



# WEEK 13

FRIDAY 31 MAR 2023

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**IN THIS WEEK'S ISSUE:**  
**WILLIAM HILL'S £19.2M SETTLEMENT**



THE MOST PRESTIGIOUS  
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# WEEK 13

FRIDAY 31 MAR 2023

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## THIS WEEK

- MOVERS & SHAKERS

- THE DEALMAKERS

- SPORTS BETTING NEWS

- SWEDISH LICENCES & LOTTERY FEVER

- THE DEBRIEF

- GUEST INTERVIEW  
Matthew Charlesworth



## OPERATOR ROUND-UP: FERTITTA, FLUTTER AND ENTAIN

# WILLIAM HILL TO PAY GAMBLING COMMISSION £19.2M



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**AWARDS**  
IN THE INDUSTRY





The settlement is the highest in UK history, topping Entain's back in August 2022. Below, *Gambling Insider* breaks down what the penalty was for, what it means for parent company 888 Holdings and how it responded

▶ A collective sigh of relief must have broken out at Entain's London headquarters, as the Gambling Commission this week announced it has a new record holder in William Hill when it comes to regulatory failings in the UK market. Of course, that 'record' is not one to be proud of, with the 888 Holdings-owned William Hill being forced to pay £19.2m (\$23.6m) by the regulator for "alarming" and "widespread" social responsibility and anti-money laundering failings.

Entain's previous regulatory settlement (also not technically a fine) sat at £17m.

William Hill, meanwhile, had been expecting an announcement on how much it would owe, with three of its businesses being found guilty of the failings.

Indeed, WHG (International) Limited will pay £12.5m; Mr Green Limited will depart with £3.7m and William Hill Organisation Limited owes £3m.

## PREVIOUS OWNERSHIP

*Gambling Insider* reached out to parent company 888 for comment, to which it swiftly responded: "The settlement relates to the period when William Hill was under the previous ownership and management. After William Hill was acquired, the company quickly addressed the identified issues with the implementation of a rigorous action plan.

"The entire group shares the GC's commitment to improve compliance standards across the industry and we will continue to work collaboratively with the regulator and other stakeholders to achieve this."

Despite the operator's emphasis on these failings taking place before 888 completed its acquisition of William Hill in 2022, these further regulatory woes will do nothing to stabilise parent company 888's share price.

It had already seen a sharp decline in recent times following the sudden departure of long-term company executive and CEO Itai Pazner.

At the time of that announcement, 888 was found to have seriously erred with VIP players in the Middle East. Those company-wide problems have now extended to the UK market – albeit with a settlement that was already anticipated.

888's share value had seen an upturn to around £0.65 last week but is back down to around £0.53, having naturally fallen on the morning of the Gambling Commission's announcement.

## SERIOUS CONSIDERATION GIVEN TO LICENCE SUSPENSION

Now that the finer details have been revealed, if you'll pardon the pun, there will be an element of closure – and perhaps some small pleasure that the settlement amount was not higher.

## THE LAWYER'S VIEW

**Richard Williams, Partner, Keystone Law**

"The £19.2m financial penalty issued by the Gambling Commission to 888, the new owner of William Hill, will be a wake-up call to any entity looking to acquire a gambling business operating in Great Britain.

"When 888 acquired the non-US assets of William Hill from Caesars in July 2022, it would have known about the Gambling Commission's ongoing investigation, which resulted in this fine.

"This would have been disclosed as part of the due diligence process when 888 acquired the business. The anticipated fine would therefore have been reflected in the £1.95bn purchase price that 888 ultimately paid to acquire the business."

For it could have been worse, according to Gambling Commission Chief Executive Andrew Rhodes: "When we launched this investigation, the failings we uncovered were so widespread and alarming, serious consideration was given to licence suspension.

"However, because the operator immediately recognised their failings and worked with us to swiftly implement improvements, we instead opted for the largest enforcement payment in our history."

Naturally, any licence suspension warnings must be taken with a pinch of salt, as there was a similar message with Entain.

The chances of the Gambling Commission genuinely stripping the licence of such a big operator present a different story, as even regulatory stories in Australia have proven (nine-figure fines have seen licences stay in operation).

William Hill's regulatory breaches themselves stemmed from what has become the norm for Gambling Commission penalties lately.

