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News and Analysis from the Betting and iGaming Industries

£5.20 (€8.30) • ISSUE: 128 • MAY 2015 • www.betting-business.co.uk



DAVID CAMERON'S CONSERVATIVES HAVE 'ALREADY INTRODUCED TOUGHER REGULATION OF GAMBLING'

## Election pledges worrying sign for bookmakers

Manifesto problems for the betting industry as almost all the main parties are pledging to crack down on FOBTs.

### POLITICS

**T**he General Election may be bringing in big bucks for bookmakers from would-be politicians trying to predict the outcome of one of the most open elections in UK history, but the outlook beyond 7 May looks somewhat bleaker for the industry.

The Labour manifesto talks about giving local councils the power to 'review betting shop licences in their area and reduce the number of fixed-odds betting terminals in existing betting shops - or ban them entirely'.

Labour's likely coalition partner, the SNP, also wants the Scottish government to have full powers over FOBTs, adding in its manifesto: "There is no doubt that Fixed Odds Betting Terminals cause harm and hardship in communities across Scotland."

It is a similar story with the

two other parties potentially making up a government. The Lib Dems say that it wants to give Local Authorities new powers to 'reduce the proliferation of betting shops' and also reduce FOBT stake, while UKIP has explicitly stated support for the B2 stake to be reduced to £2.

Of the main parties, only the Conservatives have held back, claiming they have 'already introduced tougher regulation of gambling'.

The Association of British Bookmakers (ABB) believes it has answers to most of the political concerns, highlighting the fact that the betting sector serves 8m customers a year and been part of the high street for over 50.

The ABB's Peter Craske said that bookmakers have listened to public concerns over gaming machines and have introduced a wide range of player protection

measures. He commented: "Gaming machines (FOBTs) have been in our shops for 12 years and are popular with our customers. During that time, problem gambling levels have actually fallen. Customers must now make an active choice to set their own money and time limit before they can even start to play on a gaming machine. The evidence shows this works - with 85 per cent of people walking away when that limit is reached."

Another thing in the ABB's favour is the recently signed partnership agreement with the Local Government Association to actively work with any local authority to find a solution if they have issues over betting shops in their area. Craske added: "We will continue to work closely with the Gambling Commission and any government to build on the responsible gambling agenda."

However, gambling consultant Steve Donoghue believes it's time for the industry to stop being so defensive and realise that the gambling industry sits apart from other business sectors. He warned that the bookmaking industry needed a 'radical rethink' before it gets taxed out of existence and drags the online industry and the rest of gambling with it.

Donoghue added that the strategy of being defensive over problem gambling and warning of job losses was not having any success: "They have to stop with a factual argument as this argument is now an emotive one - so whatever data you research it isn't going to matter. They can very easily take the front foot by making all machines player card only and thus have player behaviour checked by the software and put the data up for everyone to see."

## GBGA challenging POC Tax in High Court

### TAXATION

**T**he Gibraltar Betting and Gaming Association (GBGA) is hoping that its continuing legal challenge of the UK's point of consumption regime will see the High Court declare the POC tax to be contrary to EU law. The GBGA has targeted the taxation regime after failing to convince the High Court last autumn that the related, although legislatively separate, POC licensing requirements were illegal.

The GBGA has been arguing in the High Court, along with the Government of Gibraltar, that the POC tax regime in the Finance Act 2014 and associated HMRC guidance contravenes Article 56 of the Treaty of Europe as a restriction on the freedom to provide services.

The GBGA also argued that the purpose of the restriction was to raise revenue and create a competitive advantage for UK operators, neither of which, it says, is a legitimate justification and rendering the POC tax illegal.

During the first two and half days of the hearing, HMRC defended itself claiming that Gibraltar is not a separate European Member State to the UK and therefore the GBGA is unable to bring the claim to the High Court. It also argued that the tax does not discriminate any one area as it applies indiscriminately to UK and non-UK operators.

The Government of Gibraltar is arguing for the case to be referred to the European Courts, an outcome that the GBGA would be satisfied with if the Court is not to outlaw the POC. GBGA chief executive Peter Howitt recognised that some issues may need discussing in Brussels. "There are a number of questions that require EU level consideration," he said.

# GAME OF THRONES

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