Aristocrat Gaming
Oriana Branon Camacho and Tommy O’Brien

“WE CREATE NEW EXPERIENCES FOR OUR CUSTOMERS AND THEIR PLAYERS”
The gaming industry in the United States is going through one of the best moments in its history. In the first full year without any restrictions as a result of COVID-19, all indicators are on the rise. So if G2E annually symbolizes the meeting of excellence in technology, innovation, entertainment, quantity and quality, then the 2022 edition will be a great opportunity to redefine the future on the basis of a fantastic present.

Because today is not only about an isolated month, but about a continuity in growth for the entire local market. According to the American Gaming Association’s (AGA) Commercial Gaming Revenue Tracker, US commercial gaming revenue reached 5.06 billion dollars in July, a year-over-year increase of 2.8%. July is the third highest grossing month of all time for the industry and marks the fourth month in the past five with gaming revenue surpassing 5 billion dollars. Commercial and tribal casinos have long faced major competition challenges. July revenue jumped 8% driven by an 8.6% increase in land-based gaming from June. Traders are rising to the occasion, but they are also looking to the future. Nothing better than doing it with available utilities. Both in Las Vegas and in the rest of the states the transformations are being seen.

But there are also smiles in the newest segment of the industry in the United States. While the results are outstanding in the already regulated sports betting states, there is movement in many others to get closer to that status. Meanwhile, revenue from sports betting and iGaming and sports betting gained 7.9% and 1.2% respectively. It is a business unit with a broad horizon, but which also reaches society in income for the state coffers.

Also, the impact of the two most important national lotteries in the country, Mega Millions and Powerball. Likewise, the transformation that comes along with technology, with the evolution of the Metaverse, cybersecurity, the possibility of Blockchain adapted to betting and the discussion installed for the use of cryptocurrencies in all sectors of the casino. The slow start of sports betting in Ontario, Canada, with the benefit of a neighbor who is adopting the most useful of safe regulation. Each tool allows for a mature conversation about what’s next for the gaming industry.

And, ideally, what comes in the US market is the continuity of the positive regulatory progress in the states that have not yet embraced online gaming and sports betting so that companies can continue to grow and mature an industry that contributes with millions of dollars to the country and thousands of high-quality jobs.

To keep supporting the industry, Revista CASINO will be present again at The Venetian Expo for a new edition of G2E, as it has been for more than two decades and that trajectory that makes us so proud to communicate and inform every day and responsibly about everything that happens in the gaming industry. The present is a reality. The future awaits us with optimism.

Kind regards,
October

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REPORT

ANOTHER FISCAL YEAR ON THE RISE FOR THE CASINO INDUSTRY

The trend throughout the period was compounded by the constant strength on The Strip and ups and downs in the rest of the state area, while large hotel companies are optimistic with the indicators and project investments.

The state of Nevada is the heart of gambling and entertainment in the United States. Results in Las Vegas casinos impact national indicators. There, the statistics are positive. But in much of the country is experiencing a moment of prosperity. This is reflected in the closing of the second quarter as well as the culmination of the fiscal year.

It is no accident that the industry in the United States is breaking one record after another. Nationwide commercial gaming revenue totaled $14.81 billion in Q2 2022, according to the American Gaming Association’s (AGA) Commercial Gaming Revenue Tracker. The total sets a new quarterly record for the industry, beating Q4 2021 by 3.3%. The projection is also positive. With $29.16 billion generated through the first six months of 2022, the nation’s more than 460 commercial casinos were more than halfway to the record $53 billion won from gamblers in 2021. 2022 is on pace to set a new annual record for commercial gaming revenue for the second consecutive year. The industry’s growth rate softened throughout the second quarter, with the pace of monthly year-over-year gains slowing from 13.1% in April, to 10.7% in May, and 2.5% in June. It’s not a coincidence. Q2’s results mark a 16-month period of gains for commercial gaming. “With increasingly difficult year-over-year comparisons, our strength through the first half of 2022 reflects sustained consumer demand for legal options as well as gaming’s record popularity,” said AGA President and CEO Bill Miller.

As for casinos in particular, the post-pandemic full opening influenced the indicators. Traditional casino gaming continued to drive the industry’s success, with both brick-and-mortar slots and table games seeing quarterly revenue records. While slot machine revenue was up 0.2% year-over-year, revenue from table games jumped 18.2%, indicating the lingering impact that COVID restrictions had on table games in the first half of 2021. In the first six months of the year, traditional casino gaming generated $23.67 billion in revenue, 11.7% ahead of the first half of 2021.

A large part of the country map is underlined in gold. Twenty-two of the 31 commercial gaming jurisdictions operating during the same period last year experienced revenue increases in Q2 2022. Nine states reported all-time quarterly highs: Arkansas, Iowa, Maryland, Massachusetts, New York, Oklahoma, Oregon and Pennsylvania. Of course, Nevada is also on that list.

NEVADA

Nevada casinos set a fiscal-year record in winnings from July 2021 to June 2022, collecting $14.6 billion. This is a state record for a fiscal year and 37% higher than 2019. The previous record was 2007 when a total of $12.7 billion was reported. The latest revenue report from the Nevada Gaming Control Board also has revealed that the state’s licensed gambling operators combined to generate $1.28 billion in revenue during the month of June.

The latest figures represent a jump of 22.7% from pre-pandemic 2019 levels and an increase of 8.1% year-on-year. June was also the 16th consecutive month that gaming revenue topped $1 billion in the Silver State. June 2022 also saw the highest revenue total ever recorded for the month of June. The state collected $71.2 million in taxes based on the monthly casino winnings. The figure is important because casino taxes make up about 17% of state revenues, second only to sales taxes. Nevada has no personal income tax.

The explanation of the indicators is often measured in the tourist attraction. However, June was a month of ups and downs in the different measurements. Harry Reid International Airport reported that it handled almost 4.7 million arriving and departing travelers in June, up almost 74,000 people from tallies during October 2019 and May 2019. But, Downtown Las Vegas was the only market in Southern Nevada other than the Strip which saw a year-over-year gaming revenue increase.
about June, according to the Las Vegas Convention and Visitors Authority’s re-
port, there were 3.3 million tourists who came to Las Vegas during the month. This was up by nearly 12% year-on-year, but still 7.8% fewer than in June 2019. Hotel occupancy was at 82.7% in June, a drop of 9% when compared to pre-
pandemic levels.

THE STRIP WAS THE KEY

When analyzing each of the entertain-
ment centers in the state, there is one that clearly stands out above the rest. The Strip produced a calendar year gaming revenue record of almost $7.1 billion in 2021 and a fiscal year record of $8.1 bil-

don for the comparable prior-year period. GAAP (Generally accepted accounting princi-
iples) net revenues of $2.8 billion versus $2.5 billion for the comparable prior-year period. GAAP net loss of $123 million compared to net income of $71 million for the comparable prior-year period. Same-store Adjusted EBITDA of $978 million versus $1.0 billion for the compa-

orable prior-year period. Same-store Adjusted EBITDA, excluding Caesars Digital same-
store Adjusted EBITDA of $99 million versus $2 million for the comparable prior-year period. But the financial result has an even bigger point in planning for the future. As of July 2022 the company has repaid ap-
proximately $770 million of outstanding debt on a year-to-date basis, including a $630 million repayment of the Caesars Resort Collection Term B-1 Loan and $100 million of open market repurchases of our outstanding notes. Caesars has value properties in Bal-

y’s and Flamingo, up to mid-tier casinos South Lake Tahoe was a market of ups and downs.

THE GIANTS ARE ON THE MOVE

Numbers are very important for large companies. But the size of a company is also measured by short, medium and long term projects. In fact, that’s how it works for the Las Vegas atmosphere, too. Las Vegas will host a regional final for the men’s NCAA Basketball tournament in the spring, a Formula 1 race in No-

vember and Super Bowl LVIII in February 2024. Then the hotel giants also develop their plans for the future.

Red Rock Resorts, Inc. (“Red Rock Resorts,” “we” or the “Company”) (NASDAQ: RRR) reported financial results for the second quarter ended June 30, 2022. Net revenues from Las Vegas op-
erations were $420.1 million for the sec-
ond quarter of 2022, a decrease of 1%, or $6.3 million, from $426.4 million in the same period of 2021. Adjusted EBITDA earnings before interest, taxes, depre-
ciation, amortization and restructuring or rent costs) at its Las Vegas properties for the three months ending June 30, up 108% from the same quarter last year ($396.8 million). Overall, MGM Resorts reported $3.26 billion in total revenue, up 44% from $2.27 billion in the same quarter last year. That pro-
duced a net income of $1.79 billion, up a whopping 1,599.3% from $104.7 million last year.

The results are also brilliant with a fo-
cuse on Vegas Strip Resorts. Net revenues of $2.1 billion in Q2 2022 compared to $1.0 billion in 2021, an increase of 113%. The current quarter benefited from the in-
clusion of The Cosmopolitan and AREA and an increase in business volume and travel activity compared to Q2 2021. Same-store net revenues (adjusted for acquisitions/dispositions) of $1.6 billion in Q2 2022, an increase of 60% compared to Q2 2021. Adjusted property EBITDAR of $865 million in Q2 2022 compared to $397 million in Q2 2021, an increase of 108%. Same-store adjusted property EBITDAR margin of 39.6% in Q2 2022 compared to 39.5% in Q2 2021, a decrease of 9 basis points due primarily to an increase in contributions from lower-margin non-gaming outlets and venues.
Aristocrat Gaming is the world’s top premium gaming content and technology provider, operating in over 300 gaming jurisdictions globally. Aristocrat supports every facet of gaming floor operations from product to sales, systems and service. Our products are famous for innovative hardware, vivid graphics, ground-breaking mechanics and superior performance, and our creative and technical talent is the best in the industry. We strive to lead in promoting responsible gameplay, as part of ensuring a vibrant and sustainable industry. With the world’s best gaming content, Aristocrat delivers award-winning and entertaining gaming experiences to adult players everywhere.

See for yourself the best premium games available for your casino floor. Visit us during G2E week at the Venetian Expo Booth #1133 October 10-13, 2022 in Las Vegas, Nevada

For more information and a free pass to the G2E exhibit hall courtesy of Aristocrat, please contact your local Sales Representative latam-ventas@aristocrat.com
“WE KEEP MOVING FORWARD, CREATING NEW EXPERIENCES FOR OUR CUSTOMERS AND THEIR PLAYERS”

The Aristocrat Vice President of Communications (Branon) and the President of Americas and EMEA at Aristocrat (O’Brien) gave an exclusive interview to Revista CASINO to talk about what are the main opportunities that they are seeing currently for the land-based market in the US.

US commercial gaming revenue totaled 14.81 billion dollars in Q2 2022, according to a report from the American Gaming Association. The total sets a new quarterly record for the industry, how is this great moment of the market impacting Aristocrat’s business?

Tommy O’Brien: We are excited that the industry is doing so well and feel that our intentional decision to invest in innovation within our design and development is being rewarded. The pandemic presented unprecedented challenges, whereas some companies downsized their operations, we aggressively advanced ours. We believed the shutdown to be a temporary situation, and we wanted to be prepared with incredible product to help our customers welcome players back to the casino. We developed a host of games including Buffalo Link, which is one of the most successful games we ever created, as well as additional new cabinets and products that continue to deliver increased revenue for our customers. The AGA report is validation of our deliberative efforts and proof that when we invest in innovation, that pays dividends for our customers.

What are the main opportunities that you are seeing currently for the land-based market in the US?

TO: There are so many, it’s hard to pick just one or two and call them the “main” opportunities. As the AGA report and others show, land-based gaming continues to be a tremendous source of entertainment for players, not just in North America – but in Latin America, EMEA, APAC, and around the world. VLT, HHR, and real money gaming are also exciting new markets that we are investing in. What I find so rewarding about Aristocrat is we are investing in what our customers are interested in, and we have the best people in the industry on our team, creating leading products that continue to set new benchmarks.

In April, Aristocrat and MGM Resorts International opened a Buffalo Zone space at the Beau Rivage Resort & Casino. How has the reception of the players been?

Oriana Branon Camacho: Player response to the Buffalo Zone has been fantastic and we have created similar areas at multiple casinos across the US. Buffalo is a brand that players love, and we have created a large library of games in the Buffalo family so that players of all types can find a Buffalo experience they will enjoy, in Class III, Class II, and bar top. At G2E, we will unveil several new games in this franchise. What this means is we don’t stop. We keep moving forward, creating new experiences for our customers and their players that can be added to our already successful Buffalo Zones.

What does the Buffalo brand represent for the company?

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Also in April, Aristocrat entered a first-of-its kind partnership with MGM Resorts International opened a Buffalo Zone space at the Beau Rivage Resort & Casino. How has the reception of the players been?

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Aristocrat has created a series of videos that capitalize on the canopy’s 1,500-foot length.
with the Fremont Street Experience in Las Vegas to create an invitation to play on the world’s largest single video screen. How did you develop this innovative idea? OBC: This is another example of how Aristocrat thinks differently for our customers. We’re constantly brainstorming ways that we can engage with players to drive business for our customers. The Seminole slot leadership came to us with an idea of creating a progressive for Dragon Link that would appeal to their high-limit players. Our teams then created the 1 million-dollar link, which sits on top of Dragon Link games, and the player response has been immense. Now that link can be found at multiple Seminole properties, at Mohegan Sun in Connecticut, and Wynn Las Vegas. As for Dragon Link itself, it is the most popular slot game in the world, which makes it ideal to create VIP experiences for players looking for bigger jackpots.

“We are investing in what our customers are interested in, and we have the best people in the industry on our team”.

