

Myth 5

The European Commission's Infringement Proceedings against 10 Member States are a personal vendetta by Commissioner McCreevy against certain countries.

Fact

The Infringement Proceedings against 10 Member States (Austria, Denmark, Finland, France, Greece, Germany, Hungary, Italy, the Netherlands and Sweden) are a direct result of complaints by a variety of individuals including private sports betting operators which the European Commission has received over the last few years. The European Commission launches or pursues Infringement Proceedings by decision of the entire College of Commissioners, comprised of Commissioners from every Member State, acting by consensus on the basis of advice from the investigation services (DG MARKT) and the Commission Legal Services.

Facts Not Myths - Towards fair and open competition

A number of myths have emerged about the sports betting market in Europe. The facts, however, are much more complex. This document aims to dispel some of these key myths. From it, we argue for properly regulated sports betting markets across Europe where Government action is based on facts, not myths. Governments must identify the real problem and propose the right solutions, rather than come up with the wrong answer to the wrong problem.

Myth 1

Sports betting operators are behind attempts at match-fixing.

Fact

Match-fixing is a very rare phenomenon. Responsible sports betting operators, like Stanleybet, have procedures in place to identify suspicious betting patterns. If criminality is suspected, Stanleybet co-operates fully with the relevant authorities and passes information on to them. There has never been a single case of a licensed EU sports betting operator shown to be responsible for match-fixing. In fact, the primary victims of any attempts at match-fixing are licensed sports betting operators.

Myth 2

A regulated market leads to an increase in gambling addiction.

Fact

Problem gambling only affects a tiny minority of people. The latest evidence from the UK suggests that the incidence of problem gambling remained steady at just 0.6% of the adult population between 1999 and 2007, despite an opening up of the regulated market. Nevertheless, as a responsible operator, Stanleybet contributes to organisations such as the Responsibility in Gambling Trust to help address problem gambling. Source: UK Gambling Commission, British Gambling Prevalence Survey, 2007

Myth 3

Restricting the sports betting market to state-owned operations only allows for more money to be ‘returned to society’.

Fact

The overwhelming majority of state income generated by gambling is in the form of lottery operations rather than state-owned sports betting. There is no reason why the sports-betting element cannot be opened up to the market, whilst retaining a national lottery to protect money for good causes. The UK is a prime example, and leads the way in the world in returning income generated by the lottery to society.

Top Five Worldwide Lotteries Returning Money to Society

Rank	Lottery	Country	Total Sales (£m)	% Returned to Society
1	U.K. National Lottery	U.K.	£5013	41%
2	Westdeutsche Lotterie GmbH & Co.	Germany	£1303	40%
3	New Jersey Lottery	US	£1370	40%
4	Mizuho Bank Ltd., Lottery Division	Japan	£5360	40%
5	Dansk Spil AS	Denmark	£683	39%
Average of Top 100 lotteries				26%

Source: The Express and Camelot, 2006 Audited by Henley Centre HeadlightVision

Myth 4

As gambling is excluded from the European Union’s Services Directive, the EU has no competence to intervene in Member States’ own gambling legislation.

Fact

Gambling is excluded from the Services Directive. However, it has consistently been classified as a service by all the relevant European Court of Justice jurisprudence. As such, it clearly falls under Article 43 (Freedom of establishment) and Article 49 (Freedom to provide services). The European Commission, as the defender of the EU Treaty, has not only the legal right to intervene, but the duty too.