

## The Gambling Research Center of the University of Hohenheim

NEWSLETTER APRIL 2019 (2/2019)

### POLITICS AND LAW

---

#### Great Consensus at this Year's Symposium on Gambling 2019

With more than 260 visitors, this year's Symposium on Gambling at the University of Hohenheim, which took place for the 16<sup>th</sup> time, was also very well received among its participants.

Undoubtedly, the highlights of this year's symposium were the two high-profile panel discussions. On Tuesday morning, representatives of the various leading associations discussed the topic of "necessary regulation". On Wednesday, a panel of representatives of the parties of the state parliament Baden-Wuerttemberg exchanged views on the topic "Gambling Addiction as a Public Task". Surprisingly the various stakeholder groups have reached unanimous agreement on their demands and views. Visitors of the 16<sup>th</sup> Symposium on Gambling agreed, for example, on the need to amend gambling regulations and prepare them for the future. Concerning the licensing of online casinos, there are certainly very divergent views. However, all concerned interest groups now agree that an interstate supervisory authority is sensible and necessary to fight illegal gambling and that a uniform nationwide exclusion scheme should be set up to improve gambler protection.

This year, the 13 presentations focused on regulation, enforcement and enforcement deficits in Germany, addiction preven-



tion, and new technological developments such as blockchain and biometric procedures. Following the second panel discussion, a press conference was held this year as well, which once again brought the symposium into national reporting.

We would like to thank all speakers, chairpersons, and participants. We would like to welcome them all to Hohenheim next year as well. The 17<sup>th</sup> Symposium on Gambling will take place on 11 and 12 March 2020 at the University of Hohenheim.

### Gambling Regulation to Face Change

After many years of legal uncertainty, licences for sports betting providers in Germany will now probably be available as of 1 January 2020. On 21 March 2019, the Minister Presidents adopted the **3<sup>rd</sup> Amendment of the German Interstate Treaty on Gambling**. All interested providers can apply for a nationwide license if they meet minimum standards such as a monthly stake limit of 1,000 euros and the ban on live betting. The experimental phase will initially be extended until the comprehensive amendment of the German Interstate Treaty on Gambling. Thus the uncontrolled growth seems to be contained at least in this area. It remains to be seen how the providers will behave and whether licensed providers will stop offering clearly illegal online casino games in Germany. However, the regulation of online gambling will continue to be postponed into the future.

In the Netherlands, too, things suddenly went very quickly. After years of deadlock, the Second Chamber of Parliament passed the Dutch Online Gaming Act on 19 February 2019 and can now implement it. Regarding the forthcoming licence application, it is certainly a peculiarity that only providers can apply for a licence if they had not been active in the illegal market during the last two years before the licence was granted ("cooling off period"). All providers with Dutch websites, domains, and targeted advertising can thus not receive any licenses. During this time, reliable providers should prove that they can comply with a licensing regime. Providers holding licences shall, among other things, connect to a national exclusion file, consistently monitor gambling behaviour, intervene in the event of problematic gambling developments, and provide server access to the Gambling Supervisory Authorities. In addition, the new legislation imposes strict rules concerning gambling advertising (e.g. not during the day or during live sports events). It also stipulates severe fines for offering illegal games of chance and allows illegal internet offers to be blocked. The new law will probably not come into full force until 2020/2021.

There have also been some changes in Belgium, mainly regarding slot machines. In future, only two machines may be installed in pubs and restaurants. In addition, minimum distances to certain facilities such as schools must be kept.

Norway is increasing its action against illegal providers and their advertising measures to strengthen the state's gambling monopoly. To this end, foreign providers will be more strongly prevented from advertising in Norway. Recently, regulators also warned several Maltese gambling companies against further targeting Norwegian customers. They also instructed several Norwegian banks to block transactions with certain foreign providers. The enhanced action

against illegal providers seems to be fruitful there. According to Norsk Tipping, the proportion of gamblers resorting to illegal games of chance is slightly declining.

To combat gambling addiction, Japan is discussing the introduction of biometric procedures in the form of facial recognition. These actions also see the removal of ATMs from gambling facilities and the introduction of stake limits in 2020.

## NEWSFLASH

---

### Verifying Age Before Payment

As of 7 May 2019, UK gambling providers must first authenticate the age of their customers before paying into a customer account or game. So far, providers can wait 72 hours before authenticating. This new regulation will also apply to so-called free-2-play offers by licensed providers. It aims improve youth protection.