What are the company’s plans for this year’s edition of G2E? TO: This is the most excited I’ve been for a G2E because our innovation investments will be very visible to everyone who comes to our booth. We will be helping operators take their gaming floors to the next level with a ground-breaking mix of new games, cabinets and other games. In May, a Florida resident visited Seminole Hard Rock Hotel & Casino Tampa and won more than a million-dollar jackpot while playing Dragon Link. This marks the seventh one million-dollar jackpot to hit on the Dragon Link slot game at a Seminole property in the year. Apart from the promise of the huge jackpot that Dragon Link offers, what other features of the game attract gamblers so much?

TO: That million-dollar link is another example of how we innovate for our customers. The Seminole slot leadership came to us with an idea of creating a progressive for Dragon Link that would appeal to their high-limit players. Our teams then created the 1 million-dollar link, which sits on top of Dragon Link games, and the player response has been immense. Now that link can be found at multiple Seminole properties.

What are the main features that players are looking for currently in land-based slots? Are new generations of players looking for the same types of games as those over 45 years?

TO: There are some game mechanics that are timeless, like free games and pick bonuses. At Aristocrat, our developers are focused on leading innovation, such as taking the concept of free games and creating progressive free games, as seen in games like Buffalo Diamond. That commitment to innovation has led to our creating what some people in the industry call the world’s most successful bonus, “Hold & Spin,” which is found in Dragon Link and other games.

What is Aristocrat’s vision of the business potential of the Latin American market?

OBC: Latin America has been a very good market for Aristocrat. We continue to invest in developing products specifically for the region, and the response from our customers and players has been very positive. We were thrilled to win the top awards during the recent SAGSE Buenos Aires trade show. Aristocrat won Best Electronic Gaming Machine in Latin America and Best Electronic Gaming Machine in North America.

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What trends in terms of technology or consumer habits do you think will start to appear in casino floors in the coming years?

TO: Cashless casinos floors are the future. As we see in our daily lives outside of casinos, currency is beginning to be accepted less and less in all types of consumer locations. It will take some time for the gaming industry to adopt to the change as currency is a staple of how players play, but all indications are that the industry is heading for a cashless future.
Las Vegas Casinos

TRIBAL GAMING: THE RECOVERY SHOWS RECORD NUMBERS

Coins can be used and even bought and sold for a long time in various installations. However, the regulation to play at tables and slots is still in process.

E
ght years ago, Derek Stevens was hesitant about accepting Bitcoins for small transactions at his D Las Vegas and Golden Gate casinos, but the repercussions were immediate. Clients not only used this mode of payment to buy small products, but also to pay for rooms or meals in restaurants within the facilities.

So the owner of two of the most important buildings in Las Vegas decided to go one step further. Stevens eventually had a cryptocurrency exchange kiosk – similar to an automated teller machine – installed at D Las Vegas. Success was automatic again, although with a rather particular result.

Instead of converting cryptocurrencies to cash, people use the machines to exchange their cash for cryptocurrencies. "We thought people would use the machines like an ATM. But the machines routinely have more deposits than they have withdrawals even today," Stevens said. In fact, when he opened Circa Resort & Casino in October 2020, a similar machine was added to that property.

Since then, some gaming industry observers have begun to question not if, but when cryptocurrency might find its way onto casino table games and slot machines. But the process is being much slower than it seemed.

CRYPTOCURRENCIES ARE GOING AROUND

The construction of the path of cryptocurrencies to casino tables and slots is underway in different ways. To the aforementioned uses of the D Las Vegas and Golden Gate casinos, another giant was added. Resorts World Las Vegas (RWLV), the $4.3 billion resort built on the Strip in Las Vegas, forged a partnership with the crypto exchange Gemini last year. As a result, the venue offered to "enhance the integrated resort experience" for its visitors that gained the ability to use their Gemini wallets.

Advertising and visual impact are two very important elements in any circumstance. Digital exchange Crypto.com, which features star athletes and actors in its advertising, used the reader board of the Caesars Forum Shops marquee on the Strip to tout the company as a platform for trading different currencies. But also the crypto scene was present in the biggest showcase in the sports universe. Before this year’s epic crypto crash, the Super Bowl was dubbed the "Crypto Bowl" after major crypto brands, including Coinbase, Crypto.com, and FTX, scrambled to market their wares in the prime-time ad slots. The slots were considered worth between $7 million and $14 million. Cryptocurrency companies purchased nearly a dozen different advertising spots that cost between $6 million and $7 million for 30 seconds of airtime. The most attention was given to the 60-second spot by cryptocurrency exchange Coinbase that was nothing more than a floating QR code.

There was also a very marked signal from one of the most influential firms in the betting universe. More recently, even after the dramatic drop in the crypto market cap, DraftKings CEO Jason Robins has articulated an interest in building crypto into the operators’ offering. However, he offered no specific time frame for its implementation. The daily fantasy sports and sports betting giant had already moved into the non-fungible token (NFT) space in July 2021, launching a marketplace that is the exclusive platform for buying, selling, and trading NFTs from NFL legend Tom Brady’s Autograph collection.

VOLATILITY AND THE REGULATORY FRAMEWORK

The Nevada Gaming Control Board (NGCB) has a double job to establish the legal framework for the use of cryptocurrencies in the state’s casinos. Much of the answers are in the hands of the Technology Division. The unit examines, tests and recommends gaming devices for approval or denial by the Board and Commission. Also inspects gaming devices in its laboratory and in the field to ensure continued integrity, and assists in resolving gaming pattern disputes through analysis of device electronics and software. The Division is charged with reviewing and approving computerized gaming systems ("Associated Equipment"). But this process requires other elements because it is such a complex object because it is modern and technological.

In May, the Nevada legislature held a session on the implications of large-scale cryptocurrency adoption in the casino industry. There, NGCB executive Jim Barbee outlined a scenario where a bettor could lose money on a winning future ticket placed in crypto if the value of the virtual currency plummets over the course of a season. Barbee serves as the chief of the NGCB’s technology division.

The current volatility of cryptocurrencies transforms the betting scenario into a dilemma. "You can actually win the wager and be paid in cryptocurrency, but if the value of the cryptocurrency has deflated, you could potentially lose money on that endeavor," Barbee said.

NGCB Chairman Brin Gibson told the Legislature’s Joint Interim Standing Committee on Revenue last week the agency is open to suggestions from gaming companies supporting the use of this sort of currency during a two-hour public hearing: "We’ve told the industry to please bring your proposals to us.”

Former state Sen. Ben Kieckhefer, appointed to the Nevada Gaming Commission last fall, said if cryptocurrency is eventually allowed for use with gambling activities, Nevada’s tax policy should ensure the taxes are paid in U.S. dollars. Also, supported Gibson’s comments that regulators are committed to working with the industry on any cryptocurrency adoption "to move in a direction that is reasonable and necessary".

Gaming regulators said their key concerns are having the ability to collect gaming taxes from cryptocurrency transactions and ensuring there are zero issues with illicit activity that would raise the concerns of the U.S. Department of Treasury’s Financial Crimes Enforcement Network (FinCEN). "Our posture is not one of rejection," Gibson said of any cryptocurrency proposals offered by the gaming industry. "We’re just trying to get in front of something that is so complex." While the popularity of cryptocurrency continues to grow - despite the last big drop and volatility - the decentralized nature of the currency creates difficulties when it comes to know your customer (KYC) and source of funds (SOF) checks. Barbee explained that KYC requirements are necessary when it comes to such transactions. Barbee added that if a licensee or an organization would like to use cryptocurrency to conduct gaming activity, they would need to contact the regulator and show how the necessary KYC regulations can apply.
TRIBAL GAMING: THE RECOVERY WAS WITH RECORD NUMBERS

The sector that encompasses nearly half of the US gaming industry, which includes 243 tribes in 29 states, with 510 casinos, has resumed its climb following the fallout from the pandemic. The expectation was very relevant. Everyone expected the numbers to return to the indices before the pandemic. Not only was it an important statistic for a significant portion of the country’s territory, but the result for a large proportion of the gaming industry in the United States. The National Indian Gaming Commission (NIGC) announced last year’s Gross Gaming Revenue (GGR) for Indian gaming establishments at the Oklahoma Indian Gaming Association’s Tradeshow and Conference: the Indian gaming numbers increased 40% to $39 billion for fiscal year 2021 — the highest ever reported by the NIGC.

The Indian Gaming Regulatory Act (IGRA), passed by the US Congress in 1988, was a watershed in the history of policymaking directed toward reservation-resident American Indians. IGRA establishes the National Indian Gaming Commission and the regulatory structure for Indian gaming in the United States. The Commission is composed of three full-time members, a chairman and two associate members. The NIGC chairman is appointed by the President, with advice and approval by the U.S. Senate, and the two associate members are appointed by the Secretary of Interior.

IGRA set the stage for tribal government-owned gaming facilities. It also shaped how this new industry would develop and how tribal governments would invest gaming revenues. Since then, Indian gaming has approached commercial, state-licensed gaming in total revenues. Gaming operations have had a far-reaching and transformative effect on American Indian reservations and their economies. Specifically, Indian gaming has allowed marked improvements in several important dimensions of reservation life.

Tribal gaming, as we think of it today, dates back to the 1970s when a number of Indian tribes established bingo operations as a means of raising revenue to fund tribal government operations. At about that same time, a number of state governments were also exploring the potential for increasing state revenues through state-sponsored gaming. By the mid-1980s, a number of states had authorized charitable gaming, and some states were sponsoring state-operated lotteries. The tribal gaming industry has grown from the small bingo halls of the late 1970s to the global event centers with thousands of slot machines, table games and hotel rooms seen today.

Currently, 243 tribes operate 510 tribal casinos or other gaming locations across the country, and prior to the pandemic, tribal gaming generated 44% of all annual gaming revenue in the United States. With the Supreme Court’s decision to overturn the Professional and Amateur Sports Protection Act (PASPA) in 2018, 45 tribes across 16 states now also offer legal and regulated sports betting.

ABOUT CLASS AND TAXES

There are three types of tribal casinos. The first type is Class I facilities. These operations are restricted to only traditional Indian gaming, such as those used in celebrations and ceremonies. Class I facilities can also offer social gaming for small prizes. They are not subject to IGRA requirements.

Class II tribal casinos are specifically forbidden from operating slot machines. Tribes must limit their games to ones allowed by the state they operate in. Also, the NIGC oversees tribes’ regulations of class II facilities.

Class III tribal casinos offer what is often called Vegas-style gaming. They are allowed to operate slot machines and table games, so long as the state permits those games. Also, tribes must agree to a compact with the state that is approved by the Secretary of the Interior. The tribes must then create an ordinance regarding class III gaming that is subject to NIGC approval.
As casinos on tribal land, Indian casinos do not pay taxes. This extra revenue helps them to fund tribal economic development projects. Native American tribes can use casino profits for a variety of projects including: tribal government operations and other enterprises, charitable causes, and social services and financial programs. All in all, a successful tribal casino can fund a major portion of a tribe’s needs. On top of funding projects, they also provide a source of employment for both tribal and non-tribal citizens. New tribal casinos can increase employment in an area by more than 25%.

THE FISCAL YEAR FOR THE TRIBAL MAP

Some of largest percentage gains come from the regions that include the state of Oklahoma, where Sermermeyer and Hovland are attending the Oklahoma Indian Gaming Association’s Tradeshow and Conference. The Oklahoma City region increased by 49.9% while the Tulsa region grew by 46.7 percent, according to the NIGC. Oklahoma’s two racinos are overshadowed by the state’s 144 tribal casinos and gaming venues, which are authorized to offer table games, in addition to electronic gaming devices. The bulk of the facilities in Oklahoma, with a handful in the neighboring states of Texas and Kansas, has only two tribal casinos. In addition to its four commercial casinos, Kansas hosts five tribal casinos located in the northeastern corner of the state. These properties compete with Hollywood Casino at Kansas Speedway located just outside of Kansas City, Hollywood Casino also competes directly with four casinos on the Missouri side of the Kansas–Missouri border.

A sixth tribal casino offering electronic gaming devices was opened in March 2021 in Sedgwick County, near Wichita, providing extra competition to Kansas Star Casino. Meanwhile, Kansas Crossing Casino in southeastern Kansas competes with several tribal casinos in northeastern Oklahoma. Together, these regions reported more than $6.1 billion in gross gaming revenue, the NIGC results show. The figure represents a big jump from the $4.1 billion reported last year.

In addition to sports betting, Montana’s wider gaming market includes 15 tribal casinos and three horse racetracks. Licensed bars and charitable gaming locations can also be licensed to offer limited card games, bingo, charitable sports pools, and up to 20 limited-stakes electronic gaming devices. Meanwhile, North Dakota has only five tribal casinos. The South Dakota gaming market also includes 11 tribal casinos spread across the state. In addition to sports betting and tribal gaming, Wyoming’s broader gaming market includes pari-mutuel wagering on horse races and electronic gaming devices in bars and other establishments based on player skill.

The Portland region, with 56 tribal establishments in the states of Idaho (10 tribal casinos), Oregon (10) and Washington (36), saw a 42.6% gain. Gross gaming revenue totaled $4.4 billion in fiscal year 2021, according to the NIGC. This region does not have commercial casinos. Equally impressive was the 45% gain in the Sacramento region, home to 78 tribal casinos in California and Nevada. The structure in that region is made up of two tribal casinos in Nevada and 82 in California (the state with the most tribal casinos behind Oklahoma). With gross gaming revenue of $11.9 billion, operations in these two states accounted for a huge share of the overall $39 billion reported by tribes.

Operations in the Phoenix, St. Paul and Rapid City regions were the only ones that fell below the levels reported in fiscal year 2019. Phoenix (down 1.8%, compared to fiscal year 2019), St. Paul (down 2.7%) and Rapid City (down 1.1%). Alabama, Alaska, Arizona, Connecticut, Idaho, Nebraska, North Carolina, North Dakota, Oregon, Texas, Wisconsin, and Wyoming are the states that have tribal casinos as the only entertainment centers in the United States.