For example, one new customer was allowed to 'spend' £23,000 within 20 minutes of opening an account (and without any responsible gambling checks).

'Ineffective controls' were also in place as 331 players were able to bet with Mr Green despite having self-excluded.

## INDUSTRY STILL HAS SO MUCH ROOM FOR IMPROVEMENT

Far more was uncovered and, as ever, the ultimate juxtaposition of the gambling sector is at play here once again. Tier-one operators must do their utmost to ensure responsible gambling yet face the pressure of shareholders who want maximum quarterly returns on their investment.

When all is said and done, in the engine room, the industry still has some way to go. And, knocking Entain off of its perch, William Hill is now out in front of the pack as the UK's unwanted record holder.



## TAKING STOCK

SHARE PRICES COVER THURSDAY  
23 MARCH TO THURSDAY 30 MARCH  
(11:30AM GMT)

**Las Vegas Sands**  
54.9 USD



0%

**Entain**  
1,231 GBp



2%

**Light & Wonder**  
58.21 USD



3%

**Flutter**  
14,485 GBp



2%

**Evolution**  
1,361.20 SEK



3%

**Better Collective**  
198.00 SEK



6%

**NeoGames**  
13.30 EUR



0%

**Caesars**  
45.18 USD



7%

## OPERATOR ROUND-UP: FERTITTA, FLUTTER AND ENTAIN

Flutter has revealed this week that it will put a proposal forward to its shareholders at its next annual general meeting (AGM) on 27 April, aimed at listing more ordinary shares in the US. The company had previously said it was consulting its shareholders over such a move but has now received what it describes as 'strong support' from the shareholders and will formally put it to a vote at the AGM.

To pass, the vote would require a 75% majority – and if that is successful, Flutter would aim to make the listing by Q4 2023. Flutter's news came just hours before Entain was chosen as the preferred bidder by Tab in New Zealand. The agreement would see Entain sign a 25-year deal to take over Tab's operations in the country, while overseeing the wagering licence for the whole of New Zealand and being responsible for dealing with financial arrangements with the NZ Government.

The deal is yet to be signed off by Racing Minister Kieran McAnulty; however, a clause that has been inserted into the deal will see all of Tab's current employees guaranteed employment by Entain for the next two years.

In a statement, Tab CEO Mike Tod said: "Tab NZ faced an uncertain future in a David and Goliath battle with international wagering operators, and a lack of capital to both compete and meet its potential.

"Today's announcement is a significant milestone toward the transformation of Tab NZ and those who rely upon its growth and long-term success."

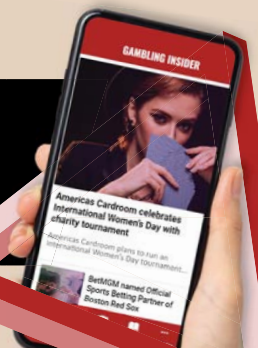
Meanwhile, Dean Shannon, Entain CEO – Australia, said: "This is a unique opportunity to shape the future wagering experience for customers and to support New Zealand's racing and sporting industries."

Over in the UK, The Entain Foundation, a non-profit organisation backed by Entain, also announced it will cover the cost of Gordon Moody's Alumni Project. Entain has supported Gordon Moody, a charity that delivers gambling addiction treatment, for over six years. The Alumni Project will be facilitated by a number of former problem gamblers who went through treatment provided by Gordon Moody.

Finally, heading from the UK to Lake Tahoe in Nevada and casino mogul Tilman Fertitta and his brand, Fertitta Entertainment, plans to rebrand the Hard Rock casino and hotel. The Hard Rock will be rebranded to a Golden Nugget casino under Fertitta Entertainment's plans, of which Fertitta currently owns five – with ongoing plans to rebrand a sixth in Colorado, which was purchased for \$43m last year.

The acquisition of the Hard Rock would need to be signed off by the Nevada Gaming Control Board first; however, the deal is expected to complete this year. Fertitta said of the agreement: "We are thrilled to be welcoming the Lake Tahoe property to the Golden Nugget family. This acquisition represents a significant opportunity for us to expand our footprint into the Northern Nevada marketplace."

