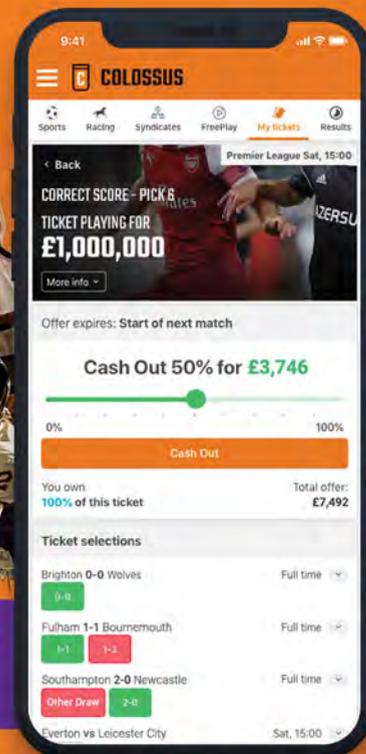

COLOSSUS

THE WORLD'S BIGGEST JACKPOTS

SPORTS | RACING | ESPORTS | FANTASY
CASH OUT | SYNDICATES | RISK


Stand S1-312

ICE Totally Gaming, 5-7 February 2019 at ExCeL London, UK



The logo for bbin, featuring the letters 'bbin' in a stylized, rounded red font.

寶盈集團

A logo celebrating 20 years, with the number '20' in a large, stylized yellow font, and 'YRS' in a smaller font below it, all enclosed in a yellow-bordered box.A red square seal with white Chinese characters, likely a brand or company mark.The words 'NEXT LEAP' written in a bold, black, brush-stroke style font. The background features a traditional Chinese ink wash painting of a pagoda, flowers, and a city skyline.

See you at ICE London #N6-165

THE WEEK IN QUOTES

"If you said every day was perfect, you'd be kidding yourself. There are a few things I wish I did differently, a few things I wish I did do and a few I wish I didn't."

SBTech Non-Executive Chairman Gavin Isaacs reflects exclusively to *Gambling Insider* on his time at Scientific Games

"The new regulation will bring about a major shift and we are now one of the top casinos in Sweden, so we will be working on providing more value to our users and leveraging the opportunities afforded by the implementation of the new platform."

Global Gaming Chief Growth Officer Alessandro Focardi speaks exclusively to *Gambling Insider* about the Swedish market

WILLIAM HILL SETTLES FANDUEL LAWSUIT

William Hill has settled its lawsuit against FanDuel, after alleging the rival bookmaker plagiarised its betting guide.

The lawsuit stated FanDuel copied diagrams, as well as text, and even had a William Hill logo present on a page, indicating the contents were copied and pasted from a different document.

The copyright infringement suit was filed in federal court in October and, at the time of filing the lawsuit, William Hill US CEO Joe Asher said his organisation was not made up of litigious people, but emphasised this incident was "ridiculous."

The exact settlement figure has not been disclosed and, although the agreement was made public on Monday evening, Asher says the deal was reached about a week ago.

He said: "We have settled our copyright infringement lawsuit against FanDuel. We are going to use some of the proceeds to fund scholarships for creative writing programs at New Jersey universities

and we are also going to donate to an organisation that supports people with gambling problems, a very important issue for us."

The irony of William Hill donating to "creative writing programs" will not be lost on its rival. William Hill produced its guide in June when it began offering sports betting at Monmouth Park Racetrack in Oceanport, New Jersey. FanDuel has faced issues since its move from daily fantasy sports into sports betting.

In its first month of operation, one example saw it claim it could not pay bettors their winnings due to the late timing of events. In another incident, the sportsbook agreed to pay a punter \$82,000 after an error gave him incorrect odds. The company initially refused to pay the bet placed via its sportsbook at the Meadowlands Racetrack, saying it isn't obligated to pay for obvious errors. But FanDuel reversed this stance after consulting with state gambling regulators.

"2018 was a huge year for us as we prepared the business for launch. We closed a second capital raise, acquired two strong domain names and ended the year with the acquisition of our technology platform, but now the real fun starts."