*Further details:*

[Gambling Commission](#)

### Counteracting Advertising and Sponsoring

A long time has passed since there had been actions against advertising of illegal online casinos on TV. However, in February 2019, the state media authorities contacted several hundred broadcasters and drew attention to the often illegal offers. Beyond that, some providers have advertised with expired licenses and the state coat of arms of Schleswig-Holstein. We have to wait and see whether the broadcasters comply with this request. The Gambling Supervisory Authorities of the Federal States have also taken action and wrote a letter to the German Football Association (DFB). The letter criticises the new sponsoring partner bwin, which offers illegal online casino games in addition to sports betting. A reaction of DFB has not yet become known. For the same provider, the Düsseldorf district government has initiated administrative proceedings against the Bundesliga football club Borussia Dortmund. In German professional sports, there are currently more than 60 sponsoring agreements with gambling providers worth more than 43 million euros.

*Further details:*

[tagesschau.de 1](#)

[tagesschau.de 2](#)

[ZEIT online](#)

### Sweden Imposes Fines

The Swedish supervisory authority Spelinspektionen imposed fines on the gambling provider “Genesis Global” for violating gambling restrictions. The fine amounts to 4 million Swedish crowns. The provider named software difficulties as the reason. To protect customers in Sweden, each provider must be linked to a comprehensive exclusion file with flexible exclusion options ([www.spelpaus.se](http://www.spelpaus.se)). Interestingly, Swedish gamblers were temporarily redirected to Lottoland (.com) if they mistyped the domain name of the authority ([www.spelpau.se](http://www.spelpau.se)).

*Further details:*  
[Spelinspektionen](#)

### Will Lottoland Take Over Tipp24?

After initial discussions between Zeal, the Tipp24 operator, and Lotto24 regarding the latter's acquisition, the Gibraltar-based company Lottoland is now discussing the takeover of Lotto24. Originally, Zeal wanted to discontinue its Tipp24 platform and only act as a legal commercial gambling broker. This shows the extent of uncertainty and pressure in the field of illegal secondary lotteries.

*Further details:*  
[boerse.ard.de](http://boerse.ard.de)  
[WirtschaftsWoche](#)

### Betfair to Pay Tax Liabilities

The Hessian fiscal court ruled that the sports betting provider Paddy Power Betfair must pay the tax authorities its tax debts totaling 40 million euros. This is the sports betting tax due for 2012. After the tax was introduced, the provider withdrew from the German market. The ruling is not yet final and the company intends to file an appeal. In Belgium, too, the company could face criminal proceedings based on findings from the Panama Papers.

*Further details:*  
[games & business](#)

### E-Sports Research Centre

At the University of Augsburg, a research centre on eSports law was launched. It aims to investigate the legal framework of eSports and become an independent point of reference for politicians and actors in civil society. As gaming and gambling converge gradually, which we

can see in the case of loot boxes, the topic of eSports will also gain importance for the classic gambling sector.

*Further details:*

[Research Centre on eSports Law](#)

### **Lottoland Now Holding Maltese Gambling License**

To prepare for Brexit, Gibraltar-based secondary lottery company Lottoland has now obtained licences from the Malta Gaming Authority (MGA). We expect Lottoland to relocate parts of its operations to Malta to remain within the single European market.

*Further details:*

[www.maltatoday.com](http://www.maltatoday.com)

### **News From German Courts**

The Higher Administrative Court Lüneburg decided on 28.02.2019 that the internet ban for online poker will persist in Germany. A European licence for gambling products not licensed in Germany thus continues to be insufficient. The Leverkusen District Court (Case No. 26 C 346/18) has clarified an interesting point concerning payment transactions for illegal gambling. In its decision of 19 February 2019, the Local Court emphasised that automated procedures do not justify non-compliance of credit and financial institutions regarding the involvement of payments for illegal games of chance.

*Further details:*

[Landesjustizportal Niedersachsen](#)  
[Lenné Law Firm](#)

### **Dutch Authority Fines Maltese Provider**

The Dutch Gambling Supervisory Authority has imposed a fine of 310,000 euros on the Malta-based company Casumo for targeting Dutch gamblers without holding a licence. The company joins a number of companies that have recently been fined in the Netherlands. So far, online gambling has been completely banned in the Netherlands.