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Tribal operations work in 29 states, with 12 exclusively for tribal casinos.
“WE ARE LOOKING TO EXPAND INTO THE TWO MAJOR US MARKET SEGMENTS: SPORTS BETTING AND ONLINE GAMING”

The President and CEO at Novomatic Americas spoke with Revista CASINO to talk about the manufacturer’s plans for G2E 2022 and the rest of the year.

Novomatic’s teams in Chicago and Austria are focused on making this G2E a memorable show. The company has lots of new products to present and, they expect significant interest from US and Latin American operators. Rick Meitzler, President and CEO at Novomatic Americas, spoke with Revista CASINO to talk about the manufacturer’s plans for the event and the rest of the year.

US commercial gaming revenue totaled 14.81 billion dollars in Q2 2022, according to a report from the American Gaming Association. The total sets a new quarterly record for the US in the year.

Could you tell us more about the success of the company’s kiosks designed for the sports betting segment?

The Novomatic ActionBook is the ideal kiosk hardware solution for this burgeoning US market segment. It is a self-service kiosk, equipped with premium components and all cabinet technology know-how of a leading gaming supplier. The result is a user-friendly touch betting experience with quick response times, excellent ergonomics, top reliability, and low maintenance.

What are the company’s plans for America for the remainder of the year?

We are looking to further expand the reach in the two major US growth segments: sports betting and online gaming. We have excellent dedicated solutions for both, and with the growing legalization of the respective markets in the individual states, our licensing strategy and subsequently market penetration follow on its heels.

Revista CASINO to talk about the manufacturer’s plans for G2E 2022 and the rest of the year.
Dream Hotel Group and Oak View Group

THE NEW PROJECTS IN LAS VEGAS

At this moment, the construction of new properties is being carried out and they will offer the growing residential and business communities a new reason to visit the city.

With rising visitor numbers and more business relocations in recent history, Las Vegas is experiencing unparalleled growth and record wealth creation. At this moment, the construction of new properties is being carried out and they will generate significant indirect construction jobs, while also offering the growing residential and business communities a new reason to visit the city.

DREAM LAS VEGAS

Developed by Shopoff Realty Investments and Contour, in partnership with Dream Hotel Group, Dream Las Vegas will be a driving force in the ongoing revitalization and rejuvenation of the south end of the Las Vegas Strip. The 531-room lifestyle hotel and casino pairs global architecture firm DLR Group with interior design by AvroKo, Rockwell Group and DLR Interiors, and is expected to open with seven experiential dining and nightlife venues, 12,000 square feet of meeting and event space and a 20,000-square-foot casino, in late 2024.

The groundbreaking ceremony for this exciting $500 million-dollar development took place on July 8th. The property will include a third-level resort pool and day club, two bar and lounge concepts on the gaming floor, a lobby bar, craft coffee café and gelateria on the street level, as well as a sporting club, boutique nightclub, signature restaurant and 24-hour diner on the third floor.

The lifestyle hotel will also offer a 5,000-square-foot ballroom and 90-seat live entertainment theatre, a fitness center by TechnoGym and on-site parking. Casino and gaming operations will be led by Peninsula Pacific Entertainment (P2E). Situated along emerging South Las Vegas Blvd., the hotel’s presence will support the local community and the 32 million tourists that visit Las Vegas each year, adding another facet to the south end of the Strip.

The 20-story luxury hotel tower will feature a diverse mix of dramatic venues distributed vertically throughout the composition roof decks and terraces of the hotel design. The undulating contemporary design will feature a luminous glass and metal façade, boasting stylistic details such as radiused corners, spacious double-height terraces, oversized windows and a unique aerodynamic character influenced by its context. When complete, Dream Las Vegas and its distinctively iconic architecture will introduce a refreshing, new lifestyle-focused hotel experience and an innovative and welcome addition to the Las Vegas skyline.

Located at 5051 S. Las Vegas Blvd., across the street from Mandalay Bay Resort and Bali Hai Golf Club, Dream Las Vegas will be one of the first hotel properties seen from the iconic Welcome to Las Vegas sign. Adjacent to the private aviation terminal at Harry Reid International Airport, two short blocks from the new Allegiant Stadium (home of the NFL Las Vegas Raiders), and nearby T-Mobile Arena (home to the NHL Vegas Golden Knights and countless entertainment events, including the Country Music Awards, Billboard Music Awards, iHeartRadio Music Festival and Strait to Vegas, a concert residency by country music star George Strait), Dream Las Vegas is well-situated to capitalize on the southward expansion of new Las Vegas developments, as well as the numerous hotels and casinos along the Las Vegas Strip.

OAK VIEW GROUP ACQUIRES 25 ACRES IN LAS VEGAS TO BUILD A RETAIL AND ENTERTAINMENT DISTRICT

Oak View Group (OVG) announced its vision to welcome a newly planned entertainment district including an arena in Las Vegas. Groundbreaking and construction for the estimated $3 billion dollars point of destination entertainment district and arena are scheduled for 2023.

The 25 acres, which is located on 66.5 acres of land near the intersection of two major freeways, I-15 and I-215, will feature an 850,000 square foot arena, a casino, a hotel, and an additional entertainment venue amphitheater. Featuring as many as 20,000+ seats and modern amenities that will include suites, premium hospitality clubs, the arena will host live events including concerts, sporting events, family entertainment, as well as conventions, large meetings, international events, as well as award shows, exhibitions, and more.

With a focus on the prioritization of technology, sustainability, and green initiatives, the construction of Las Vegas’ new-world-class arena is expected to create thousands of permanent and temporary jobs for the surrounding community. Designed by global architecture firms Gensler and Populous, the state-of-the-art private financed sports and entertainment arena will set a new global standard for events in Las Vegas and represent OVG’s biggest project to date.

“South of the Las Vegas strip represents one of the few areas of potential future growth of the gaming and entertainment corridor. This unprecedented project is an industry game-changer, and we will usher in the evolution of Las Vegas as the new entertainment AND sports capital of the world. As the largest arena developer in the world, we look forward to driving good paying job creation to Clark County as well as creating the most innovative and environmentally sustainable live entertainment point of destination in the world,” said Tim Leiweke, CEO of Oak View Group.
The Live Dealer Electronic Table Game Pit

“AT G2E 2022, WE WILL LAUNCH A FOURTH PRODUCT CATEGORY WITHIN OUR COMPANY”

The Global CEO of Interblock, John Connelly, gave an exclusive interview to Revista CASINO to talk about the company’s plans for this year’s edition of the Las Vegas gathering.

With over 25 years of gaming industry experience, in both U.S. and international markets, John Connelly joined Interblock as the Global CEO in 2015 to lead and promote growth by increasing the company’s market position, revenue, and profitability in the years to come. The executive gave an exclusive interview with Revista CASINO to talk about the company’s plans for G2E Las Vegas 2022 and Interblock’s purchase from Oaktree Capital Management.

What have been the highlights of your time with the company?

In 2015, we had approximately 160 employees and the company was not diversified, predicated on one particular product - mechanical Roulette. The founder of our company created the first mechanical Roulette, which was the first electronic table game, over 25 years ago. When I started, we had very few markets and customers driving the revenue of the company. My first priority was to diversify the organization, in every sense of the definition, by creating a foundation and infrastructure to globally scale the company. The first three years focused on expanding the company into new markets and creating new products to build upon what was the beginning of my adventure at Interblock. Although considered an untouched area of the casino floor at the time, I saw the potential to turn Electronic Table Games (ETGs) into a staple within the industry. While studying ETGs, we learned a lot about the players, discovering what worked and what did not. At this point, we entered the second phase of the evolution of ETGs with a mathematical approach to the technology. By rating player experiences, we learned that there are diverse types of player demographics that were not coming to casinos because they wanted different offerings. Therefore, we began to aggressively create product categories to meet the demands of those demographics and expand the company. Fast forward to today, we are in over 300 markets and, fortunately, we have almost tripled in size, in just the past three years. We have over 30 different products in our portfolio and close to 700 employees. Things seem to be moving in the right direction.

What are the company’s plans for this year’s edition of G2E Las Vegas?

We will have over 30 new products featured at this year’s show, many of which were created and unable to be released or demonstrated during the pandemic. We invested into the company, hiring and developing our products, and, as a result, we have more innovative products and features than we have ever had before. Currently, Interblock revolves around three primary categories - Stadium Technology, Standalone Products, and Universal Cabinets. At G2E 2022, projected to be one of the most attended shows in its history, we will proudly unveil a fourth product category within our company - Live Dealer Electronic Table Game Pits.

In June, Interblock announced that it was acquired by Oaktree Capital Management. How is the company benefiting from this investment? Has it affected the day-to-day operations of Interblock?

This is an exciting time for the evolution of the company because we are entering another chapter in the future of the organization. In 2015, the founders of the company and I agreed that once we hit a certain level, we would bring on a larger, more experienced partner with a financial global perspective. We were blessed to hit that target about three years into working together, and began talking to Wall Street to acquire capital to continue our accelerated growth. We have had, close to, a 20% compounded annual growth rate for over five years, which is statistically uncommon and because our business is very capital intensive, the amount of cash needed to sustain that growth rate is substantial. As a private organization, it is best practice to only borrow to a certain degree to keep the company healthy. That being said, we realized that it was time to turn it over to allow the company to continue optimizing market demand.

During our search, it became evident that Oaktree Capital Management was, by far, the best choice for us. They are great partners and supportive, long-term investors. As one of the largest private equity firms in the world, they have the capital necessary for us to thrive. If you ask the employees, they would tell you they really do not even notice a difference. That’s a testament to the firm and their hard work. We finally closed the agreement a few months ago and I’m excited to see what the future brings.

U.S. commercial gaming revenue totaled 14.81 billion dollars in Q2 2022, according to a report from the American Gaming Association. How has this industry record impacted Interblock’s business?

When you have the North American gaming sector doing as well as it’s been doing post-COVID, the companies associated with that industry tend to do so as well and Interblock is no exception. We’ve seen record growth for the past 36 months. We’ve been fortunate enough to have products that were very conducive during the pandemic environment for players and operators. CO- VID provided an opportunity for both operators and players alike to understand the benefits of our products. Operators we’re able to see the operational savings they could derive from an electronic table game (ETG) during dealers shortages or dealer costs had risen and players realized that ETGs in many senses were more fun than a traditional table game. We’re still only in 1% of the casino floors in North America. There’s a long way to go. We continue to innovate with our team to find new product categories and new sections of the demographics that feel we can attract to the casino floors.

What is the company’s next product category and how did you come up with it?

In June, Interblock announced that it was an exciting new product that incorporates the thrill of playing traditional Roulette with the opportunity for players to win payouts up to 250 to 1 with our dual wheel bonus system.

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Shifting the transaction paradigm

DIGITAL WALLETS ARE HERE TO STAY

Nobody can force user adoption, but major gaming companies are embracing or developing digital wallet technology as a new amenity to their guests.

If there was any moment for the gaming world to make a definitive shift of transaction paradigms, the last two years’ rapid transition into a cashless and touch-free world may be it. The pandemic forced even the more closed conservatives to learn how to operate QR codes and adopt alternatives to physical currency. Brick and mortar gaming facilities, forever a citadel of paper money, minted coins, and ATM lines, are now accelerating their two-decade push towards making digital payment solutions ubiquitous in casinos and other gaming establishments.

Major industry organizations, casinos, and technologists have increasingly rallied around digital wallet technology to anchor the customer gaming experience.

This alert provides a high-level assessment of some of the risks, benefits, legal considerations, and other observations on the gaming industry’s growing adoption of digital wallets. The convenience of mobile wallets is something the gaming industry has been talking about for some time, and those conversations accelerated as the pandemic set in.

Now as more operators are seeking to deploy mobile wallet technologies on their floor (in response to consumer demand), there is a new need: casinos need a way to quickly and securely transmit the data involved in mobile transactions.

Taking all of this into account, in January the Nevada Gaming Commission unanimously approved a regulation change that will allow customers to establish wagering accounts for cashless gaming remotely ahead of arriving at a casino cage.

During the hour-long hearing in Las Vegas, gaming commissioners expressed some concern about the need for remote registration but said they understood the challenges of the increased use of technology and cashless payments.

“We balance the need for intense integrity in some of these processes with the ongoing need to stay modern in our technological offerings to the consumers as they come into our state and our facilities. I think this goes in a positive direction of supporting whatever the consumer wants while maintaining the integrity,” declared Nevada Gaming Commissioner, Ben Kieckhefer.

The regulation change would allow casino patrons to use an app to register their information, fund a cashless wagering account and complete the sign-up process remotely, including utilizing ID verification. Under the regulation, the customer would have to show the government-issued identification document upon arrival at the casino to complete the account set-up process.

Prior to the change, casino customers had to appear in person at a casino to verify their identity with a casino employee before setting up a cashless wagering account. The process was often cumbersome and time-consuming.

“Mobile engagement solutions meet customers where they are. Adopting mobile solutions helps casinos modernize their customer experience while enhancing their marketing capabilities,” commented Kirk Olson, Senior Vice President for Mobile at Sightline Payments.

THE EVOLUTION OF PAYMENTS

Ticket-in-ticket-out (TiTo) was an early cashless innovation from the 1990s that was a half-step toward cashless. TiTo got rid of the coin hoppers and all the operational inefficiencies, but it didn’t create a defense against money laundering. It actually may have accelerated it, because instead of coming in with six hundred pounds of quarters, all you’ve got to do now is come in with six hundred 20 dollar bills, accumulate 10 or 15 TiTo tickets, and cash them out. You’re still anonymous,” explained Earle Hall, CEO of Axes.

Closed-loop KYC (Know Your Client) cashless systems can personalize marketing programs to each individual and reward them for their loyalty, quantitatively track and detect addictive gambling, and detect money laundering, so they can turn the gaming industry into the most safe, fun, legitimate entertainment industry on the planet.
“Cashless also provides for critical KYC and AML (Anti-Money Laundering) data as well as Predictive Addictive Gambling (PAG) information which evolves the player session from gambling to gaming, just another form of entertainment with a very low risk of crime or addiction. Our goal is to protect and predict using Internet of Things, Blockchain, and Artificial Intelligence,” said Hall.