Daniel Graetzer, Founder & CEO at start-up Carousel Group, comments on plans to launch two new brands

THIS WEEK'S WINNERS AND LOSERS

WINNERS

New Jersey – total gaming revenue reached its highest annual total in six years in 2018, rising 9% year-on-year to \$2.9bn

Playtech – has confirmed it entered the regulated Swedish market on 1 January, offering its casino and live dealer products via operator Paddy Power Betfair

West Virginia – has filed a new bill in an attempt to legalise online casino and poker

Lottoland – saw its non-binding offer for the purchase of Zeal Network's core German business assets rejected

NFL betting – Columbia Broadcasting System (CBS) will not be discussing gambling during its broadcasting of the 2019 Super Bowl

LOSERS

LADBROKES CORAL BRINGS BOG TO SHOPS

Ladbrokes Coral is set to extend its best odds guaranteed offer on all UK and Irish racing to its betting shops.

The firm has decided to offer its online promotion in shops to help tackle the fixed-odds betting terminals (FOBT) stake cut, which is set to take place from 1 April. Until today, best odds guaranteed bets were for online selections only – but this will now be introduced in shops.

For example, if a player backed a horse at 10/1 and saw these odds drift to 12/1 at the start of a race, the player would automatically be paid out at the bigger price if the bet was a winning selection.

Ladbrokes Coral will be launching its extended promotion via social media, in the press and in its betting shops.

Other major bookmakers on the high street, such as Paddy Power,

currently only offers "happy hour" style best odds guaranteed offers in certain UK shops, while William Hill is yet to introduce any kind of similar offer to its shops.

With the Cheltenham Festival less than two months away, Ladbrokes Coral has attempted to bring in more revenue ahead of the biggest horseracing event of the year.

Gala Coral Group PR director Simon Clare said: "This is the biggest racing offer ever to hit the highstreet and is a clear signal of our intent as we face up to a new era for betting shops from April 1.

"There is no question a seismic change in our betting shop business is going to occur when the FOBT stake restrictions come into force. But we are now taking pre-emptive action with the launch of this significant betting shop offer."

DOJ CHANGES STANCE ON WIRE ACT

The US Department of Justice (DoJ) has issued a replacement for its 2011 opinion on the Federal Wire Act.

In September 2011, the DoJ interpreted the Wire Act as legislation which only applies to sports betting. The Wire Act was formed in 1961 and outlawed all interstate wagers placed – or information passed on pertaining to wagers – via telephone or wired communication facility.

But in its new opinion, the DoJ has revised that outlook, judging the law as applicable to all forms of gambling – including online casino, poker and lottery.

However, it is unclear whether this new opinion will eventually have any direct bearing on existing legislation. Current online gambling and sports betting laws may well remain unaffected, with this ruling simply serving to create uncertainty for now.

The opinion was issued on 2 November but not made public until last Monday.

Following the news, Reuters reported share prices of British gambling companies had fallen, highlighting William Hill, Paddy Power Betfair and 888 Holdings as firms that have suffered drops in share value of between 1.5% and 7%.

Once again though, it is unclear exactly how these firms will be affected by a mere change of opinion from the DoJ. Online gambling has certainly not been banned, while sports betting has been the major focus of UK firms looking to expand in the US – which was already covered by the Wire Act but rendered meaningless following the repeal of the Professional and Amateur Sports Protection Act.

Speculation has linked the move to pressure from Sheldon Adelson and the Coalition to Stop Internet Gambling. The DoJ will wait 90 days to implement the new opinion, although it is unclear how it will be implemented.

NJ SAME STORE FALLS

New Jersey same-store gaming revenue fell 3.03% in December, as Hard Rock and Ocean continued to cut into market share from existing properties.

Land-based revenue grew 12.25%, including those two casinos. Total revenue, which includes online gaming and sports betting, rose 25.07%, with Hard Rock and Ocean factored in.

Resorts, which is the closest to the newcomers, once again was the only casino to grow revenue for the second straight month, up 2.31%.

Sports betting handle was down 3.5% in December compared to November, while revenue fell 2.02%.

Online handle, which was \$241.043m, tripled land-based handle, which was \$78.13m.

Sports betting revenue was led by the Meadowlands, where Paddy Power Betfair's FanDuel operates online and retail betting. Resorts Digital had led the state, in terms of revenue generation, for the prior three consecutive months.

Online gaming was led once again led by Golden Nugget, which soared 67.23% year-on-year and generated over \$10m in revenue for the first time.

That growth came despite online poker's sixth straight month of declines.

