

## THE FUTURE OF THE GAMING INDUSTRY AND WHY WE NEED STRICT REGULATION

*Michael Rumbolz*

### I. INTRODUCTION

Thank you Nicole for that kind introduction. I would like to begin today by thanking Dean Grinvald, her staff, and the multitude of professors, practicing attorneys, the Boyd family, and all the distinguished donors that have invested their time, money, and hard work to make this law school both a reality and a respected institution.

Back in the Dark Ages, when the only *legal* casinos were in Nevada, I was a poker dealer at the Golden Nugget in downtown Las Vegas. It was then when I realized that my undergraduate degree in the liberal sciences was probably not going to help launch me into the executive suite of a major gaming company, onto the Board of Directors of a publicly traded corporation, or even necessarily prepare me to manage a government agency or become a cabinet member to a Nevada Governor. At the time, like many 21-year-old dealers, I was living paycheck to paycheck and looking at a potential career path in the gaming industry. I believed, from virtually the first week that I wore a busboy uniform to work the coffee shop graveyard shift at the Stardust hotel, that I loved the industry. More importantly, I wanted to work in the casino industry as a ‘suit’. When I really began considering the different options of how to achieve this, I knew that my first choice, going to law school, would probably be the most difficult. This difficulty was because unlike attending UNLV as an undergraduate, and being able to work while pursuing a degree, I was going to have to move to another state to attend law school. As all of you know, that is no longer necessary thanks to the vision, hard work and dedication of those I have just mentioned, and of course, Mr. William S. Boyd. Thank you, Bill!

I would also like to thank all those brave souls that thought it would be a good idea to have me present the Robert D. Faiss Lecture on Gaming Law and Policy. I knew Bob Faiss. He was one of the most knowledgeable, as well as highly respected and even kindest, gaming lawyers I have ever met. I know with certainty that I have not, and will not, meet another lawyer who was as universally well regarded as Bob. It is an honor to deliver remarks in a lecture series honoring Bob Faiss. I just hope that Bob would agree with your selection of me as a speaker in this series!

I would like to preface my comments by making it clear that everything I share with you today is my personal opinion and does not reflect a position or policy of Everi Holdings, VICI Properties, Seminole Hard Rock Entertainment, or Seminole Hard Rock International. In fact, there are undoubtedly people in

each of those organizations that would disagree with some or all of my statements and opinions.

After accepting your invitation to speak with you today, I was considering topics for my presentation, and I was struck with a great idea. Why not comment on the performance of gaming regulators and operators and make suggestions for their improvement? Since I personally only carry something in excess of 300 licenses, and since I am Executive Chairman of a company that supplies gaming operators, I thought...Great... after all ...what could possibly go wrong?

Hopefully, I won't offend too many regulators or operators since my policy thesis is that strict enforcement of regulations that are designed to control potential public harms is the best way to ensure continued public trust and the continued success and growth of the modern gaming industry. So, I guess we will all find out soon if anyone gets offended!

## II. REGULATORY ENFORCEMENT TODAY AND TOMORROW

Today I would like to begin with a trip into our past to review some of the history of modern gaming and then move forward and discuss how we can all shape the future of the gaming industry.

Note: Gaming vs Gambling? The Nevada statutes in Chapter 463 and in particular, Nev. Rev. Stat. § 463.0129 use the words 'gaming' and 'gambling' interchangeably. I will do the same today. After all, if it's good enough for multiple Nevada legislatures, it is good enough for me!

Most (although I know not all) of you have grown up in a world where lotteries, bingo, video gambling machines and casino style gaming have been ubiquitous throughout the United States. It's hard to imagine a time, yet you only have to go back to 1977, when Nevada was the only state that allowed casinos to exist. Nevada casinos have been legally allowed to operate here since 1931.

Those legislators, in the early 20<sup>th</sup> century, believed that in order to allow gambling and still feel safe from what were referred to as these '*...unsavory, dissolute and immoral activities...*' they had to expose it to the bleaching effect of sunlight or at least move operations from the back room out to the front room of buildings! That spatial movement was accompanied by the assurance of rough, tough frontier justice being applied to any card sharps, con artists, swindlers and/or thieves that tried to cheat the honest citizens and corrupt the highly moral and ethical politicians of the day. One result of this thinking was that the licensing authority, with only a couple of exceptions, was given to the local Sheriff of the jurisdiction and thereby provided them enough comfort to authorize 'wide open gambling'.