DIGITAL Wallets, WHAT Are THEY?

A digital environment like a mobile application stores a user’s payment information, which they can then use for transactions through devices like a smartphone. Unlike physical prepaid cards, users can’t lose a digital card, and it allows the exchange of money in and out of the account, enabling users to cash out directly into their digital wallet. Unlike certain other prepaid cards or similar accounts, certain digital wallets also use these wallets to shop, dine, or pay for other amenities such as parking, tickets or spa treatments. Gaming operators are calling this the “omnichannel approach.” Additionally, customers might enjoy lower transaction fees on digital wallet purchases compared to potentially more costly ATM fees. Finally, digital wallets might allow gaming companies to better integrate payment apps with loyalty and rewards programs and their related benefits.

The last few years highlighted the potential health and safety benefits of touchless transactions, and digital wallets are no exception. On a security level, digital wallets are also designed with the intention of creating additional layers of authentication. While other payment methods may expose users to vulnerabilities like a loss of passwords or account information, certain digital wallet payment solutions can enable access controls like fingerprint or facial recognition technology on user’s devices before they can access their wallet. Fraud reporting, mobile deactivation, and other alert features allow users to protect their accounts in the event of a lost or stolen device. This reduces the insecurity and safety issues attendant to physical cards and cash—a traditional source of concern (and overhead) for many gaming operators.

WHAT ARE THE RISKS?

Digital wallets theoretically allow new access points to customer’s payment information, which is obviously concerning.

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WHAT ARE THE RISKS?

Digital wallets theoretically allow new access points to customer’s payment information, which creates obvious hacking concerns.

ATHANASIOS ‘Sakis’ Isakidis

“OUR 50 YEARS TRADITION IS OUR FOUNDATION, SOMETHING THAT IS INBUILT INTO EVERY PRODUCT THAT WE BUILD”

Merkur Gaming’s Chief Executive International explained how the company’s extensive experience is the quality and strength to continue success today, as well as face challenges in the future.

Merkur fully expects to further increase its presence in Latin America. As already said, our 50 years tradition is our foundation, something that is inbuilt into every product that we build. We are dedicated to not just our opera- tor customers but focused always on their customers; the players. We are dedicated to giving those players the ‘Joy of Playing’ because their approval comes from the entertainment factor in our games that is Merkur’s hallmark.

The world is experiencing a certain normality. The company continues to be strong in the international stage. What was the learning to continue in that horizon of success?

The effects of the Covid pandemic will, sadly, be with us for years to come. Thankfully, some of the heaviest restrictions on international travel and commerce have been lifted but the spectrum of possible future pandemics remains. Merkur has almost 15,000 employees around the world and to have focused on the vast majority of those jobs is a tribute to our dedication to our commitment to emerge from the recent dark times and see the Merkur Sun shine brightly once again.

The uses and customs of the generations are changing and the gambling industry must maintain its spirit. How do these factors combine to extend the life of the business? What are the secrets of the company’s products?

The gaming landscape is constantly changing and evolving. Your question doesn’t use the word ‘entertainment’ and, as land-based casino gaming opens up once more in major markets, that word remains the key to success. The players of today demand gaming entertainment, better interaction with their gaming venue of choice, the highest level of customer service and, as you have already men- tioned, the Joy of Playing. The effects of the Covid pandemic did not decimate the casino industry. As we have seen very recently, it has indeed provided the spur to bring back and even exceed the casino industry’s glory days.

What are the goals for the near future? What are the projects specifically for Latin America?

Our goals are, as always, to create and present to market products that fulfill the industry-wide demand for ever higher levels of gaming entertainment. By using the key trade shows such as G2E and ICE we introduce those products on a consistent basis. Speaking geographically, Latin America is a market leader for our product development and we bring many of our newest products for testing and evaluation purposes to the region. It is also the case that a large proportion of the visitors to G2E come from throughout Latin Amer- ica. That is a proven statistic that we are sure will continue into this year’s Las Ve- gas event and one reason why our team members from Argentina, Colombia, Mex- ico and Peru will be on hand to welcome their customers and present some exci- ting ‘first look’ products from our expand- ing linked Progressive Jackpot range. Merkur fully expects to further increase its footprint in Latin American markets and gain further noticeable successes as 2022 moves into 2023 and beyond.
Sebastian Salat
“WE CONSTANTLY INNOVATE BY CREATING HIGH-QUALITY PRODUCTS”

Zitro’s CEO spoke about the strong presence of the brand in the world and the success of Wheel of Legends and the Altius Glare cabinet, among other outstanding products of the company, while also developing the occupation on the environment.

For example, a few days ago Wheel of Legends landed in one of the most important venues in Madrid. It is a proven successful product in the world. What is it that makes it so exciting for the public?

Wheel of Legends, is indeed, one of Zitro’s most popular games since its launch. We constantly innovate by creating high-quality products, to adapt to the needs of each operator, and guarantee their investment. We are happy to have introduced this unique slot game at such an important venue as Casino Gran Madrid, and we are convinced it will be widely enjoyed amongst their players. Wheel of Legends is housed on the Altius Glare cabinet and offers game titles with many adrenaline-pumping features, including mystic characters and symbols, multi-denomination options allowing players to bet up, and bonus round features wrapped with impressive sound effects.

The Altius Glare cabinet is a guarantee of results wherever it goes. Why is it one of the company’s favorites?

Altius Glare is part of Zitro’s development of product innovation for casinos and we couldn’t be prouder of its worldwide success. We couldn’t have done it without the great team behind at Zitro, who determinedly engineered this first-class cabinet with the goal to offer an immersive, well-rounded player experience. Altius Glare is the tallest and biggest real estate cabinet in the GLARE cabinet series, which together with its striking aesthetics, premium sound system, and 4K graphics make it the ideal form-factor.

Zitro’s technology campus in Barcelona is a masterpiece. Some time ago, 264 solar panels with an area of 526m² were installed on the roof. How important is commitment to the environment and its commitment to renewable energy?

We believe the world’s markets? We are in post of the regulation and for this reason we are prepared to assume the challenge that I have taken on at the management level and on which we are working to maintain our leadership in the region.

With more than 10 years of experience in the gaming industry, what have been the main lessons, both professional and personal, that you have learned?

I have learned a lot, at a professional level I have been ascending year after year, which has allowed me to have a global vision of the business. Gaming is a market that requires specialists and this is achieved only through the years, with successes and failures too, everything is part of the process and the best thing is that being such a dynamic sector, the learning curve is always moving. On a personal level, the most important thing has been to see that building trust among those who work with you and for you is your best letter of introduction.

Gina Macheri
“GAMING MARKET REQUIRES SPECIALISTS, ACHIEVED WITH EXPERIENCE AND DEDICATION”

The regional director of BetConstruct for Peru explains how her career was important for the new position she occupies, but also how essential it is to understand the market, she also recounted the company’s achievements during this time and the plans for the region under her orbit.

In January you assume the position of Regional Director for Peru at BetConstruct, what are the main challenges and goals you have in this new role?

Having worked for almost 10 years for the land base sector, the biggest challenge at the commercial level was to get to know the variety of products and services that our line business offers. Knowing what you offer is the basis of commercial management. However, there are other key factors, such as being on top of the market, and having productive and flexible processes that can be adapted to the needs of the Latin American market. This is a challenge that I have taken on at the management level and on which we are working to maintain our leadership in the region.

What are the company’s plans for this year’s edition of G2E?

DEEDICATION”

What are the company’s plans for this year’s edition of G2E? During the event, BetConstruct will be hosting a Harmony Show like the company did at Peru, Africa and Amsterdam?

What does the new Internet gambling law have on the Peruvian industry and on BetConstruct?

What effects do you think the new Internet gambling law will have on the Peruvian industry and on BetConstruct?

What features are players looking for in online slots today?

Player segmentation is varied and sometimes complex. The dynamics of product development is agile and constant. This forces suppliers to offer customized features adapted to each market. The configurations and animations are important, as are the accompanying strategies, jackpots and tournaments. The right combination of these features is always the key to engage players.
In Latin America

THE REGULATION OF ONLINE GAMBLING IS TAKING SOME STEPS FORWARD AND OTHERS BACKWARDS

Some countries like Argentina and Peru are heading in the right direction while Brazil and Chile continue to have endless debates about their internet gambling laws.

The online gambling industry has grown exponentially since the inception of the first online casino. It has evolved from an early adopter to a multi-billion-dollar market globally due to the introduction of new technologies, such as VR, and the penetration of the internet, providing a wide range of access to online gambling activities to consumers.

The year-over-year growth rate of 2022 for the global online gambling market is estimated at 11.82%, according to a report from Technavio. Another document, elaborated by ResearchAndMarkets, states that the global online gambling market is expected to grow from 73.42 billion dollars in 2021 to 81.08 billion in 2022 at a compound annual growth rate (CAGR) of 10.4%. The market is expected to reach 115.13 billion in 2028 at a CAGR of 9.2%.

Furthermore, advancements in technology have been one of the main drivers in the online gambling sector, including Internet accessibility, increasing availability of mobile devices, and live gaming. Advanced technology, such as the use of chatbots, machine learning, and artificial intelligence, are all improving the online gambling service and experience. The advent of mobiles and the demand for mobile gaming are expanding the market reach and have generated new revenue streams for vendors. Also, various governments have eased their regulations on gambling, which has created new opportunities for vendors.

Latin America is one of the key emerging markets for gambling, with a potential to rival both Europe and Canada. However, the laws around gambling vary from country to country, and some of the restrictions are hindering the growth opportunities in this market.

Emerging markets are rare, valuable, and time-sensitive opportunities — and Latin America is home to several of them. There are a few commonalities among all or most of the markets covered in the region. Sports betting (especially football), slots, bingo, and poker are popular verticals across the entire continent.

Latin America has been in the radar of online gambling investors for years. It’s a huge market with millions of people who’ve shown interest in playing online casino games and betting on sports.

Some countries have an overall regulatory framework in place, which includes online gambling. Others have regulations set up on a province-by-province basis. Finally, there are countries that are in pursuit of reforming their existing gambling laws to have them fit the digital age better.

Latin America, which has created new opportunities in this market. The advent of mobiles and the demand for mobile gaming are expanding the market reach and have generated new revenue streams for vendors. Also, various governments have eased their regulations on gambling, which has created new opportunities for vendors.

Pedro Castillo, president of Peru, enacted the law that regulates the exploitation of sports betting and online gambling.

"We call on Peruvian and foreign companies to invest responsibly, to register in Peru and pay the corresponding taxes," said the president.

The project establishes a direct tax on the subject, on August 12, Peru finally enacted the law that regulates the exploitation of sports betting and online gambling, which will allow this activity that generates a large economic movement, to now also pay taxes.

"The approval of this norm is a clear example that when the Executive and the Legislative work hand in hand, when we put the interests of the country first, when we prioritize the agenda that the population needs, in this line, we can promote growth, development for the benefit of all citizens."

Pedro Castillo, president of Peru, affirmed that the legislation was possible thanks to the coordinated work between the National Government and the Congress of the Republic: “The approval of this norm is a clear example that when the Executive and the Legislative work hand in hand, when we put the interests of the country first, when we prioritize the agenda that the population needs, in this line, we can promote growth, development for the benefit of all citizens.”

The president also stated that this law will benefit Peru, on the one hand it will allow the State to have more resources to meet its obligations in economic and social matters, which will result in better living conditions for the population. On the other hand, because it represents an important step towards the formalization of activities that until now functioned without regulation or supervision.

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accessing casino games and slot machine the registry of persons prohibited from minors and those who are included in temples or regular basic education following the minimum pedestrian route, less than one hundred and fifty meters, that the establishments should not be tur. In this sense, the law also mentions with the prior authorization of the Mincetur. May only provide these licenses to the physical premises, the municipalities with the prior authorization of the Mincetur. Regarding the distribution of the collection for the “gaming tax”, 20 % will go to the public treasury, 40 % for the development of tourism, 20 % for the promotion of mental health and 20 % to the treasury.

argentina after the launch of the regulated online gaming markets of the city and province of buenos aires in early 2022, it is now the province of cordoba that is preparing to start their operations. the legislature of the argentine province approved by a large majority the legalization of online gambling after a long debate that lasted almost eight hours.

the purpose of the project is to regulate online gambling through, among other actions, the creation of an online gambling license registry, as well as “collaborating with the state in the detection and eradication of illegal gambling, in the pursuit of fraud and criminality.”

the initiative also establishes that only individuals or legal entities domiciled in the province may access the license to carry out these activities. the licenses will be granted through public bidding.

a player registry is also created, where the identity and the age of majority of the participants are certified. game licensees must enable a feature that allows the player to set deposit limits and another feature that allows the player to opt out.

a month ago, loteria de cordoba pre-awarded licenses to operate online gaming and sports betting to eight companies. now, according to the planned process, the term to formulate objections must conclude and, after this, the concession contracts will be signed.

the regulatory entity indicated that the signing of the concession contract shall take place on october 11 and the entry into force would be on the 18th of the same month. after that, each company must inform which games will be available and, once authorized, they will be able to put them into operation.

chile in march of this year, the chilean ministry of finance prepared a bill to regulate online betting since the country currently does not have regulations that allow all operators to compete under the same legal framework.

in accordance with the country’s legislation (articles 277 and 278 of the penal code and law number 19 995), the casinos, polia, concepcion lottery, racetracks and charitable organizations such as solidarity bingos, are the only entities authorized to operate legally, that is, paying taxes to the treasury.

the project seeks to generate a regulated and flexible market for online betting platforms (pal), which allows companies that obtain a general license for a duration of 5 years (renewable) or a temporary license for 6 months (non-renewable) the exploitation of any betting or gambling object.

the operating companies of a pal (not its owners) must be companies incorporated only in chile, which report the origin of the funds necessary to operate a pal, its shareholders and final beneficiaries, and will also be established as entities required to report suspicious money laundering operations.

betting platforms must pay a specific tax, instead of vat, of 20 % of their gross income, and in the case of sports betting pal, 2 % of their gross income must go to the national sports federations of the sport in which the bet is made, in order to promote the national sport and duly reward those who organize the competitions that serve as the basis for said bets.

to this is added a license fee, which will cost 1,000 utm per year for those with a general license, and 100 utm for those with a temporary license. and as for the users of the pals, they must pay a 15 % tax (instead of income tax) for their gross income obtained in the pals (prizes won less contributions made), when withdrawing money from the user account to their personal account.

