

**Vegas News - July 31, 2004**

**Are European state-licensed gambling monopolies coming to an end?**

by Jerry Wilson

Are European state-licensed gambling monopolies coming to an end?

New report investigating the effect of the European Union on the monopolistic structures.

- The European state-controlled lottery and betting companies face major changes and eventually may even have to compete in a fully liberalized market.
- The most recent court decisions of the European Court of Justice and national courts increasingly tend toward a liberalisation of the European betting and lottery market.
- 59% of the companies surveyed believe that the European gambling market will be liberalised by 2009.

London, Munich, July 30, 2004: A study completed by the consulting firm MECN indicates that the European lottery and betting market will probably face dramatic changes in the very near future. Currently, courts throughout Europe have to decide whether state lotteries are giving sales and profits priority over controlling and containing gambling ? if this would be the case, they are no longer entitled to claim monopoly status.

According to a decision of the European Court of Justice, European state-licensed lottery and betting firms will lose their status as monopolies if their activities are geared primarily toward expanding the gambling market and toward motivating people to gamble. In the current study entitled "The European Union and its Impact on State-Licensed Gambling Monopolies" MECN offers a detailed analysis of the activities of the European monopolies and examines whether one of the last few remaining monopolies in Europe is in fact faced with extinction.

Up to 75% of the companies surveyed believe that in Italy, Spain, and the Netherlands state monopolies no longer focus on limiting betting and gambling. But as Martin Oelbermann, author of the study, stresses: "state-authorized betting and lottery monopolies act in some respects - but not in all - much like ordinary private businesses and thus in contradiction to their original mandate" and "in order to avoid risking a complete dissolution of monopolistic structures the state-authorized companies will have to modify or perhaps even discontinue some products, sales channels, and/or marketing campaigns."

The study can be obtained at [www.mecn.net](http://www.mecn.net)