I believe that the primary reason Nevada brought their casino gambling out of those back rooms, and into what we still refer to as the 'front of house,' was their belief that it could be controlled. And, of course perhaps even more importantly, be required to pay fees and taxes that could be used for the public good.

Remember, this occurred in 1931. However, it wasn't until 1978 that New Jersey residents accepted this reasoning, along with the prospect of a lot of civic redevelopment in Atlantic City and became the second state to legalize modern casino gambling. Even after the formation of the Nevada regulatory bodies in the 1950s and the campaigns to eliminate any criminal influence in the late 1960s and throughout the 1970s, it wasn't until almost five decades after Nevada legalized 'wide-open' gambling that another jurisdiction followed our lead.

So, inquiring minds might ask the simple question "What took so long"? The answer to that question is, in my view, somewhat complex and has its roots in the 19<sup>th</sup> century and our history with lotteries.

Lotteries have a long and ancient history dating back, by some accounts, at least as early as 144 BCE. A lottery was used to finance the founding of the Jamestown Colony and even helped finance the Revolutionary War. It has been reported that that by 1790 there were around two thousand lotteries being conducted and there was a drawing, somewhere in the U.S., nearly every day. From the 1790's until about 20 years prior to the Civil War, more than 550 lotteries were authorized to benefit Schools, Churches, and Universities. By the early 1800s, twenty-four of the then thirty-three states and territories had authorized lotteries to pay for infrastructure improvements or government projects that would today generally be paid for with government bonds or tax revenues.

The backlash and ultimate prohibition of lotteries, and many other forms of government conducted or authorized types of gambling, came less from a concern regarding the potential corrupting influence on a citizen's morals as it did from its proven corrupting influence on lottery operators and on politicians.

Don't misunderstand, there have always been anti-gambling factions in our society, and they were no less, and perhaps even more vocal in trying to prohibit gambling in the 19<sup>th</sup> century as now. I simply don't believe their arguments would have taken such firm root were it not for the lottery operators and the various governments in charge of policing these activities providing ongoing scandals that shocked the public consciousness.

As early as 1827, New York Governor George Clinton warned that some lottery operators were keeping all of the money wagered without awarding any prizes. With virtually no government oversight, the Governor's address to the New York Legislature came near the beginning of a plethora of lottery related scandals that resulted in nearly *every* state and territory banning lotteries, and even leading to Congress acting to ban them in Washington D.C., by 1842.

However, in 1861 the Civil War began and gave lotteries new life! Due to the widespread infrastructure damage after the war, the Reconstruction period was a new beginning for lotteries. It also provided the environment for creation of the Louisiana Lottery, which was later referred to in Congress as "The Serpent", and which went on to create the greatest lottery related scandal in U.S. history.

Begun in 1868, and run by a New York based organized crime syndicate, the massive success of this lottery can be credited to lack of

competition and, most importantly, its ability to use the internet of its day, the U.S. Postal Service, to sell tickets. By 1877, at a time when other states had prohibited lotteries by statute, or many including Nevada, by constitutional prohibition, The Serpent was selling tickets throughout the country and in every state and territory. In order to preserve this virtual nationwide monopoly, the lottery was reported to have bribed journalists and bankers as well as a significant portion of the Louisiana legislature to protect their profits. They also “bought” all of the unsold tickets for each drawing, which amazingly happened to include most, if not all winning tickets for virtually every draw.

Since most State’s actions to try to stop the sale of these tickets in their jurisdictions were unsuccessful, they turned to Congress and were ultimately successful in 1890 making it illegal to sell lottery tickets through the U.S mail [currently codified in 18 U.S. Code § 1302] and in 1895 convinced Congress to ban lottery related materials from being introduced into interstate commerce [currently codified in 18 U.S. Code § 1301]. Thus, now you know why you have to drive to Primm or Arizona to buy lottery tickets any time Mega Millions or Powerball offer a prize over a billion dollars—blame the Louisiana Lottery!

