



BY KEVIN J. WEBER

Regulated Gambling Under Siege

Advertising restrictions gaining momentum worldwide

In the last twelve months, there has been an international movement towards the enactment of legislation that is broadly anti-gambling. By anti-gambling, we refer to laws that are animated by the view that regulated gambling is essentially anti-social; at best, a form of predatory capitalism, and at worst a malignant influence upon the moral fibre of the nation. In each case, the regulated gambling industry has been unable to head off this legislative trend with arguments it has used in the past to the effect that laws that prejudice regulated gambling operators will redound to the benefit of unregulated gambling. It is time for the industry to reconsider its tactics and assess whether a new government relations strategy could generate improved results.

At the furthest extreme we find Italy, which has enacted a total ban on all forms of advertising, including sponsorships that have been the lifeblood of Italian football clubs, particularly in the lower-level leagues. At the same time, tax rates on casinos and sports betting operators (land-based and online) have been increased, with plans for further increases to tax rates on video lottery terminals and slot machines. More recently, revelations that some licensed Italian bookmakers accept bets on amateur, underage athletes have led government officials to state that a total ban on amateur sports betting is being considered.

In Belgium, less restrictive measures are being imposed. Online casino ads are to be completely banned from television. Sports betting ads may only air on TV after 8 p.m., and are not allowed during live sports broadcasts. Gambling operators will no longer be permitted to endorse celebrities and athletes. Online casino companies will not be allowed to advertise their products on third-party affiliate sites. They will only be able to advertise on their own websites, and their advertisements can be removed if they

appear to be promoting excessive gambling activity (reportedly, no clear definition of what “excessive” means in this context has been provided).

The 2019 budget proposals of the minority government in Spain included proposals that would have restricted gambling advertising in a manner similar to how the advertising of tobacco products is presently restricted in Spain. Currently, tobacco brands may not enter into sponsorship agreements and may not advertise at all in large sectors of the Spanish media. While these budget proposals were defeated in parliament in February 2019, leading to calls for a new election, the fact remains that broad gambling advertising restrictions were introduced by a governing party, and the budget bill was defeated for reasons politically unconnected to its gambling-related provisions.

In the United Kingdom, the opposition Labour Party adopted a number of policies aimed at restricting the activities of regulated gambling operators at its party conference in September 2018. These included a total ban on gambling advertising during live broadcasts of sporting events, a levy on gambling operators of one per cent of gross gambling yield, new clinical guidelines and increased resources for the treatment of gambling addiction, rules that would allow gambling addicts to tell their bank to block their online gambling transactions and a ban on credit card betting. In October 2018, even more extreme restrictions were proposed by Lord Chadlington, a leading Conservative peer and donor, in alliance with members of parliament from the Labour Party, Liberal Democrat Party and Scottish Nationalist Party, as well as the Church of England.

The industry responded in December 2018 with the largest gambling operators in the United Kingdom voluntarily adopting

a ban on advertising during live sporting events broadcasts. It is unlikely that this concession will put a halt to increasing pressure to restrict the activities of regulated gambling operators, such as sponsorship bans and a more wide-ranging ban on gambling advertising.

It is notable that pressure to enact these restrictions comes from all sides of the political spectrum. The Italian deputy minister who promoted the advertising ban is the leader of the Five Star Movement, a populist and anti-establishment party. The Belgian restrictions were championed by the justice minister, who belongs to the Christian Democratic and Flemish Party, a moderate conservative party in the Christian Democratic tradition. The gambling restrictions contained in the defeated 2019 Spanish budget bill were proposed by the Spanish Socialist Workers' Party and the left-wing populist party, Podemos. Support for restrictions in the United Kingdom comes from across a wide swath of parties, including at least one Conservative member of the House of Lords.

It is apparent that the usual arguments raised by those who represent the regulated gambling industry are increasingly ineffective at communicating to office-holders or the public the potential unforeseen consequences of restricting the promotional activities of regulated gaming operators. The industry appears to have no natural allies in any political movement. A change of tactics is in order, and should be considered on an international level, since the targeting of the industry as a threat to public health has also become a contagion that crosses all borders. **CGL**

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