“with this project we will establish clear rules for an industry that is not regulated in chile, and that mobilizes more than 150 million dollars a year. in this way, we will protect users and regulate operators, who will now have to pay a specific tax, which will allow the treasury to collect some 55 million dollars a year under the regime,” said undersecretary of finance, alejandro weber.

however, at the beginning of august, the national government of chile asked the parliamentary commission of the economy commission of the chamber of deputies to “pause the discussion” of the online gambling bill to discuss it in conjunction with the package of corrective taxes of the tax reform that they are promoting from the executive power.

thus, the undersecretary of finance, claudia sanhueza, pointed out that this decision “will allow us to study and present the necessary adjustments to address the challenges diagnosed together with all the incumbent institutions, in addition to incorporating other proposals that arise in the matter.” due to this decision, at this time, the analysis of the project is stopped and there is no news about when it will be discussed again.

brazil as happened in chile, a bill to legalize sports betting was advanced in brazil. however, rodrigo pacheco, president of the upper house, explained at the end of august that “the general sports law must be re-analyzed by the brazilian senate after the electoral period.”

the draft sports law (pl 1153/2019) was approved in june by the senate and in july by the lower house, but as it underwent changes, the text needs to be reassessed again by the senators.

pacheco said that, although the decision on the wording of the text has not yet been made, the mission should be handed over to senators who have experience in the area: “this text should be on the agenda after the october elections. there has already been a wide debate on the matter in the chamber of deputies and there are also many requests for an agenda with the presidency of the senate by clubs, athletes, as well as journalists and radio announcers. we listen to everyone, but we are having a wide debate in the federal senate”.

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The eSports betting market grew exponentially during the pandemic when most traditional sports tournaments were either cancelled or postponed. Most notably, sports simulation games such as FIFA and NBA2K21 grew substantially in popularity as the barrier to entry for traditional sports fans was low given that the games naturally bear a resemblance to their real-life counterparts. Now more than two years on from the start of the global pandemic and the initial period of lockdown which took hold in many countries, sports simulators have continued to act as filler products for traditional sports, and have as a result been the subject of a secular, upward shift in demand compared to pre-pandemic levels.

However, for fans of traditional sports, the barrier to entry is naturally higher for other electronic sports events - such as League of Legends and Counter-Strike: Global Offensive - than sports simulators. These titles come in a variety of different genres, and the minute-to-minute action, underlying mechanics and gameplay systems can be challenging to follow for audiences less well-versed in the gaming landscape.

Hence, eSports should not be viewed through the lens of being a mere extension to the main sports offering, but rather its own entity and a means through which sportsbooks can also reach out and appeal to new audiences.

**An unexplored market**

**THE SCALE OF THE ESPORTS BETTING OPPORTUNITY IS UNQUESTIONABLY VAST**

Electronic sports should not be viewed through the lens of being a mere extension to the main sports offering, but rather its own entity and a means through which sportsbooks can also reach out and appeal to new audiences.
"eSports is widely considered the next growth segment in sports betting. The hype doesn’t come without merits, as it has a growing audience and showcases resilience to pandemics and recessions alike. Not to mention that there are around the clock content and competitions, which fills the gaps in the somewhat seasonal traditional sports calendar. For it to reach its full potential though, we believe the product-side needs to be improved with higher uptime, tailored offerings and improvements to real-time round-by-round betting," says Oskar Friberg, founder at Abios.

Many bettors will leave for competitors when a match of a CS:GO or LoL tournament they’re following aren’t covered on their betting site, or when the uptime is too low. Therefore, it’s important to focus on these key features, rather than offering a shallow pool of identikit markets on a wider range of games. While long-tail markets and games can offer opportunities for differentiation, the coverage and uptime for the most popular tier-one tournaments should be the main focus, as these drive the majority of revenue.

In regular sports, data is usually gathered through a combination of manual editing and computer vision. Manually edited data from sports is common, and as such in-game betting in sports is relatively reliable with high uptime. To achieve similar results in eSports, access to data from the game servers is paramount, as it is the fastest data source available. It unlocks the opportunity for markets to be open throughout the entire lifespan of each match and competition, as well as the means to fully capitalise on popular bet offers and products such as bet builders, flash/virtuoso markets and round-by-round betting.

The study from Kambi finds that a way to achieve sustainable customer differentiation is to offer the most exciting bet offers for players, and ensure that this process is efficiently driven by the data. For example, a sportsbook might know that whenever there is a game featuring Natus Vincere in CS:GO, people are likely to bet in their favour and that there is usually a high volume of bets since this is a popular team with a lot of fans and great performance. The same sportsbook might also have noted, that s1mple is a popular AWP (a variety of weapon) player in Natus Vincere, and that there’s a popular player prop stating he will achieve over 10 kills with an AWP in a game.

In that case, a pre-combined bet offer can be made of the two, making for an easy way for players to bundle their favourite bets. Here, the focus switches from offering a big variety of bet offers and games to creating a compelling offer based on what players want to bet on, requiring a strength of technical infrastructure to automatically register these opportunities and be able to combine them.

**CHALLENGES IN THE ESPORTS BETTING SPACE**

Although the electronic sports betting industry is maturing, there remain several key hurdles which must be cleared to deliver an experience to not only attract new players, but see them return consistently. Several jurisdictions do not permit betting on events where minors are participating, or a majority of the participants are under the age of 18.

It’s important for sportsbooks to have the necessary structures in place for compliance with all local requirements, working in close cooperation with partners and data suppliers. Breaking these regulations can have significant long-term implications on an operator’s reputation in a particular market.

At the same time, being forced to close these markets where an operator has not done its due diligence can not only mean a potential loss in revenue, but also risks customer churn to sportsbooks with the technology to properly reconcile these requirements. Having the right partnerships in place, with organisations that can display a proven track record for compliance at scale, can be an important step in the long-term mitigation of these risks.

“I see a few hurdles and risks on the horizon for eSports betting to keep growing at the pace it has been doing. The first would be perception. Many people still believe that eSports and computer games are only for children. We can see this in regulations where eSports are absent, or eSports professionals not receiving visas for tournaments abroad. The professional scene and longevity of a game also matter a lot, it is no accident that CS:GO, LoL and Dota 2 are the big three. Other games have started with circuits recently, but it takes time to create interest in teams, players and personalities. Then some games aren’t competitive enough, while crafting compelling betting experiences for newbies that emerge can need a concentration of resources and iteration,” describes Filip Kristensson, eSports Product Manager at Unibet.

On another hand, in games such as League of Legends, several segments of the map are often hidden, making the location of the opposing team unknown to players. To ensure teams don’t have access to information about the opposing teams’ location, public streams of matches tend to be delayed by an average of 90 seconds. If a coach or player in an eSports team obtains positioning information about the opposing team, this could provide a significant advantage and prove detrimental to the competitive integrity of the match in question.

This becomes an important area for sportsbooks to address given that in-game offers require accurate real-time data. However, if the odds or video feeds the sportsbook receives are displayed in real-time, the coaches, along with players, could stand to obtain this information and create a competitive imbalance, while bettors could exploit arbitrage opportunities.

“Live markets are, as many are aware, very popular in regular sports. The same holds true in electronic sports. However, in order to ensure high uptime of live markets, server data needs to be obtained. However, this data is often hard and/or expensive to acquire and is most often sold exclusively. There are several tournament organisers in all tiers of eSports and obtaining data from them all is a costly and time-consuming process”, mentions Tomas Ericsson, Vice President of Odds at Abios.

It is therefore vital for sportsbooks to have partners who have built close relationships with tournament operators – companies with eSports heritage and deep links of understanding with those competitions to ensure the right stream delay for a given tournament. This will help to protect both the integrity of the matches themselves, while also removing the potential for the frustration and weakening of the user experience that can come with a disparity between stream and bet offers.

Nixing this potential for confusion and having the appropriate, bespoke delay for each tournament, and ensuring that this is executed accurately across the sports betting offer, requires an eSports supply chain capable of delivering on all levels across both platform and data.

Many regulators are wary of potential match-fixing in eSports. Although matching incidents have achieved broad coverage, the growth in safeguarding and monitoring at major leagues and tier-one tournaments is helping to strengthen protections against this corruption. To keep up the competitive integrity of eSports, everyone in the ecosystem has their part to play. For sportsbooks, this means monitoring player activity and reporting irregular betting patterns to both tournament organisers and organisations such as Esports Integrity Commission and International Betting Integrity Association.
Casino management systems are vital
THE BUSINESS ENVIRONMENTS IN THE PRESENT TIMES REQUIRE EFFECTIVE HANDLING OF THE PROCEDURES

The CMS it’s integral for monitoring, processing, and recording of all operational and functional transactions throughout a casino in the gambling industry.

The global Casino Management Systems (CMS) market reached a value of 6.56 billion dollars in 2021. Looking forward, a report elaborated by Imarc Group expects the market to reach a value of 13.32 billion dollars by 2027, exhibiting a growth rate (CAGR) of 11.80% during 2022-2027.

The growth opportunities in the CMS market are generally attributed to societal concerns and evolving lifestyles around the world. Along with this, the growing use of server-based gaming and cashless slot machines are also estimated to serve as largest revenue generators in the casino management systems (CMS) market in the following years.

The business environments in the present times require effective handling of the procedures while implementing the solutions from the casino management systems market in casinos. Video surveillance is proved to be an efficient tool in order to creating a healthy and secure environment in the industry of gambling. These factors are predicted to fuel sales growth for the CMS market in the near future.

The majority of the casinos around the world are deploying novel generations of networking equipment and cameras. The services from the casino management systems market captures the actions of players and help to store them for future reference. So, based on these factors, the CMS market is likely to expand at a noticeable speed in the years to come.

CMS ACTS AS A FOCAL POINT

The casino management system is integral for monitoring, processing, and recording of all operational and functional transactions throughout a casino in the gambling industry. CMS usually consists of a variety of management tools and analytics software, including those that help in surveillance of all operations. With the continued evolution of the gambling industry, IT systems used in casino management have also undergone an overhaul.

Other growth-inducing factors are rapid digitalization, rising disposable incomes of individuals, and the increasing number of gaming clubs worldwide.

In addition, casino owners are relying on CMS solutions to improve their operational procedures and performance. They acquire and analyze demographic information about the customers to track their spending behavior and gaming and visiting patterns, which is positively influencing the market.

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The management solutions from many giant IT vendors provide advanced functionalities for myriad needs. Along with the core CMS solutions, the behemoths claim to offer enhanced customizations, easy updates, and continued training and support that make the cut above the rest. Notwithstanding their claims, various casino operators, especially those with limited requirements, seem to bear the unnecessary cost incurred in updating the software, costly customizations, and untimely updates, additionally, they may be bogged down with a spate of needless enhancements.

Therefore, a viable and cost-effective solution that truly reflects the requirements of a casino—current as well as evolving—needs to be well planned. A powerful CMS solution forms the backbone of customer satisfaction and retention in the gaming industry. Essentially, these developments provide a robust background for new entrant CMS vendors offering user-friendly solutions.

The solutions meet current core operational requirements, and the clients can add to their core functionalities later on. Furthermore, what makes the CMS offering by small vendors different from established ones are extended flexibility, superb integration with various mobile platforms, and hassle-free implementation.

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MEGA MILLIONS AND POWERBALL, TWO GIANTS THAT WALK TOGETHER

The positive balance of both products in 2021, the mutual participation in a large part of the states and the presence of the third largest jackpot in the country's history make an optimistic combination for this year’s indicators.

In 2021, the expectation for the gaming industry in the United States was very optimistic. After the pandemic and economic consequences of the quarantine, some were cautious about reactivating, but many more believed in an immediate take-off. In the same way it was expressed in the field of lotteries.

The business was restored, even in higher indicators. Lottery ticket sales in the U.S. increased 17% to $94.9 billion in fiscal 2021, accounting for about 0.5% of the U.S. Gross Domestic Product (GDP). The combination of factors was very necessary for that result. Both the instant games and the state lotteries were a success. But the national Mega Millions and Powerball lottery games grew much faster than the industry as a whole, with Mega Millions up 44% to $4 billion in sales and Powerball revenue rising 31% to $28.8 billion.

The trend continued for this year, but even more so for the two great giants of the market in the country. Due to the unit format, both lotteries feed each other. The advancement of technology also contributed to both giants, as well as the habit of people to bet on applications during the time of confinement. In the United States, the lottery remains a popular product.

THE CONSTRUCTION OF MEGA MILLIONS

To explain the current event we must go back to the beginning of the millennium. Following a record $363 million Big Game jackpot in 2000, interest in multi-state games was at an all-time high. And as interest in the multi-state games grew, so did the participants. In May 2002, New York and Ohio joined Georgia, Illinois, Maryland, Massachusetts, Michigan, New Jersey and Virginia to create Mega Millions.

From then on, it not only became a notable product within the country, but also achieved worldwide fame. Sales for the country’s newest multi-state jackpot game began on May 15, 2002, and the first drawing was May 17, 2002. So new all-time record “catapulted” by the United States was Powerball.

