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EUROPEAN GOVERNMENT MONOPOLIES UNDER THREAT, SAYS NEW REPORT

MECN's study optimistic towards a fully liberalised European market

A new report, which can be read in full at www.mecn.net, predicts that the EU political landscape with regard to state-licensed gambling monopolies, will be forced to dramatically alter in the future, and may even transform into a fully liberalised market. The study, conducted by the Media and Entertainment Consulting Network (MECN), says that the trend of recent decisions in European and national courts, leaning towards the liberalisation of betting and lottery markets, is set to continue.

Courts are currently having to decide whether state lotteries are 'giving sales and profits priority over controlling and containing gambling'. Where this is the case, they risk their rights to retain their monopolies. As the current trend continues, governments will be forced to drastically alter their practises or face the consequences.

The report concludes: '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...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.'

Up to 75% of companies surveyed said they thought that, in Italy, Spain, and the Netherlands, state monopolies no longer focus on limiting betting and gambling. 59% of companies believe that the European gambling market will be liberalised by 2009.