*Further details:*

**Kansspelautoriteit**

## RESEARCH

---

*Publications presented in this section merely represent the views of their respective authors. Publications were chosen to provide recipients with insights into the current scientific discourse. We intend to neutrally summarise current scientific publications.*

### **Gambling Marketing From 2014 to 2018: A Literature Review**

In their literature review, Newall et al. examine the changes that gambling marketing (GM) has undergone in recent years. Monitoring advertising is a key instrument of gambling regulation. The study provides a sound overview of current research. The review aims to summarise the current state of literature concerning frequency and content of GM, consumer perception, and impact on behaviour. In addition to studies already known to them, they conduct a systematic literature search in relevant citation databases. In total, they find 46 studies that are relevant. They show that GM has mainly been researched in the UK and Australia, that gambling advertising is now ubiquitous, and that sports fans constitute a key target group. Basic content strategies include increasing brand awareness, promoting complex bonuses that gamblers do not comprehend, and promoting odds. Many perceive GM negatively. Especially vulnerable groups such as children and problem gamblers are influenced by these contents. More recent studies show that confrontation with gambling applications leads to more frequent and riskier gambling behaviour.

Sources:

[Link to the Study](#)

### **A Mapping Review of Research on Gambling Harm in Three Regulatory Environments**

In their mapping study, Baxter et al. use a literature review to examine the research on gambling losses in three different countries (Canada, Australia, and New Zealand) between 2008 and 2017. They have conducted their literature search in the Web of Science as well as in selected journals. Thereby, they found 1,424 relevant studies. They show that the countries examine very different aspects of content. In Canada, for example, psychological and biological factors prevail, while in New Zealand, the focus is on forms of therapy.

The conclusions from their results are particularly interesting as they may show that different regulatory systems lead to different research focuses. Research in countries where gambling is privately organised focuses on damage aspects for which the providers are responsible (advertising). In countries with a public health approach (New Zealand), research focuses on treatment and harm reduction. In countries with state-run gambling, research focuses on individual responsibility. The authors conclude that the regulatory regime determines research content and questions to a large extent. This produces gaps in knowledge. For this reason, it is important to promote a variety of interdisciplinary research, regardless of the respective regulatory regime.



Sources:

[Link to the Study](#)

### **Lottery Companies Financing the Cultural Infrastructure in Germany**

In her master's thesis at the Ludwigsburg University of Education, Linda Robens examines the role of lottery companies in the context of financing cultural infrastructure in Germany. According to her research, the 16 state lottery companies earmark funds for cultural purposes across Germany amounting to approximately 233 million euros annually. This corresponds to about 2.7% of all public expenses for culture of all federal states. However, the actual amount is likely to be much higher as the funds listed do not take into account the funds made available to cover the general budgets of the federal states. The author believes that in future, gambling regulation should also consider the effects on the cultural sector.

Sources:

[Linda Robens](#)

### **Potential Causal Influence of Neighborhood Disadvantage on Disordered Gambling: Evidence From a Multilevel Discordant Twin Design**

It sounds plausible that the living environment can have an influence on gambling behaviour. However, there has been no empirical investigation to date as to whether and how this correlation comes about. Wendy S. Slutske et al. have now evaluated the data from a twin study. Their study is based on data from 3,450 Australians.

The authors evaluated the places of residence by means of the "Index of Relative Social Disadvantage" of the Australian Statistical Office. They also collected data on problematic gambling behaviour and alcohol problems during the preceding 12 months, personality traits, and the socio-economic status.

The twin who lived in a disadvantaged residential area faced a significantly higher risk of developing gambling disorders than the twin who lived in a more privileged area. The correlation persisted even after the researchers additionally considered potential influences of educational level, household income, and the "Big Three" personality traits (positive emotionality, negative emotionality, constraint).

However, the researcher could not establish a connection between residential areas and alcohol problems. Possibly, inhabitants of less privileged residential areas tend to gamble in the hope that they can improve their social position by making a profit. However, the data were collected between 2004 and 2007.

Sources:

[Link to the Study](#)

### **Telephone Support for Gambling Addicts - Hotline to Enter the Help System? Checking and Using the Mainz "Hotline of Behaviour Addiction"**

For the first time, Aster et al.'s study examines a free telephone helpline for people facing gambling problems in Germany. The study not only examined the sociodemographic and gambling behaviour characteristics of those affected, but also the use of further assistance.

The majority of calls received between 01.01.2013 and 31.12.2016 (773 in total) were related to gambling problems of men. Nearly 80% of those affected mentioned slot machines as the type of game causing problems. Only a few callers had learned about the hotline from providers of games of chance.