Thus, the joy spread to a large part of the lotteries that sold the product, as well as to the three big winners. Three? Yes, three: the winning ticket holder, the federal government and the state of Illinois. That's because, between the other two, they’re going to get a chunk of the $1.28 billion jackpot, “catapulted” by the lottery’s unit format. But, in either case, that’s before taxes.

The top federal income tax rate is currently 37%. However, it’s scheduled to rise to 39.6% starting in 2026. As a result, if and if the winner opts for 30 years of annuity payments, he or she will pay something in the neighborhood of $16.49 million in federal income tax per year for the first four years (2022 to 2025). Now the state part. Illinois has a flat income tax rate of 4.95%. If the winner selects the 30-year annuity option, the tax on the average annual payment of $44.57 million comes to a bit over $2.2 million per year. Multiply the annual tax by 30 and you get a grand total of around $66.2 million in total tax paid to Illinois over the annuity period. When coupled with the estimated federal tax under the annuity option ($524.95 million), that leaves a combined estimated tax bill of $591.05 million – and an estimated $745.96 million.

As of the closing date of this edition, the winner has not yet claimed the prize. The deadline is September 27.

POWER BALL

Powerball’s journey was similar to that of Mega Millions. The first drawing held on April 22, 1992 had 15 participating lotteries: Delaware, District of Columbia, Iowa, Idaho, Hoosier (Indiana), Kansas, Kentucky, Minnesota, Missouri, Montana, Oregon, Rhode Island, South Dakota, Wisconsin and West Virginia. Today, there are 48 U.S. lotteries selling the Powerball game. But it reached a new dimension with the aforementioned process of working together with the other lottery giant.

In March 2009, it was reported that New Jersey, already a Mega Millions member, sought permission to join Powerball. An important player in this alliance appears on the scene: the Multi-State Lottery Association (MUSL), a non-profit, government-benefit association owned and operated by its member lotteries. Shortly after, discussions were revealed about allowing each US lottery to offer both games. On October 13, the Mega Millions consortium and MUSL reached an agreement in principle to cross-sell Mega Millions and Powerball. In November, MUSL signed an agreement to start streaming Powerball drawings online.

On January 31, 2010, the date of the cross-sell expansion, Mega Millions and MUSL each added lotteries; eight Powerball members added Mega Millions by May. The largest prize for a lottery in the United States was drawn on January 13, 2016, at $1.586 billion (three tickets, from California, Florida, Tennessee).

On January 31, 2010, 23 more state lotteries joined Mega Millions as an historic cross-selling agreement between Mega Millions and Powerball went into effect. Today, all American lotteries participate in Mega Millions, including the Virgin Islands Lottery.

THE THIRD LARGEST PRIZE IN U.S. HISTORY

"Congratulations to the Illinois Lottery for selling the winning ticket for the $1.28 billion Mega Millions Jackpot,” Ohio Lottery Director Pat McDonald said in a statement. This is how one of the most commented chapters in the golden books of the lottery in the United States was closed. It was the company’s second largest jackpot and the third in the history of lotteries in the country. Mega Millions is a national product, but with contributions from each of the lotteries. This sale was successful to such an extent that the level of bets exceeded the expectations of the states week after week. In Arizona, sales for draws and scratch-off lottery games rose 152% year over year to $124 million in the July 1 to July 29 period (the last week before there is a winner). The Texas Lottery said its sales of $264 million last week were a new all-time record “catapulted” by the Mega Millions draw.

Thus, the joy spread to a large part of the lotteries that sold the product, as well as to the three big winners. Three? Yes, three: the winning ticket holder, the federal government and the state of Illinois. That's because, between the other two, they’re going to get a chunk of the $1.28 billion jackpot, “catapulted” by the lottery’s unit format. But, in either case, that’s before taxes.

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“THE BIG APPLE” COULD BE EVEN BIGGER

New York became the biggest state in the sports betting market just nine months after launch, but it may be even more successful with the first full NFL season.

Football season is here, and this will be the first full season where New Yorkers who want to wager on their favorite team can place their bets online. It is not a minor fact for the sports betting market in the country, as well as the most interesting for bettors. New York launched online sports betting one day before the final Sunday of the 2021-22 NFL regular season. And although it was not possible to capture a complete season to make a broader balance of the capacity of sports betting in that state, it only took a handful of games to take the real dimension of the phenomenon. With the success already proven, then the entire season takes a giant expectation for operators and the government.

From the outset, there were clear indications that New York appeared poised to shatter national records, based on the sheer volume of activity in certain sports-crazed neighborhoods of Manhattan. New Yorkers placed more than 300,000 wagers over the first hour of legal sports betting in the Empire State, and a total of 17.2 million over the first weekend on Jan. 8-9, according to Vancouver-based geolocation provider GeoComply. For the Super Bowl, New York activity represented a whopping 25% of the company’s U.S. sports betting traffic, ranking first. According to officials, the revenue generated so far from mobile sports betting has already surpassed expectations.

By the end of August, the state had generated over $390 million in tax revenue, surpassing original projections by nearly $140 million. The state also generated $200 million in licensing fees. The revenue generated is to be allocated to education, youth programs, and responsible gambling programs.

When New York first launched sports betting in January, the NFL regular season betting handle was massive with $1.67 billion in January and $1.53 billion in February. In August, New York sportsbooks reported $872.2 million in betting handle. That was up from the $800.8 million reported in July but failed to return to the $1 billion mark. Before dropping below $1 billion in July New York had exceeded $1 billion in betting handle for six straight months since launching in January. Since launching online sports betting in January, New York leads all states in dollars wagered and taxes generated.

Flutter Entertainment’s FanDuel retained the top spot in August, with $46.6m in revenue from $374.6m worth of stakes, ahead of DraftKings with $25.9m in revenue from $244.5m in player wagers.

Each operator is required to pay a 51% tax rate to the state for 10 years. Flutter Entertainment’s FanDuel continues to be the top online option for New York bettors, accounting for 43% of all handle in August. It became the first of the nine books to reach $4 billion in total handle after posting a 7.7% increase from July. The growth extended to the revenue side, with the book claiming $46.6 million thanks to an all-time high win rate of 12.4%. It was the fourth time in five months FanDuel posted a double-digit hold, but with almost every book enjoying a robust August, its percentage of state revenue slipped from 53.2% to 46.8%. DraftKings’ market share of handle reached 28% in August, the third consecutive month it set a new high. Wagers accepted pushed it over $2.5 billion in total handle since launch. The Boston-based outfit also posted its first double-digit win rate at 10.6%. That was its highest total since finishing just shy of $30 million in February.
There are nine NY sportsbooks available.

Caesars Sportsbook was next with revenue of $12.7m from $117.6m in total bets, ahead of BetMGM on $8.8m in revenue and a $73.0m handle, then PointsBet with revenue of $2.5m and a $23.8m handle. It was the first time both BetMGM and Caesars reached that benchmark, while PointsBet narrowly missed bettering its 10.5% hold from July.

Rush Street Interactive followed with $2.2m in revenue from $26.5m in player bets, ahead of Wynn Interactive with revenue of $492,014 and a $6.7m handle, and Resorts World with $352,785 in revenue off $4.5m in wagers. BetRivers also set a new monthly standard at 8.2% and its $2.2 million in revenue for August was an all-time monthly high.

New York’s brick-and-mortar sportsbooks have usually outperformed the industry standard hold of 7%, but the four-some took that to an elite level in August. The 22.4% hold is the highest outside the retail launch month of July 2019, when only two of the books were operating, and the $1.2 million in revenue was the most since setting a record with nearly $4 million last November.

Tiago Downs, which started the year nearly $100,000 in the red after a rough January, had an eye-popping 46.3% win rate as it took $217,532 in revenue from $469,913 wagered. While del Lago Casino had the second-highest handle at $1.7 million, it took top honors for revenue with $511,000 for a 30.8% win rate.

Rivers Casino, the top handle generator in the state at $2.4 million, was no slouch with a 15.6% hold that led to $367,000 in revenue. Resorts World was unable to make it four-for-four for double-digit holds, finishing at 9.1% to claim $62,496 from almost $688,000 in bets placed.

The $9.73 billion in sports bets since legalization is over $3 billion more than in New Jersey, the next closest state.

FULL NFL SEASON MEANS ALL TIME RECORD?

The numbers are on the lights. With just a few months of the last NFL season, it was enough to notice the influence of football in the giant numbers. How much bigger can the number be with the full season? There are two important elements to make the projection: the influence of sport on sports betting in the country and geolocation.

Consequently, there are strong indications that New York will surpass $2.3 billion in handle for the upcoming NFL season. Of the seven states that provide a breakdown for revenues by sport, wagering on the NFL last year represented about 18-20% of their overall handle. The figure jumped to 27.6% in Mississippi for retail sports wagers (the state only accepts online sports bets inside casino properties). In Nevada, football wagering represents about 37% of the state’s overall handle on a historical basis, according to the UNLV Center For Gaming Research.

A geolocation is the process of confirming the location or verifying the identity of sports bettors using a mobile sportsbook or through a sportsbook website. Sports betting operators are required to securely verify the location of customers registering to use an online sportsbook online. This involves the use of geolocation software and mapping technology that confirms the physical location of the sports bettor. A bet cannot be placed online unless it comes from within a jurisdiction that allows legal sports betting. For example, in order for a resident of New Jersey to create an account with a sportsbook mobile app, and place wagers on sporting activities, that person and their device must be within the state boundaries of New Jersey.

Of the estimated 103.1 million geolocation checks done by sports bettors in the U.S. last weekend, 15.7 million (15.2%) were from New York. Last year during NFL Week 1, there were 60.1 million geolocation checks, GeoComply reported. The surge in activity, fueled by New York and other states that have added legal sports betting both online and in person in the last 12 months, resulted in a 71% increase in geolocation checks over the first weekend of the 2021-22 NFL season.

Early geolocation data from the first week of the NFL season shows that a return to the $1 billion is in the cards for New York and there’s potential to reach the $2 billion mark. During Thursday’s NFL season opener geolocation data supplied by GeoComply showed 3.7 million pings in New York alone.
Dominic Atkinson
“HAS BEEN AND WILL CONTINUE TO BE A PRIORITY TO DEVELOP INNOVATIVE PRODUCTS AND DELIVER HIGH-VALUE SOLUTIONS”

The Head of Regional Sales of North America detailed the different tools and services that Sportradar has in the current sports betting market, as well as in the future evolution.

“Massive secular tailwinds are driving the growth of the industry and, as a company positioned at the center of this ecosystem, Sportradar will continue to invest in our business, with a focus on our core betting products, as we expand our portfolio through internal development and opportunistic strategic acquisitions. More specifically, we’re seeing the U.S. market shift from predominantly pre-game betting to more in-game betting, which is the fastest growing channel. As a result, if a fan has questions about the legitimacy of competition. And, quite simply, if a fan has questions about the integrity of a game or match, they won’t place a bet. This is what motivates Sportradar to provide industry leading solutions to combat corruption and promote transparency through a wide range of offerings including bet monitoring and detection, education and prevention, intelligence and investigation, anti-doping and auditing.

Transparency is a core fundamental to establishing a trusted, thriving market and any breaches in sporting integrity affect everyone within the industry. The damages associated with corruption are substantial and pervasive, harming federations and operators both reputationally and financially, whilst making fans question the legitimacy of competition. And, quite simply, if a fan has questions about the integrity of a game or match, they won’t place a bet. This is what motivates Sportradar to provide industry leading solutions to combat corruption and promote transparency through a wide range of offerings including bet monitoring and detection, education and prevention, intelligence and investigation, anti-doping and auditing.

What are the future plans for Sportradar?

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and Washington, D.C., where regulators legal to live in the U.S. were Tennessee platforms that will be allowed under the estimated a launch date of between April Maine’s Gambling Control Unit (GCU), regulatory delays. Bettors there will be able to place wagers for residents to enjoy sports betting fully. line betting is not legal yet, it is difficult tribal casinos (three) can take in wagers to 200 businesses and fraternal organizations. Approved to allow sports betting, but and the state government has been official. The state is also working on setting up racinos for revenue. Regulators expect the bill to be approved by the end of next year.

**NEBRASKA: LEGAL, NOT YET LAUNCHED.**

An agreement between two tribes and the state government has been approved to allow sports betting, but oklahomans will probably have to wait another year for legal sports betting in the Sooner State. State lawmakers missed a shot at legalization this year by delaying a House floor vote on a proposal (HB 3008) that would have allowed in-person sports betting at tribal casinos, pending federal approval of amended tribal-state gaming compacts with Oklahoma tribes. Kansas: Legal, not yet launched. Governor Laura Kelly signed sports betting to Minnesota. In the four southern states that have been legally betting on sports, 55%, would introduce the highest gaming tax rate on any sports betting in the U.S. Other efforts to lift Hawaii’s prohibition have failed.

**OKLAHOMA: LEGAL, NOT YET LAUNCHED.**

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**NEBRASKA: LEGAL, NOT YET LAUNCHED.**

Approved by voters in November, bill passed in May 2021, law signed in June 2021. However, legislators asked the state to improve its casino offerings before launching sports betting officially. The state is also working on setting up racinos for revenue. Regulators expect the bill to be approved by the end of next year.

**MONTANA: LEGAL, NOT YET LAUNCHED.**

A sports betting bill passed in 2022 that ultimately fell short, so while many believe the freshman mobile sports betting in Montana sports betting bill. sports betting in 2022 was shown the door along with it.

**HAWAII: NOT LEGAL.**

Honolulu Democrat John Mizuno introduced legislation in 2022 to make sports betting legal for residents and tourists. If passed, the law would allow Hawaii’s first form of legal gambling and, at 55%, would introduce the highest gaming tax rate on any sports betting in the U.S. Other efforts to lift Hawaii’s prohibition have failed.

**IDAHO: NOT LEGAL.**

Idaho has not approved sports betting, and there has been movement among state legislators to legalize it.