One result of the widespread corruption of both government and nongovernment institutions through the bribery and graft engaged in by the Louisiana Lottery was that all lotteries were effectively outlawed in the United States by 1890. It wasn’t until nearly seventy-five years later that a lottery was authorized again by a state, and of course that was on the home turf of the Louisiana Lottery’s original operators, in the State of New York.

### III. HISTORY MAY NOT REPEAT, BUT IT CERTAINLY RHYMES

The reason I wanted to take you into this relatively obscure part of gambling history is because, while history may not repeat itself, at times it certainly rhymes.

My simple proposition is that we occupy a moment in time that can take the gaming industry as we know it today forward to an even more prosperous future or down a similar path to increased restrictions, and even prohibition, which led to that decades long demise of lottery operations in the U.S.

To understand why I believe we may be on the precipice of a period of gaming reduction in both the places and types of gaming allowed, I would first like to turn to the statements of purpose and or policy that have allowed the gaming industry to thrive in the first place.

Nevada, Great Britain, New Zealand, Australia, and every gaming State in the United States include statements of purpose in the legislation that allows gaming to be legally conducted. I would like to quickly make note of some of these statements of purpose and policy that have been employed by English-speaking western countries as the justification for authorizing both casino style and internet-based gambling.

So, let’s start here in Nevada. NEV. REV. STAT. § 463.0129 entitled “Public policy of state concerning gaming; license or approval revocable privilege.” The second sub-section of this statute, after declaring this to be the

state's policy purpose and noting how vital the industry is to Nevada, is as complete a statement of the variety of competing interests that the legislature wants to acknowledge and address as has ever been contained in an eighty-four-word run-on sentence.

*1. The Legislature hereby finds, and declares to be the public policy of this state, that:*

*(a) The gaming industry is vitally important to the economy of the State and the general welfare of the inhabitants.*

*(b) The continued growth and success of gaming is dependent upon public confidence and trust that licensed gaming and the manufacture, sale and distribution of gaming devices and associated equipment are conducted honestly and competitively, that establishments which hold restricted and nonrestricted licenses where gaming is conducted and where gambling devices are operated do not unduly impact the quality of life enjoyed by residents of the surrounding neighborhoods, that the rights of the creditors of licensees are protected and that gaming is free from criminal and corruptive elements.*

This statement of purpose is so comprehensive as to have been given 'tributes' by a variety of other jurisdictions, including Queensland, Australia. Their statute was enacted in 1985 and states its purpose in section 3, entitled:

*Object*

(1) The object of this Act is to ensure that, on balance, the State and the community as a whole benefit from casino gambling.

(2) The balance is achieved by allowing casino gambling subject to a system of regulation and control designed to protect players and the community through—

- (a) ensuring the integrity and fairness of games; and
- (b) ensuring the probity of those involved in the conduct of casino gambling; and
- (c) minimising the potential for harm from casino gambling.

There was a further tribute by the New Zealand government in their 2003 Casino Control Act:

*The Gambling Act 2003*

The purpose of the Gambling Act is to:

- control the growth of gambling
- prevent and minimise the harm caused by gambling including problem gambling
- authorise some gambling and prohibit the rest

- facilitate responsible gambling
- ensure the fairness and integrity of games
- limit opportunities for crime and dishonesty associated with gambling
- ensure that money from gambling benefits the community
- facilitate community involvement in decisions about the provision of gambling.

Despite the United Kingdom having had gambling related laws since as early as 1506, during the reign of Henry VIII, the same principles embodied in our Nevada statutes have been expressly stated as controlling by the modern British legislators when enacting their Gambling Act Of 2005, which has these stated objectives:

1. The licensing objectives

In this Act a reference to the licensing objectives is a reference to the objectives of—

*(a) preventing gambling from being a source of crime or disorder, being associated with crime or disorder or being used to support crime,*

*(b) ensuring that gambling is conducted in a fair and open way, and*

*(c) protecting children and other vulnerable persons from being harmed or exploited by gambling.*

As you would expect, the State of New Jersey also provided a list of purposes in its 1978 Casino Control Act. Their statement of purpose takes up nineteen numbered paragraphs and includes language which mirrors the concerns reflected by Nevada's legislators. Beginning at NJSA 5:12-1:

Short title; declaration of policy and legislative findings

*(1) The tourist, resort and convention industry of this State constitutes a critical component of its economic structure and, if properly developed, controlled and fostered, is capable of providing a substantial contribution to the general welfare, health and prosperity of the State and its inhabitants.*

.....

