



**MECN**  
Media & Entertainment Consulting Network

## **The Future of the German Betting and Lottery Market**

Market developments following the German Interstate Agreement on Gambling, the Placanica case, and the Decision of the German Federal Constitutional Court (BVerfG)

**Results of a survey of market experts and analysis of the most relevant issues**

Munich, April 2007

Go to <http://www.germany-gambling.mecn.net> to obtain full report

# Summary

The recent months have arguably been very eventful for the betting and lottery market, in Germany as well as internationally. A list of recent events includes: the decision of the Federal Constitutional Court, the drafting of a new state treaty on gambling, decisions and measures of the European Court of Justice and the EU Commission, the prohibition of online gambling in the US, and the arrest of several CEOs of well-known Internet gambling providers. The current developments make a detailed analysis of the future of the German betting and lottery market imperative. The following are some of the study's most important findings:

- **Online poker offers great potential** – According to the experts surveyed, online poker offers, such as PokerStars, profit from the current poker euphoria in Germany and are among the companies with the greatest future growth potential in the German gambling market.
- **Liberalisation beginning in 2012** – The current state treaty on gambling will expire in 4 years. Many market experts consider this one indication that after expiration of this term – that is, after 2012 – the German gambling market will be liberalised, at least in some areas.
- **An amended version of the state treaty on gambling is expected** – The experts surveyed consider it likely that there will be an amended version of the state treaty.
- **Tipp24 and Fluxx will NOT be banned** – As many as 75% of the experts surveyed think that one of the likeliest amendments to the gambling treaty will allow Internet lottery retailers, such as Tipp24 and Fluxx, to remain in business.
- **Advertising for gambling on team jerseys and in stadiums will be permitted** – More than half the experts surveyed assume that the strict prohibition of gambling advertising on team jerseys and in stadiums will be dropped.
- **The decision in the Placanica case cannot simply be applied to the German market** – The ECJ's decision in the Placanica case cannot be applied directly to the German market because of the difference between the Italian and German gambling markets.

# Sample pages of report

The image displays several sample pages from the report, including:

- Page 1:** A section titled "Fighting for changes in the InterState Agreement leads a more liberalized market." It discusses the impact of the InterState Agreement on the market and includes a bar chart showing the percentage of experts who expect certain changes in the market.
- Page 2:** A section titled "Gambling in the media and advertising – future trends." It discusses the impact of media and advertising on the market and includes a bar chart showing the percentage of experts who expect certain changes in advertising.
- Page 3:** A section titled "The ECJ's decision in the Placanica case and its implications for the German market." It discusses the implications of the ECJ's decision in the Placanica case for the German market and includes a bar chart showing the percentage of experts who expect certain changes in the market.

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## Exhibits

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- Exhibit 2: Possible scenarios for the future of the new Interstate Agreement on lottery/gambling – Results of MECN's survey
- Exhibit 3: Possible changes and amendments to the Interstate Agreement – Results of MECN's survey
- Exhibit 4: Advertising for gambling providers on foreign sports clubs' team jerseys
- Exhibit 5: Chances of success of various methods for excluding foreign Internet providers from the German market – Results of MECN's survey
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## Companies mentioned in this report

|                                     |                          |                                 |
|-------------------------------------|--------------------------|---------------------------------|
| Arbeitskreis Wetten                 | Fluxx/Jaxx               | Sportwetten Gera                |
| Bestwetten                          | GameDuell                | Sportwetten.de                  |
| Betbull                             | Happybet                 | Springer Wettannahmen / Pagobet |
| Betfair Deutschland                 | Holtzbrinck              | Stanley International           |
| Bündnis gegen das Wett-Monopol      | Leip-Gruppe / WettenLeip | Starbet                         |
| Burda                               | Millionenchance.de       | Tipp24                          |
| BWin                                | NKL                      | VEWU                            |
| Cashpoint                           | Oddset                   | VPRT                            |
| Digibet                             | PartyGaming              | WestNet (Ex-WestLotto)          |
| DSF                                 | PartyPoker Deutschland   | Wetten.de                       |
| DSG Deutsche Sportwett-Gesellschaft | Pokerstars Deutschland   |                                 |
| EverestPoker                        | Premiere                 |                                 |
| Faber                               | SKL                      |                                 |
|                                     | Sportingbet              |                                 |

## Contact MECN



MECN GmbH  
Martin Oelbermann

Fürstenrieder Str. 279a  
81377 München, Germany

Tel: + 49 (0)89 3835 6785  
Fax: + 49 (0)89 3835 6786  
E-mail: martin.oelbermann@mecn.net  
www.mecn.net



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**Contact us:**

For questions, please contact [reports@mecn.net](mailto:reports@mecn.net)

**London / UK**  
 MECN GmbH  
 Office 404, 4th Floor - Albany House  
 324/326 Regent Street  
 London W1B 3HH - UK

**Munich / Germany**  
 MECN Germany  
 Fürstenrieder Str. 279a  
 81377 Munich  
 Germany

Tel.: +44 (0) 207 692 4088  
 Fax.: +44 (0) 207 692 4089  
[info-uk@mecn.net](mailto:info-uk@mecn.net)

Tel.: +49 (0) 89 7412 0235  
 Fax.: +49 (0) 89 7412 0102  
[info-germany@mecn.net](mailto:info-germany@mecn.net)