**KENTUCKY: NOT LEGAL, BUT LEGISLATION PROPOSED.**

Despite gaining significant momentum this legislative session, Kentucky sports betting will continue to wait. The Kentucky Senate passed a bill up for consideration and the bill ended up expiring in May 2020. Moreover, since the Senate declined the sports betting bill in 2021, the state has made no further attempts to legalize sports wagering.

**CALIFORNIA: NOT LEGAL, BUT LEGISLATION PROPOSED.**

The fight has landed on the ballot, in the form of two propositions: 26 and 27. The former favors the tribes. It passed, it would allow “on-site sports wagering at only privately operated horse-racing tracks in four specified counties,” with the tribes in full control of the wagering. It also would expand the table games permitted in tribal casinos, with roulette wheels and crap tables being installed. Proposition 27 opens the floodgates for online and mobile sports wagering. It would allow the likes of FanDuel, DraftKings, and BetMGM to apply for licenses.

**Vermont: NOT LEGAL, BUT LEGISLATION PROPOSED.**

A group of lawmakers is making a proposal to turn the activity legal in the state after projections showed that the operation of sports gambling could collect millions in potential revenue. Although past proposals were unsuccessful, legislators are seeking to establish an attractive fee and tax structure, as well as a proper regulatory framework, to present before the Statehouse this summer.

**TEXAS: NOT LEGAL, BUT LEGISLATION PROPOSED.**

In 2021, a sports betting bill was proposed but not legalized. There is optimism for 2023 because almost all the local professional sports teams and sports businesses have advocated for legal sports betting. **UTAH: NOT LEGAL.**

And very unlikely to happen.
With the world’s most influential land-based suppliers gearing-up for ICE, Clarion Gaming Managing Director Stuart Hunter explains how world gaming is preparing to re-connect when it meets at ExCeL London in February.

How is Clarion Gaming preparing for the large-scale return of land-based casino industry suppliers to the ICE London 2023 show floor?

The first point to make and something that the team and I believe the entire industry is relishing is that ICE 2023 will be of the same magnitude and size of the last pre-pandemic event held in February 2020. It’s been a long three years but it has been a period in which we have been in constant contact with our stakeholders to ensure the smooth return of suppliers to the land-based industry. The prospect of a full-scale ICE London in February 2023 will be a fantastic opportunity for world gaming to re-connect and embrace the unparalleled business opportunities that ICE London delivers. As a team we can’t wait to welcome the entire industry back to ICE London and are counting down the days to February 7th and seeing the first visitors disembark from the fantastic new and game-changing Elizabeth Line which connects ExCeL to the heart of central London courtesy of a single, short train journey.

A few days ago, a senior delegation from Clarion Gaming traveled to Las Vegas to discuss industry trends, challenges and opportunities with leading gaming brands, what were the results of these meetings? What are the main demands that gaming companies are making to be exhibitors at ICE London 2023?

The ICE brand is what I would describe as being a ‘pro-active listener’. By that I mean that we are always hungry for information, hungry for insight and keen to learn what our customers want and how we can provide an environment of opportunity: this entails using the power of the brand to bring the right influencers, the right innovators and inspirational industry leaders together in one place. The recent trip to Las Vegas was a continuation of our commitment to all of our customers to help support their return to ICE23 and to ensure that we continue to work as true partners in preparation for their return to the ICE show floor. The time was spent sharing plans, objectives and ideas for us to listen to, absorb and act on. Both strategically and operational, our shared objective is to make ICE23 the most memorable edition of this great event to have taken place in the ExCeL London era.

What are your expectations for the next ICE Symposium that will take place in Las Vegas on Monday 10th October – the opening day of G2E?

We are absolutely delighted to be back at G2E after such a long break. It’s an important event in the gaming calendar and we share in their excitement to have the opportunity to bring the US gaming industry back together again. We have a significant team attending this year to meet with our stakeholders, whilst having the opportunity to showcase our plans for ICE23 and beyond via our booth 5538. We are working with the Mob Museum in Las Vegas to bring a very special and not to be missed artefact to present to our guests at show. Another highlight will be the ICE Symposium which will follow the same format as our recent event held in London in conjunction with the European Casino Association and the ECA members. This will be an extension of our traditional Ampersand event which uses the Open Space format to create an agenda which reflects the key issues that are important to the individuals present and their businesses. Open Space is both dynamic and democratic – enabling us as event organisers to put our energies into the issues that matter to our stakeholders.

What do you think are the main trends that will be discussed at the Las Vegas event?

I always preface my response to questions like this by underlining the fact that my expertise lies in providing a dynamic, professional business environment in which the international industry can come together. It’s difficult to make any hard and fast predictions until the industry gathers which underlines why face-to-face events are so invaluable in terms of being in-step with the very latest developments and trends. Having recently spent time with operators on the Strip, US land-based gaming has seen a significant bounce back post COVID – I am interested to see and hear how the industry will continue to sustain this growth, what has been learnt during this post COVID period and how the expansion in sports wagering is shaping new strategies. Cashless technology is also something we hear a lot about from European casinos and with Resorts World one of the first on the Strip to introduce this new tech, it will be interesting to see if the appetite has grown from both the players and casinos.

What novelties are you planning to make for the 2023 edition of ICE London?

ICE 2022 represented our commitment to the industry to provide a much-needed platform for businesses, media and associations to re-unite post-Covid. We invested in creating new spaces and opportunities in which the industry could connect. We intend to go even further in 2023 where we will welcome back of all of the brands who missed ICE this year due to COVID. 2022 was memorable for many reasons, both positively regarding the great feedback received, but also the many operational challenges we had to overcome in order to bring our stakeholders back together in a face-to-face environment. I would say that 2023 is a mammoth step forward with a super-sized, full-scale edition of ICE showcasing the very best from every sector of the global gaming neighborhood. ICE is here to serve the industry and we stand by ready to support and enhance the experience for all of our visitors from every corner of the globe. It will be an event not to be missed and one which when industry professionals reflect in years to come will be able to say ‘I was there’.

Stuart Hunter
“INDUSTRY PROFESSIONALS WILL REFLECT ON ICE 2023 WORLD’S PREMIER EVENT”
QATAR WORLD CUP 2022: AN EVENT TO MAKE HISTORY

For the first time in the Middle East and in winter, a new edition of the most important tournament in the world for the most popular sport on the planet begins in November, where not only audience records are projected, but also a result never seen in the market of the bets.

The soccer World Cup is not only the most important event on the planet for lovers of the most popular sport on earth, but also an event just as exciting for those who do not live that sport with such intensity. Obviously, as in so many other events of humanity, technology made it an even more massive event. And we are not only talking about the fans in front of a television following the alternatives live and direct. It also had an impact on the betting market.

To put things into perspective, a whopping 3.2 billion television viewers tuned in to watch the 2014 World Cup final between Germany and Argentina.

The audience is bigger and bigger with each edition. It also works in the context of sports betting. It is enough to think how many regulated markets were opened between the World Cup in Russia 2018 and Qatar 2022 to project the increase for each match.

But to better understand the World Cup phenomenon, it is important to go further into the television indicators of 2018. A combined 3.572 billion viewers – more than half of the global population aged four and over –, according to audience data for official broadcast coverage. The global in-home TV audience watching at least one minute of coverage totalled 3.262 billion, while a further estimated 309.7 million people watched no coverage in home but caught the action on digital platforms, in public viewing areas or in bars and restaurants, boosting the total audience by 9.5%.

The final between France and Croatia on 15 July attracted a combined global audience of 1.12 billion, comprising 884.37 million viewers tuning in to linear TV coverage and a further 231.82 million out-of-home and digital-only viewers. Over the 64 matches, the average live audience was 191 million; each game was a global televisual event in its own right. The report also reveals that, on average, viewers watching on TV at home engaged with the coverage for longer than in previous FIFA World Cups: the number of viewers catching at least three minutes of the 2018 edition was 3.04 billion, a 10.9 per cent increase on Brazil 2014. Meanwhile, the audience watching for at least 30 minutes was 2.49 billion, way up on 2014’s 1.95 billion viewers.

BETTING ON WORLD CUP 2018: A DEEPER LOOK

In the UK alone, wagers for the 2014 World Cup broke the £1 billion ($1.4 billion) mark for the first time ever. If England had reached the knockout phase that year, the figure would have been far higher. Also in 2018, home to a huge fan base of both supporters and gamblers, their unlikely progress to a first semi-final in 28 years led to £1.5bn ($1.9bn) being wagered in the UK, according to an H2 Gambling Capital Study.

The greater the number of bettors, the greater the need to corner the market for companies. So it was for the most popular. YouGov also found 12% of people they surveyed in Britain had bet on the tournament, with 30% of those used SkyBet. A total of 24% used Bet365, 18% used Betfair, 17% used William Hill, and 16% used Ladbrokes. Amazingly, 14% also took part in a World Cup sweepstake, either at work or with friends and family.

Regulated gambling operators and bet processing systems enjoyed successful tournaments. Supplier Scientific Games processed more than 177 million bets during the World Cup through its OpenBet platform. At its height of popularity for just a single bookmaker, the platform was processing 18,000 wagers a minute.
Apart from the UK, other European countries with traditions in the sport also felt the effect of the 2018 World Cup. Italy, which didn’t even qualify for the tournament for the first time in 60 years, saw a record breaking €466m ($544m) wagered, according to Italy’s Agency of Customs and Monopolies. Trophy winners France saw its national regulator ARJEL report €1bn ($1.16bn) in wagers recorded by 12 betting sites during the event. The final itself set a new single match bet record for the country’s largest operator, Française des Jeux (FDJ), as it generated €32m. 

Because it is universal, soccer is massive even in the most remote corners of the world. Places further afield, and with far less of a historical interest in football, were also greatly impacted. Taiwan’s sports lottery during June was up 73% to NT$5.06bn ($170m). Thailand saw the arrests of 4,700 people in Bangkok recorded by 12 betting sites during the event. The final itself set a new single match bet record for the country’s largest operator, Française des Jeux (FDJ), as it generated €32m.

Sports betting service provider, Sportradar has determined that bettors staked an estimated US$453.4 billion in betting turnover worldwide. Croatia had the highest average betting turnover per match, and in all likelihood, would have been a very profitable team for bookmakers globally with: Opening odds of around 34.0. Being the underdog in their victories against Argentina and England.

With the global online gambling market estimated to be worth $61.5 billion.

With the breadth of the betting menu, there are cases as curious as they are innovative according to the experience of the 2018 edition. Round of 16, Quarter and Semi Final matches all being decided during extra time or by penalty shootout. Since bookmakers settle all match winner bets based upon the result after 90 minutes, the three draws in those matches would have been the least favored by bettors. Transparency in sport is essential for the sports betting market. From that point of view, the World Cup in Russia was a success. Besides various measures taken by FIFA to prevent and address potential situations of risk associated with match manipulation prior and during the 2018 FIFA World Cup Russia, the competition was closely monitored for any instance of suspicious betting patterns around matches, in order to preserve fairness for fans, players and the tournament itself. Sportradar’s Fraud Detection System monitored over 550 betting operators worldwide, generating some alerts during the competition, which are easily explained by markets adjusting the opening odds after the first match or two were played.

This perfect storm of unpredictability and unparalleled interest in the tournament has been reflected in the growth various operators experienced in their financial results released since the World Cup 2018.

Betsson AB was one of the first operators to attribute its growth of 12% during the first half of 2018 to the World Cup. GVC claimed the tournament helped it report growth of 22% year-on-year during the second quarter. Australian operator Tabcorp stated the World Cup helped it boost its active customers by 8% to nearly 720,000. Operator Paddy Power Betfair credited its 13% year-on-year rise for Q2 to the event. The tournament also saw supplier Kambi hit record turnover of €307m in Q2.

HIGH EXPECTATIONS

The tournament will be played in Qatar, marking the first time it’s being hosted in the Middle East. This is the first World Cup to be played during winter months, and that is to beat the heat of June and July that Qatar experiences and avoid the potential health risks of playing in such extreme heat. The average high in July is 106 degrees Fahrenheit, while the average in November is 84 degrees Fahrenheit and 75 degrees Fahrenheit in December.

The tournament kicks off on Sunday November 20 at the Al Bayt Stadium when Qatar takes on Ecuador in Group A. The tournament was originally set to begin a day later with Senegal’s game against the Netherlands at Al Thumama.
The final between France and Croatia on July 15, 2018 attracted an audience of 1.12 billion. In terms of betting, the World Cup began to be played long before the opening match. Already, several thousand people are making World Cup odds-related searches every month. By the time the tournament kicks off, 300,000+ searches a month. So it is that the championship in Qatar started even much longer ago for the bookmakers. Who’s ranking in the top three positions on Google? In the UK, the top two spots are taken by Oddchecker and Skybet. In third place is a lesser-known brand, JustBlockies. The example of the United Kingdom is not random. In fact, up to 90% of all sports wagers in the UK are placed on football. In Europe, even the most casual sports fan will place a bet on the World Cup. Football makes up a huge proportion of the international online sports betting market, especially in European nations like Germany, France, Italy, Spain, while also LatAm markets stand out for their passion for sports. But it will not only be the first World Cup in the Middle East and in winter, but also the first time for a market with enormous potential when it comes to printing sports bets. This year, betting revenue is likely to be absolutely smashed as this is the first opportunity for American football fans to bet online, following the Supreme Court’s 2018 ruling that legalized sports betting. Plus, with “soccer” now more popular than ever in the States, we could see an all-time record. With the global online gambling market estimated to be worth $61.5 billion, gambling platforms need to ensure they offer the best customer experience possible, to differentiate themselves, and stay ahead of the competition in an increasingly congested marketplace.

It is estimated that the World Cup alone moves more than R$ 20 billion (US$ 3.9b) in bets in Brazil.