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**NIAZ NEJAD**

Light & Wonder

*Managing Director of Gaming in the Americas*

Supplier Light & Wonder has announced that **Nejad** will join the company as its Managing Director of Gaming, Americas. Nejad will bring over 25 years of experience to the role, with her most recent position being at Aristocrat Gaming.



**DIRK CAMILLERI**

Pariplay

*VP of Products*

NeoGames subsidiary Pariplay has further grown its senior team following the appointment of **Camilleri** as VP of Product. Camilleri joins from Green Jade Games, where he held the role of Chief Product & Technology Officer.

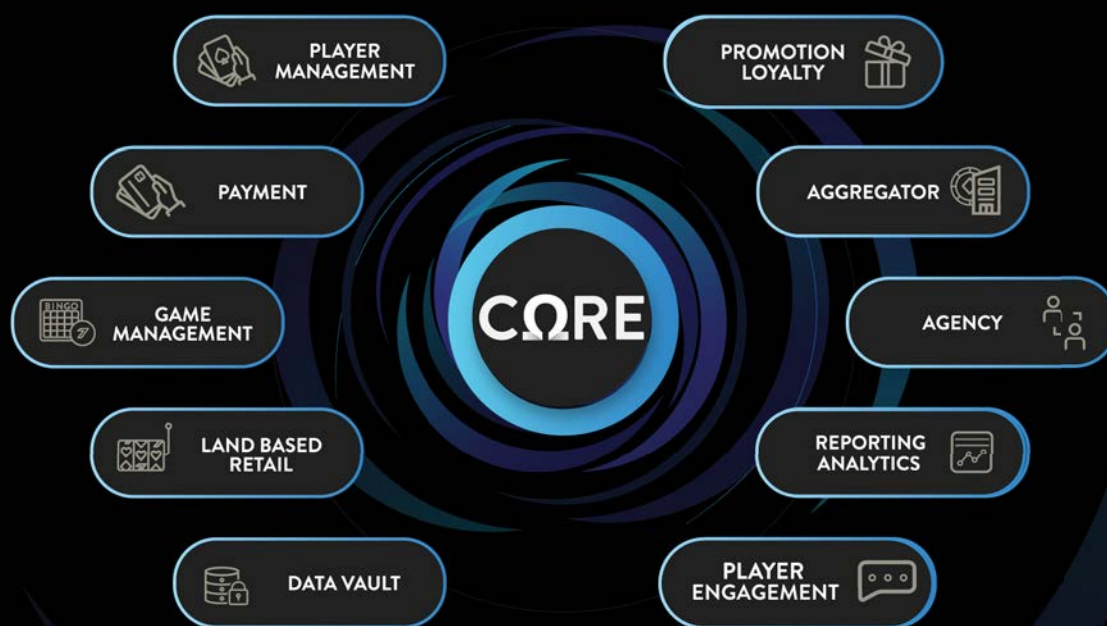


**HANK COUTURE**

Fanatics Betting & Gaming  
**COO**

**Couture** has been appointed as Fanatics Betting & Gaming's new COO. Couture joins having worked for over seven years at delivery serviceoperator DoorDash, where he served in a series of roles.

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Golden Whale	Hölle Games	iGaming
QuinnBet	Markor Technology	Sports betting/iGaming
Slotegrator	Lotto Agent	Lottery
Gaming Corps	First Look Games	iGaming
DraftKings	High 5 Games	iGaming
Swintt	PressEnter	iGaming
CT Interactive	NetBet	Sports betting
Realistic Games	Napoleon Sports & Casino	iGaming



**ARMADILLO**  
**STUDIOS**

# HOT HOT HONEY

*Rollover Respins*

Release date: 28 March 2023

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## THE WEEK IN QUOTES

*“The direction that the Government wants us to go in has been part of our development. [Sands will] help transform Macau into a world tourism and leisure centre.”*

**Wilfred Wong, President and Executive Director of Sands China, speaks to the British Chamber of Commerce in Macau about Sands’ plans for the future**

*“Our company is very proud to announce that our products are live on the website of Net-Bet – one of the most famous and experienced operators in Italy.”*

**Silvia Hristova, Head of CRM at CT Interactive, is looking forward to a growing partnership with NetBet in Italy**

## SPORTS BETTING ROUND-UP: HORSES, COLLEGE BETTING AND THE AGA

This week has seen several sports betting stories hit the headlines within various markets. First up is the news that **PointsBet** and the **University of Colorado** have cut ties, following the American Gaming Association’s (AGA) new ban on collegiate alliances with sportsbooks.