MARKET/PROPERTY	REVENUE (M)	(%) CHANGE	TABLE HOLD	
			2017	2018
Resorts	\$14.215	+2.31	14.7	18.9
Borgata (MGM)	\$57.441	-0.64	18.6	16.0
Tropicana (ERI)	\$26.139	-2.33	18.4	14.5
Caesars (CZR)	\$21.397	-9.79	16.0	13.9
Golden Nugget	\$16.558	-10.56	20.0	18.4
Bally's AC (CZR)	\$14.166	-13.01	14.7	18.5
Harrah's (CZR)	\$23.599	-19.31	16.9	17.1
Hard Rock	\$23.642	N/A	15.0	0.0
Ocean	\$11.900	N/A	8.2	0.0
AC Land-based Total	\$209.058	+12.25		
Same Store	\$173.516	-6.83		
MULTIPLE PROPERTY COMPANIES				
Same Store	\$173.516	-6.83		

MARKET/PROPERTY	REVENUE (M)	(%) CHANGE	(%) SHARE	PARTNER
INTERACTIVE				
Golden Nugget NYX	\$10.179	+67.23	35.1	PPB, GAN,
Resorts Digital	\$4.354	+36.01	15.0	NYX, TSG
Borgata (MGM)	\$5.052	+17.32	17.4	GVC, Pala
Caesars (CZR)	\$4.441	+16.83	15.3	888, NYX
Tropicana (ERI)	\$3.182	-5.39	11.0	Gamesys
Hard Rock	\$1.323	N/A	4.6	Gaming
Ocean	\$0.479	N/A	1.7	GAN
Online gaming total	\$29.008	+39.75		
Same Store	\$27.207	+31.07		
Casino	\$27.244	+44.75		
Poker	\$1.765	-8.91		



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GUEST COLUMNIST



STEVEN VALENTINE
DIRECTOR OF INTERACTIVE,
COMTRADE GAMING

Valentine discusses the importance of data visualisation tools when marketing to players

Digital marketing in the online gaming vertical is becoming not only a complex multi-faceted discipline and model in regards to how marketing teams collect personal data. Factor in the headwinds strengthening across many regulated markets in regards to responsible gambling, it is highly likely first-deposit bonus, free spins and cash-back could become, like the dinosaurs, extinct; or the fundamentals of the new player sign-up incentive will change out of all current recognition.

Data and data visualisation could be part of the digital marketer's toolkit to acquire today's digital natives in the attention economy and differentiate the brand in a socially responsible manner, while reducing the reliance of free bet financial-based incentives to attract new players. Operators should use that data to better understand the customer journey for both player acquisition and retention.

Data visualisation is all around, portrayed in multiple interactive formats across all our digital screen-based daily interactions, such a mobile, outdoor media, TV screens, digital projections and so forth. Our brain is hard-wired to visual information; 90% of all information sent to the mind is visual, and 93% of all human communication is visual. Look at Instagram and Pinterest to see how brands engage consumers with visual content-based marketing.

So why could the expansion of data visualisation in sports betting statistics pre-match and during live betting, within a marketing context, become more critical?

Aside from our brains being hard-wired to a visual stimulus, today's digital natives that play sports betting, esports or fantasy sports are very much tuned to games of skill and the ability to improve to attain self-satisfaction, reward, social peer praise or monetary gain. Similar to traditional marketing segmentation models, data visualisation content can be designed to meet the players' hierarchy of needs, based on gambling behaviour and psychology and whether the bet is placed pre-match or during live-betting.

Visualisation of data could assist with general industry challenges when it comes to the preponderance of the betting choice – as for whether to place the bet slip or not. Bet slip abandonment is a huge problem.

Perhaps presenting visual data to the successful outcome of Team A vs. Team B, or why the odds have changed, may allow the player to have some reasonable thinking time. Perhaps data visualisation of statistics throughout the player journey could increase the player's betting confidence and the decision-making behind that process to one of a more informed, rational and not impulsive one – and would potentially meet the responsible gambling dictums.

Who knows? But we are all stakeholders in this industry and we are obligated to ensure responsible gambling measures are adhered to. Perhaps more fact-based data-driven visualisation of online gaming marketing content could be a step in the right direction.

Steven Valentine, Director of Interactive, joined Comtrade at the start of 2010 as UK Sales Manager, responsible for new business in the gaming sector. In 2013, Steven was promoted to Director of Interactive of Comtrade Gaming and is now directly responsible for the growth of the online business. Steven has been in the gaming industry for six years and has previously worked as Business Development Manager for OpenBet. Prior to that, he spent seven years in the telco sector.