BRAZIL AND THE MARKET DILEMMA WITHOUT REGULATION

The passion for soccer in Latin America is indescribable. Brazil is the most successful country in the World Cup, as well as the nation with the largest population on the continent. It is also the favorite team in bookmakers to succeed in Qatar 2022. There, soccer is a religion. Regulated sports betting is a virtuous circle. They not only attract companies from that market, but also part of the collection becomes resources for the state, resulting in a continuous process of improvement for this sector. However, when there is no regulation, the game goes to the local black market or abroad where there is regulation. In face of the World Cup, Brazil would benefit from its great football passion, but unfortunately Brazil does not have a regulated market.

At the beginning of the year there were optimistic signs, but the situation cooled down over time. On the eve of the World Cup, the government of Jair Bolsonaro decided to shelve the decree implementing Law 13.756/18, which regulates the sports betting market in the country. It is estimated that the World Cup alone moves more than R$ 20 billion (US$ 3.9b) in bets in the country.

Perhaps the regulation will come at another time, although it will not be possible by the time the ball starts rolling in Qatar. With no time to regularize the market until the event, the government has already lost the chance to earn a hefty sum with the revenue generated by the activity. It is estimated that the regulation generates around R$ 3 billion (US$ 585m) a year to the country’s coffers, in addition to R$ 2 billion (US$ 390m) for the sale of operating licenses.

A regulated market not only provides resources to the state - which is later transformed into labor sources and programs for the common good, among other aspects - but also combats illegal gambling. Approved in 2018, during the government of Michel Temer, the law aims, above all, to curb the evasion of foreign exchange. As several betting sites are based outside Brazil -most of them in countries considered as “tax havens”-, taxation on games is considered insignificant compared to what it should be for a market with an estimated turnover of R$ 7 billion (US$ 1.36 b) and movement of approximately R$ 60 billion (US$ 11.7b).
Recent data shows that U.S. lotteries generated over 98.6 billion dollars in traditional lottery product sales in 2021, compared to 82.4 billion dollars in 2020. While global lottery sales were over 346 billion in 2021, in comparison to close to 311 billion in 2020.

"Cybersecurity is evolving, and as lotteries increase their digital footprints through iLottery, in-lane, or even cashless and cloud technologies, it’s more important than ever to stay ahead of the unexpected by analyzing and identifying potential risks."

“For instance, recently, a lottery moved to a remote ticket-cashing solution via a mobile app and the solution was hosted completely in the cloud. Obviously, this is incredibly convenient for the player but introduces risk to the lottery. What about fraud? How is access to the cloud secured? What are the concerns with the communication between the systems in the cloud to the gaming system? These and others are questions that more and more lotteries are going to be struggling with as technology advances,” added Wong.

"Inherent to the lottery industry's success is balancing reputational risks, user authentication, privacy, security of sensitive information, and responsible gaming. Given that institutional reputation and integrity are non-negotiable, lotteries must ensure new games and distribution channels, as well as efforts to modernize existing games, are thoroughly vetted from planning through execution. Security and integrity are paramount and cannot be compromised through any stage of its lifecycle."

"The key to this process is considering the value of risk management. There should be considerations like thinking to have an outside company to take a second look to ensure all scenarios of risk are considered", stated GLI’s Director of Lottery Solutions.

As lotteries work toward fulfilling their commitments to beneficiaries, it is essential to analyze risk and identify potential vulnerabilities before they can cause irreparable harm. By being aware of evolving risks, lotteries can proactively identify and address potential vulnerabilities exposed by expected technological and digital growth. The impact of loss for lotteries, where every dollar is making a difference supporting good causes, is why nothing should be left to chance.

"Security is more critical than ever as increased lottery modernization and innovation continue. Lotteries are resilient and adaptable, and COVID-19 has emphasized that risk can be unpredictable and can impact all aspects of the business process. It highlights the need to stay vigilant in the face of security challenges so that lotteries are equipped and prepared for what the future may bring."

The first province in the country to completely open the sports betting market registered indicators below the projection for the first quarter of activity, although with that experience it is laying the foundations for the rest of the nation.

The history of legal sports betting in Canada dates back to 1992, when the Ontario Lottery and Gaming Corporation (OLG) launched Proline, which allowed people to bet on the outcome of three to six sporting events at once. Other games created by OLG, such as Point Spread, offered to bet money on the point spread between the winner and loser of a game or what might happen on certain plays.

A breakthrough occurred on August 27, 2021, when the Canadian government amended the penal code to allow single-game betting. Thus, the provinces began to issue gaming licenses to private companies. Until then, the sports betting industry had been controlled by the government, with OLG reporting $300 million in revenue each year from its various games.

On April 4, Ontario became the first province in the country to host a competitive sports betting market. Consequently, not only the presence of Proline, but also the entry of companies such as TheScore Bet, PointsBet, BetMGM, FanDuel, DraftKings, Caesars and BetRivers, among others.

Security is more critical than ever as increased lottery modernization and innovation continue.
On April 4, Ontario became the first province in the country to host a competitive sports betting market.

First Numbers
Klaring Ontario (OGO), a subsidiary of the Alcohol and Gaming Commission of Ontario (AGCO), released its first set of financial figures for the market. The report covers April 4, the day the market opened to private competition, to June 30. Total gaming revenue was $162 million. With 18 active operations, and 31 gaming websites, there are currently 492,000 active player accounts, which spend an average monthly $86, although these do not represent unique players as individuals may have multiple accounts with different operators.

According to the report, the government interpretation is optimistic about legality. “Whether measured by revenue performance or by the number of active player accounts, these results suggest that people in Ontario are interested in the strong player and anti-money laundering protections that are being offered in the regulated market,” the statement explained.

Along the same line were the state¬ments of the main executives. “Our aim is to be the best gaming jurisdiction in the world and these positive results are an early sign that we’re on our way,” said Dave Forestell, OGO’s Board Chair. “With a competitive revenue share rate and low barriers to entry, Ontario is an attractive igaming market with a strong player base.”

Meanwhile, it could be established that the start was slower than believed in the projection of the numbers according to the comparison with other jurisdictions of similar dimensions - but that have a longer history in legal sports betting -.

That figure is less than second-quar¬ter reports of established gaming juris¬dictions like New Jersey ($557 million), Pennsylvania ($521 million) and Michigan ($466 million), which all have both online sports betting and online casinos. Ontario’s figures are just 22% of what New Jersey brought in. The numbers are 24% what Pennsylvania’s revenues and 27% of what Michigan brought in. All of this despite Ontario having a bigger popula¬tion (15 million) than Pennsylvania (13 million), Michigan (10 million) and New Jersey (nine million).

What’s Next in Canada?
The opening of Ontario to legal sports betting not only served as an experience for the rest of the provinces in Canada, but also as the beginning of a progressive model, just as it happened in the United States. With a population of about 1.1 million, Saskatchewan is the sixth-largest province in Canada. It appears poised to join some of the largest provinces in the country as it hopes to launch online sports betting by the end of 2022. An on¬line platform for casino games and sports betting could be up and running just in time for the Canadian Football League’s Grey Cup this fall. November will see the anticipated launch of the Saskatchewan Indian Gaming Authority’s (SIGA) new gaming site. On September 23, the Fed¬eration of Sovereign Indigenous Nations (FSIN), which represents 74 First Nations in Saskatchewan, and the Saskatchewan government announced an amendment to the Gaming Framework Agreement (GFA) that was originally signed in 1995. The amendment would establish the le¬gality of online gaming run through SIGA and a 50/50 revenue-sharing agreement between the First Nations and the provin¬cial government.

Through the amended GFA, SIGA will be the only First Nations operator in Canada to have such a lucrative deal with the government for online gaming. For comparison, the Ontario Lottery and Gaming Corporation only allocated 1.7% of annual gross gaming revenue (GGR) to First Nations in the province. In British Columbia, the government has allocated 7% of GGR to First Nations.

In the case of Alberta, all sports bet¬ting, lottery, and casino games would go through Play Alberta, its own service. That case is one of the most emblematic in the country about the battle of prov¬incial governments against unregulated gambling. In fact, within Alberta adver¬tisements are broadcast for sites that are not licensed to receive gambling in the province, but the Alberta Gaming Liquor and Cannabis (AGLC) has constantly come out to say that these gaming sites are illegal in the province.

So there is a struggle between the provincial governments and the ad¬vancement of regulated gambling. Many sports betting companies have started ignoring local laws and heavily advertis¬ing their services despite not having the required regulations. Concerned about the sudden boom of illegal sports bet¬ting, organizations from several Canadian provinces have joined forces to combat the new threat. Lottery and gambling corpor¬ations from British Columbia, Quebec, Alberta, Manitoba, and Atlantic Canada have created a coalition to deal with illegal online gambling.

The technology has gained traction
How can the metaverse be used by the casino and hotel industries?

Aside from the social functions of the metaverse, it is crucial to understand that it has a lot of potential for businesses, helping them to bridge the geographical space between them and their customers.

The idea of the metaverse – a net¬work of digital spaces, where so¬cial interactions can take place, facilitated by virtual and augmented reality – has gained traction as tech¬nology has improved. However, the social aspect of the metaverse is not the only aspect to focus on and there are a number of exciting opportunities to be aware of too. First, it is important to define precisely what is meant by the term “metaverse”. Essentially, this refers to a network of digital spaces, where social interactions can take place in many cases, users explore the metaverse with the use of an ava¬tar, and the metaverse then serves as an interactive, virtual world.

Alternatively, metaverse can also be seen as the connection between vir¬tual and real worlds, where, in the fu¬ture, technology can enhance the lives of users seamlessly. Virtual reality and augmented reality are the technolo¬gies most commonly associated with the metaverse, although video games, blockchain technology, and other solu¬tions can also play a role.

How can the metaverse be used by businesses?
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stand that the metaverse has a lot of potential for businesses, helping them to bridge the geographical space between them and their customers, while creating memorable experiences, removing friction, and providing opportunities for interactions to take place.

Within the field of metaverse for the entertainment industry, it has already started to be seen the rise of virtual concerts and other performances. Some companies have provided these virtual concerts in the form of virtual reality experiences, while others have experimented with the idea of virtual concerts in video games like Fortnite.

Increasingly, the metaverse is being viewed as a viable concept for those in the casino and hotel industries to explore, and some properties have started to provide virtual spaces for digital meetings or celebrations to take place. Meanwhile, with e-commerce, the metaverse can provide opportunities for customers to experience products or services before buying.

HOW CAN THE HOSPITALITY INDUSTRY BE INCLUDED IN THE METAVERSE?

Traditionally, the hospitality industry has been associated with the physical reception of guests, but this has changed with the emergence of new technology and the birth of the hospitality metaverse. One of the biggest ways in which the hospitality industry is already starting to present itself within the metaverse is through the development of metaverse hotels and virtual reality tours, or options to explore their virtual or digital space, where interactions can take place. Also, the concept many people have of the hospitality metaverse is inextricably linked to blockchain technology, but it is important to understand that blockchain can play an important role beyond this too. For instance, blockchain tech can be used for ID verification, to process secure payments, or to track loyalty programs.

WHAT IS THE DIFFERENCE BETWEEN THE METAVERSE AND VR?

Virtual reality technology has been associated with the concept of the metaverse, and the two are often confused, with many people finding it difficult to understand precisely how the metaverse and VR differ. Essentially, the defining aspect of the metaverse is the creation of a virtual or digital space, where interactions can occur. This means that while virtual reality is a useful technology here, it is not a necessary one. The metaverse could, for example, take the form of an interactive game, where users control an avatar and interact that way.

Is often hailed as one of the breakthrough technologies of our age

BLOCKCHAIN TECHNOLOGY: WHY SHOULD THE CASINO INDUSTRY CARE?

Parts of the industry have recently realised that the power of blockchain can be unleashed to enhance regulatory compliance and player protection.

Blockchain is often hailed as one of the breakthrough technologies of our age, along with Virtual Reality (VR) and machine learning (ML). But what is it exactly, and why should the casino industry care? Still in its infancy, blockchain-based solutions are quickly breaking ground when it comes to payment systems, regulatory compliance, and gaming itself. In simple terms, blockchain is a way of recording information that makes it virtually impossible to falsify records. Rather than relying on a unique, centralised ledger of transactions, blockchain technology uses a digital ledger duplicated and distributed across a network.

Blockchain can provide virtual reality tours, or options to explore their virtual or digital space, where interactions can take place. Also, the concept many people have of the hospitality metaverse is inextricably linked to blockchain technology, but it is important to understand that blockchain can play an important role beyond this too. For instance, blockchain tech can be used for ID verification, to process secure payments, or to track loyalty programs.
Blockchain technology can also be used to create entertainment products. While not strictly related to traditional iGaming platforms like online casinos and sportsbooks, some blockchain games have caught the attention of gambling regulatory authorities. The two most notable examples of this new generation of games are NBA Top Shot and Sorare, both of which run on the Ethereum blockchain and are built around the concept of “non-fungible token” (NFT). NFTs have exploded in the past year. Are they just a crypto buzzword? Think again – they’re revolutionizing industries left and right. Movies, gaming, music, and casinos.

NFTs are proofs of ownership stored on a digital ledger, tied to specific digital assets. In common parlance, these digital assets are improperly referred to as the NFTs themselves. NFTs can be distinguished from cryptocurrencies in that NFTs aren’t interchangeable: while a Bitcoin equals a Bitcoin, no two NFTs are the same. Their only intrinsic value is hedonic — the pleasure of ownership in itself. By attaching proof of ownership to digital data, NFTs create “digital scarcity”, and, as scarcity tends to drive demand, NFTs tend to appreciate in monetary value. Whether it’s through limited series of collectible items or entire casino platforms, NFTs will be a massive part of how we gamble in 2022 and beyond. Between 2020 and 2021 alone, the NFT market grew twenty times. Today, its value has been estimated at 3 billion dollars and casinos are taking notice of the incredible versatility of NFTs – there are already multiple NFT-friendly gambling sites.
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