About two thirds of the callers received a recommendation in the gambling outpatient clinic and about 80 % of these people also made an appointment. Women took part in the agreed conversation significantly less often than men. The authors presume that, among other things, women who gamble face stronger stigmatisation.

*Sources:*

[Link to the Abstract](#)

## ABOUT THE GAMBLING RESEARCH CENTER

---

### **Clarification: Gambling Research Center Calls for Gambling Supervisory Authority of the Federal States**

Gambling regulation falls within the remit of the federal states. This is unlikely to change in the near future. At the press conference on the occasion of the Symposium on Gambling at the University of Hohenheim in Stuttgart, the Gambling Research Center and Members of the State Parliament called for a supervisory authority across federal states to regulate online games of chance. "Mistakenly, some media reported that we demanded a federal agency. During the press conference, however, we always talked about a transnational authority," emphasises Prof. Dr. Tilman Becker, Managing Director of the Gambling Research Center, in response to the media coverage.

### **Conference "Gambler Protection in Baden-Württemberg"**

On 22 February, the conference "Gambler Protection in Baden-Württemberg - An Interim Report on the Implementation of the State Gaming Act" took place in Stuttgart. About 100 participants consisting of providers, employees of the help system and the authorities as well as affected people attended the conference. Prof. Dr. Tilman Becker, Andrea Wöhr, and Marius Wuketich represented the Gambling Research Center at the conference. It was among the co-organisers of the conference, namely, Evangelische Gesellschaft Stuttgart, the Regional Association of Prevention and Rehabilitation of Baden-Württemberg LLC, and Zieglerschen.

In his opening speech, Prof. Becker named three topics on which he is currently seeing the greatest need for action. Namely, the establishment of an effective exclusion scheme for all forms of gambling, the establishment of a well-equipped and effective gambling supervisory authority, and the funding of scientific research.

The presentations can be viewed under the following link.

[Gambling Research Center](#)

### Working Group on Gambling Addiction in Southern Germany

On 18 March 2019, the Gambling Research Center, represented by two staff members, participated in the Arbeitskreis Glücksspielsucht Süd (Working Group on Gambling Addiction in Southern Germany) in Stuttgart, which mainly gathers colleagues from addiction services from all over Southern Germany. In particular, two topics were discussed intensively. Firstly, the effects of Technical Guideline 5 and the new generation of slot machines associated with it and secondly, the experiences with the training of staff at arcade facilities were discussed. The practical addiction treatment shows very different and controversial assessments on both topics. This impression of the different positions in addiction treatment is very revealing for our work. Participants had the opportunity to test the new generation of slot machines intensively on a device specially provided for the working group meeting.



## DATES

---

7 and 8 May 2019

### **4<sup>th</sup> Federal Congress on Gambling**

Organisers: Behörden Spiegel

Event location: Berlin (Maritim proArte Hotel)

21 and 22 May 2019:

### **Conference: Addiction Prevention: Gambling in Practice**

Organisers: origio GmbH, the Regional Association of Prevention and Rehabilitation of Baden-Württemberg LLC, Evangelische Gesellschaft Stuttgart e.V., Die Zieglerschen e.V.

Event location: Frankfurt (Haus am Dom)

27 June 2019

### **14<sup>th</sup> Annual Conference on Sports Betting and Gambling 2019**

Organisers: FORUM Institut für Management GmbH

Event location: Frankfurt/Offenbach

24 and 25 September 2019

### **5<sup>th</sup> German Gambling Regulation Day**

Organisers: ZfWG, Benesch Winkler

Event location: Frankfurt (Deutscher Fachverlag, Mainzer Landstraße 251, 60326 Frankfurt am Main)

## Legal notice

---

Thank you for your interest.

We look forward to recommendations regarding current publications and events.

The Gambling Research Center Team

---

**Visit us online, contact us directly, or visit us on social media.**

**Web:** [gluecksspiel.uni-hohenheim.de](http://gluecksspiel.uni-hohenheim.de)

**Email:** [gluecksspiel@uni-hohenheim.de](mailto:gluecksspiel@uni-hohenheim.de)

**Follow us on Facebook.**

**Follow us on Twitter.**

### Postal address:

University of Hohenheim  
Gambling Research Center (502)  
Schwerzstraße 46  
70593 Stuttgart

### Phone:

+49 (0)711 459 - 23898 / 22122

---

### Editors:

Tilman Becker, Marius Wuketich, and Andrea Wöhr

**If you want to support our work, you can become a member of our sponsorship association or make a donation. For more information, please see the following website:**

**Sponsorship Association**

---