The partnership was somewhat controversial, as many states in the US don’t allow players to bet on in-state college sports – however, it has now been ended early after the AGA revealed plans to ban any future partnerships of the same kind.

Staying with the **AGA**, the organisation also published an open letter targeting **Kentucky’s** sports wagering regulations, as House Bill 551 entered its penultimate day of sessions in the House of Representatives.

In the letter, Bill Miller, CEO of the AGA, pushed Kentucky to join the majority of other US states in regulating sports betting – highlighting the tax revenue that can be generated from it.

Miller stated: “Kentucky has an important opportunity to join 36 other states in providing a legal, regulated sports betting market.”

Meanwhile, **DraftKings** has finally launched its horseracing app, DK Horse, after announcing its partnership with Churchill Downs in November 2022 – with players across the US now free to download it in legal states.

The app will include an integrated betting guide, videos and the ability to handicap races.

Finally, in the UK, the **Cheltenham Festival** saw **FSB** record a 38% annual increase in total bets and a 45% growth in active players engaging with partner communities across the week.

Mark Wilson, Sportsbook and Trading Director at FSB, said: “As a sportsbook first supplier with deep expertise across horse racing, the Cheltenham Festival is one of our tentpole events within the sporting calendar so naturally we are thrilled with these striking set of results.”



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*“Our fanbase within Africa continues to grow, shown by the interest in our fan events and trophy tour visits to Africa in recent years, and we look forward to working with SportyBet to bring fans even closer to the club.”*

**Kaitlyn Beale, VP Global Partnership Sales of Manchester City Football Club, is pleased to welcome SportyBet as a new regional partner**

*“From meeting and interacting with guests to creating my menu items like the one-of-a-kind Musgrove Dog, representing Sycuan has been an absolute blast.”*

**San Diego Padres Pitcher Joe Musgrove is excited for his next year of a two-year endorsement agreement with Sycuan Casino Resort**

## SCANDINAVIAN ROUND-UP: SGA AND DANISH GAMBLING AUTHORITY HAND OUT NEW B2B LICENCES

*Gambling Insider* rounds up the latest stories coming out of Scandinavia this week...

In Sweden, Both **Finnplay** and **Play'n Go** have been awarded licensing to supply their iGaming services to the market. Finnplay, an iGaming platform provider, has received its B2B licence from the Swedish Gambling Authority (SGA). Following the Swedish Parliament making several legislative changes in November 2022, operators must apply for a new permit by 1 July 2023. As such, global slots supplier Play'n Go has also been given its supplier's licence to operate in Swedish markets.

**EveryMatrix** too, was this week granted a new B2B supplier licence. The iGaming software provider will be able to provide its online gaming software to the Swedish market after being granted the necessary accreditation.

Also in Sweden, the SGA has granted

**Relax Gaming** and **Yggdrasil** permission to operate as B2B businesses.

Elsewhere, **BetConstruct** has been given a new licence from the Danish Gambling Authority.

**“Both Finnplay and Play'n Go have been given licensing to supply their iGaming services to the market”**

The new licence allows BetConstruct to offer its products to operators in Denmark, including its online casino games, sports betting and live casino services.

The move expands its European presence, which grew recently when the Malta Gaming Authority approved BetConstruct's application to start accepting cryptocurrencies from players in the Maltese market.

BLAST OFF TO SPACE  
AND FIGHT  
AGAINST MENACING  
EXTRATERRESTRIALS  
WITH THE



COMING APRIL 11





# THE WEEK IN NUMBERS

## 100



The number of Digi-Hub retail outlets Entain has now launched in the UK

## 551



The number of the House Bill which could legalise and regulate sports betting in Kentucky



## \$71.8m

XLMedia's continuing operations revenue for 2022

## LOTTERY ROUND-UP: US AND EUROPEAN LOTTERY PROVIDERS MAKE AND BREAK BONDS

**Slotegrator** this week announced a partnership with Lotto Agent, an international service whose portfolio includes the Mega Millions and Euromillions lotteries. After 2022 research on best-performing games, Lotto Agent has added slot games, crash games, roulette, table and live dealer games to its sites. A selection of content from Lotto Agent will be available through Slotegrator's APIgrator.