Comtrade Gaming is an independent software supplier to the gaming industry, delivering open gaming platforms and professional services to both the online and land-based gaming sectors. The company's product portfolio includes online gaming platforms, server-based gaming systems, live casinos and solutions which enable regulators to monitor and control gaming activities.

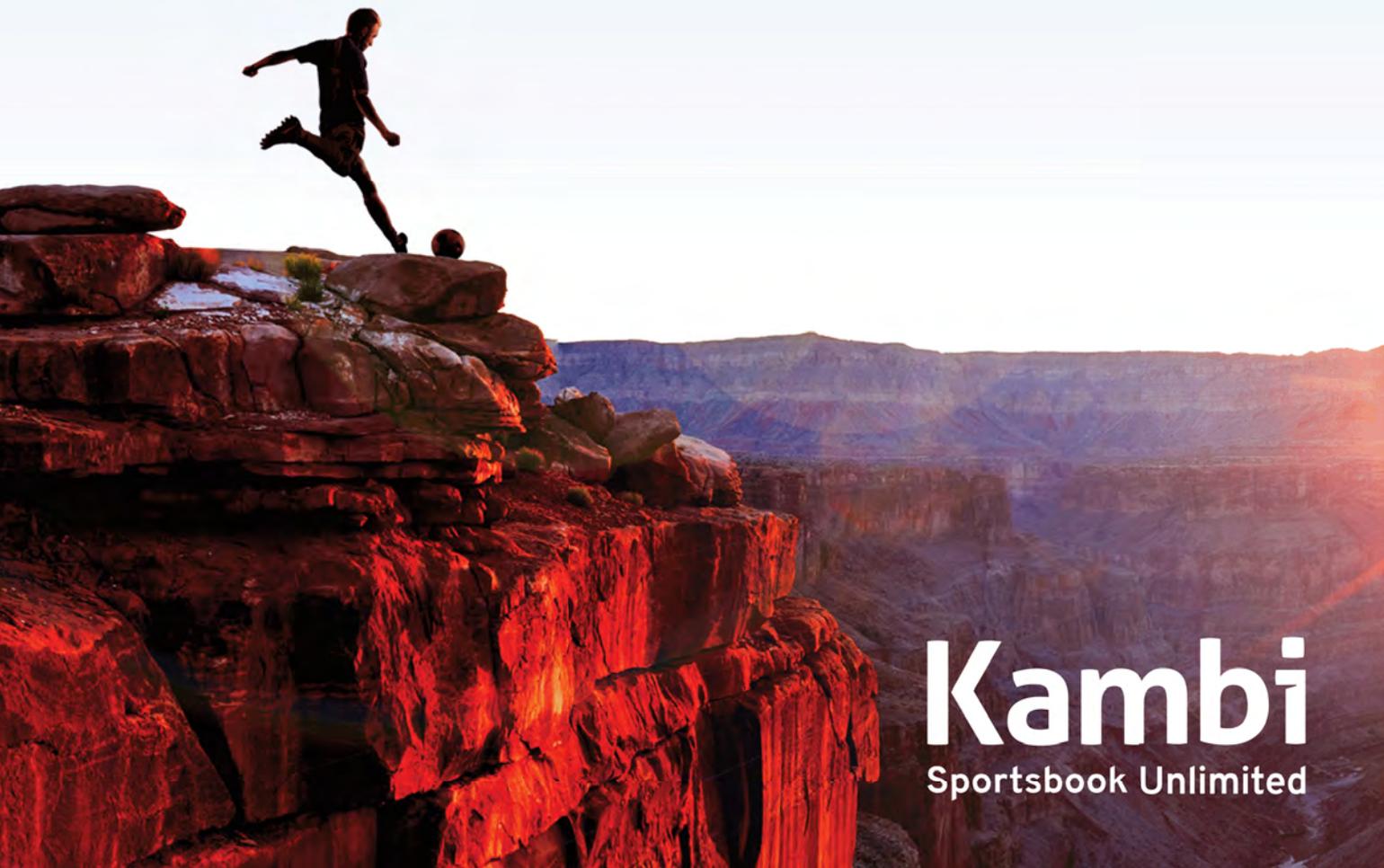
“We are all stakeholders in this industry and we are obligated to ensure responsible gambling measures are adhered to. Perhaps more fact-based data-driven visualisation could be a step in the right direction”

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