Meanwhile, **Adesso** has launched a state lottery portfolio in the North American market. Adesso has also become a member of the North American Association of State and Provincial Lotteries (NASPL).

The company will emphasise two products during this launch: cloud-based iLottery platform, LotteryForce, and blockchain-based draw system, AdessoDraws.

Bishop Woosley was also hired as an experienced lottery and gaming consultant to aid in Adesso's expansion

into the US and Canada.

Another launch sees **NeoPollard Interactive** releasing two new offerings for the North Carolina Education Lottery.

Players in the Tar Heel State can now play online Pick 3 and Pick 4 games powered by NeoPollard NeoDraw Interactive Central Gaming System technology.

Doug Pollard, Co-CEO of NeoPollard Interactive, said: "NPI is proud to partner with the North Carolina Education Lottery to generate essential funding for education programs throughout the state."

However, one lottery loses some steam as the partnership between **Connecticut Lottery Corporation** (CLC) and **Rush Street Interactive** (RSI) is set to wind down. When CLC finds a replacement operator, it will transfer player operations across to its new partner. RSI will continue operating online and retail offerings, including PlaySugarHouse.com and nine physical locations, until then.



## Native Nation EVENTS



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# WHAT HE SAID ON SOCIAL MEDIA



## Jason Robins



@JasonDRobins  
Co-Founder, CEO and  
Chairman of the Board



In our three years as a publicly traded company, we've experienced both an incredible bull market and a true bear.



These are the types of business environments in which great companies separate from the pack. For us, that meant becoming more cost efficient and accelerating our path to profitability.



Over the past year, we achieved this by optimizing internal efficiency — cutting more than **\$100 million** in in-year costs while raising our revenue expectations every quarter.



We also improved retention of top talent, fixed internal processes that had not scaled, and streamline our organizational structure so we can accomplish more with the same resources.

## DRAFTING A DEFENCE

DraftKings CEO Jason Robins, a regular interviewee for both *Gambling Insider* and *Gaming America*, this week took to Twitter in defence of his organisation – which is currently one of the biggest sports betting operators in the US. As can be seen in the Tweets on the left-hand side of this page, Robins claimed he has “never been more confident” about DraftKings’ future. He went on to reflect on significant achievements, highlight KPIs and project continued “strong performance” – with a customary nod to the company’s work being “far from finished.”

But, in cases like this, the ‘why’ is as pertinent as the ‘what.’ Elon Musk may have bucked the trend but, for most CEOs, publicly defending their

company on a personal social media account is not an everyday occurrence. Why did Robins feel the need, in this particular case, to be so vocal?

DraftKings’ share price is relatively steady right now and, in fact, is significantly up since the start of 2023. But the persistent worries of DraftKings’ continual heavy losses – despite huge quarterly revenues – are obviously something Robins feels the need to address. It’s a topic we have covered in past *GI Fridays* and, until DraftKings turns a healthy profit, it’s a topic that will inevitably keep coming up.

Although we shouldn’t give too much credence to Twitter trolls, some of the responses to Robins’ posts do give you a sense of what he’s up against. Simply put, certain shareholders are questioning just how much they are getting out of their DraftKings investment right now, while at the same time emphasising the healthy pay packet its CEO is taking home.

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## NEVADA: FEBRUARY GAMING REVENUE

Fantini Research partners with *Gambling Insider* to provide weekly gaming industry data. This week, we look at February's revenue from all sources in Nevada.

February 2023 marks the 24th consecutive month that gaming revenue has topped the \$1bn mark. Revenue for February represented an 11% rise year-on-year, with \$1.24bn generated for the month.

The biggest annual rate of growth came from the Las Vegas Strip, with \$712.5m in generated revenue representing a 19% increase from the prior-year period.

Slots reigned supreme in Vegas' casinos, generating \$390.4m of The Strip's total gross gaming revenue for February, up 16% year-on-year. Table game revenue was not too far off the pace either, with \$322m generated, up 23% on the prior-year period.

Baccarat generated the most from any table game; \$99m was made in total, a yearly increase of 60%. Other Las Vegas local markets made a combined \$232.9m, representing 4% growth year-on-year.

ALL-SOURCES REVENUE	FEBRUARY REVENUE (M)	CHANGE (%) YEAR-ON-YEAR
Nevada	\$1,237	+11.15
Las Vegas Strip	\$712.459	+18.92
Clark County	\$1,081	+13.84
Downtown LV	\$74.364	+7.49
North LV	\$24.852	+8.77
Laughlin	\$45.680	+6.13
Boulder Strip	\$75.268	+3.43
Mesquite	\$15.900	+2.55
Balance of County	\$132.799	+4.24
Las Vegas Locals Market	\$232.919	+4.44
Washoe County	\$76.832	-8.08
Reno	\$54.547	-10.42
Sparks	\$13.436	+4.92
North Lake Tahoe	\$2.082	-3.47
Balance of County	\$6.767	-12.46
South Lake Tahoe	\$18.907	-3.89
Elko County	\$33.005	+3.93
Wendover	\$22.391	+4.37
Balance of County	\$10.614	+3.01
Carson Valley Area	\$9.653	-11.92

MAJOR STRIP SEGMENTS	FEBRUARY REVENUE (M)	CHANGE (%) YEAR-ON-YEAR
Blackjack	\$89.279	+0.56
Baccarat	\$99.086	+59.56
<b>Total Games</b>	<b>\$322.026</b>	<b>+22.63</b>
<b>Total Slots</b>	<b>\$390.433</b>	<b>+16.02</b>

RACE BOOK AND SPORTS POOL	FEBRUARY REVENUE (M)	CHANGE (%) YEAR-ON-YEAR
Race Book	\$2.471	-5.03
<b>Total Sports Book</b>	<b>\$41.276</b>	<b>+33.49</b>
<b>Sports Book Handle</b>	<b>\$659.361</b>	<b>-15.56</b>




**GI**  
FRIDAY

**GUEST**
**INTERVIEW**
**MATTHEW  
CHARLESWORTH,**  
GLOBAL CEO, IMAGINE LIVE

*Charlesworth speaks to Gambling Insider about Imagine Live's plans for 2023 and how slots are impacted by everything from streaming to the metaverse*

#### How can streaming live table games online innovate further? How can a player's experience evolve further for the player?

It's hard to imagine really noticeable changes that the players will benefit from in the next year; not so long ago the focus was on the reliability of local ISPs and CDN suppliers. Now content delivery is excellent (and there are many choices of suppliers) and all operators have multiple backups. In terms of fun, it is all about content and for all of us in the supply chain, it is not about the speed of the game but making sure the players are having a good experience, win or lose.

For live casinos, a huge part of the experience rests with the dealers, a smiling, welcoming, engaging dealer makes all the difference. You can have a bad meal in a restaurant, but great service always compensates; it's the same for a live game, especially blackjack.

#### What can be done to further close the bridge between the live dealer and the player playing the game offline? How important is personalisation?

The mission statement from suppliers for years was to recreate the feeling of a land-based casino; you do not really hear this so much now apart from generic statements. That said, we must remember where we came from.

In terms of personalisation, within the game is not a big

focus, this is a focus for the operator as they attempt to control their players and their journey.

If you have a sports player that arrives on site and the data shows they always place a football accumulator on a Saturday, then they should see football content when they first log in. It's all obvious stuff.

In live casino, we focus on making the game categories clear and then ensuring there is plenty of content at the right staking levels for the currency, and the location of the players.

***"I haven't got any strong opinions either way, other than the more a supplier tries to immerse a player into a virtual experience, the chances of problem gambling probably increase, so tread carefully"***

#### What are your views on the potential impact the metaverse could have on the live dealer experience in the future?

Personally, I am a little old school; if someone can convince me then I am all ears, but I watched NetEnt at ICE in 2018 launch a slot with a VR headset and as far as I remember it flopped, they were probably ahead of their time to be fair. I haven't got any strong opinions either way, other than the more a supplier tries to immerse a player into a virtual experience, the chances of problem gambling probably increase, so tread carefully.

#### What are your plans for the rest of the year? Are there any new products/innovations you're hoping to launch?

This year our focus is on opening up our second building in Yerevan, where we have the capacity for literally 100s more tables, and also opening our first European studio in Romania. If that's not enough, we have a very challenging road map to deliver, with Asian games, Indian-based games, a new to the market poker variant and our first game show that is due to launch in May.

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