*(6) An integral and essential element of the regulation and control of such casino facilities by the State rests in the public confidence and trust in the credibility and integrity of the regulatory process... is further designed to contribute to the public confidence and trust in the efficacy and integrity of the regulatory process.*

*(7) Legalized casino gaming in New Jersey can attain, maintain and retain integrity, public confidence and trust, and remain compatible with the general public interest...*

(8) *Since the public has a vital interest in casino operations...*

(9) *Since casino operations are especially sensitive and in need of public control and supervision...*

(12) *Since the economic stability of casino operations is in the public interest and competition... is desirable and necessary...*

(13) *It is in the public interest that the institution of licensed casino establishments in New Jersey be strictly regulated and controlled...*

This recitation continues throughout each of the nineteen paragraphs of policy intent and with consistent references to “public trust”.

The common thread that runs through all of these, and most if not all gaming statutory schemes in the Western world, is ensuring the public welfare and protecting the public from the potential for harm if the gambling activity is not controlled and conducted honestly by reputable operators.

Recently, and by that I mean throughout 2022 and into 2023, there have been a variety of what I will call *regulatory challenges* throughout Australia, Great Britain, and the U.S. that bear directly on exactly those policies and statements of purpose that provided legislatures the reason to allow gaming businesses to flourish in the first place.

I would like to share with you just a *sampling* of some recent headlines:

From the U.S.:

- New York Times - A RISKY WAGER *Why States Were Unprepared for the Sports-Betting Onslaught*
- BetMGM Fined For Maryland Sports Betting False Start
- Compliance of 2 Massachusetts Casinos Called into Question After One Week of Sports Betting
- Former Tribal Leader Gets 3 Years in Casino Bribery Case
- Three More Online Sports Gambling Companies Receive Violation Notices, Could Face Fines

From the United Kingdom:

- U.K. Gambling Company Fined \$7.6 Million Over Alleged Money-Laundering Control Issues
- UK's 888 Given Record \$24 Million Fine for Social Responsibility and Anti-money Laundering Failures
- Badminton Star Sent Rape and Death Threats from Gamblers

From Australia:

- Sports Betting Regulation is in the Spotlight After the Federal Communications Minister Received Donations From the Industry
- The Crown Casino Allegations Show the Repeated Failures of our Gambling Regulators

- Star Entertainment Group Fined \$100 Million over Queensland Casino Breaches, Given 12 Months to 'Get Their House in Order'
- Third Australian State Finds Crown Unfit for Gaming License but Offers Reprieve
- Crown Casino in Melbourne Fined \$80 Million for Illegal China Union Pay Scheme (May 2022) & Melbourne's Crown Casino Fined \$120m for Breaching Victorian Gambling Laws (Nov 2022)
- Netherlands Bans Many Ads for Online Gambling Services Starting July 1; Sports Sponsorships to be Phased Out

And from April 6, 2023:

- British Politician Ousted for Peddling Support for Fake Gambling Investor

Oh, let's not forget lotteries, this is from December 2022...

- 'Predatory Gambling' Has Helped the Lottery Reach Sky-High Jackpot, Critics Say

So, to sum up this sample from the last sixteen months: massive fines for regulatory violations; threats to suspend or revoke licenses, but only a couple of actions taken; alleged or proven influence peddling; and bribery of elected officials.

I contend these abuses, together with dozens of others that I didn't detail, have resulted in an overall diminished confidence in government's ability to control what has been referred to as the 'evils' of legal gambling.

Oh, and let's not forget, gamblers making threats of death and sexual violence against athletes over their losing bets. Does anyone else hear echoes of the Louisiana Lottery?

Fining gaming companies for their regulatory or statutory violations has become a frequent and commonplace event. This has not gone unnoticed by those that oppose legal gambling. While there are a multitude of sites on the internet where you can find information about gaming regulatory actions, there was one website apparently created *only to report* on the number and the financial amount of the fines from the U.S., United Kingdom, Australia, Sweden and The Netherlands. The site, "GamblingIndustryFines.com", also helpfully reports the total amount of such fines in both U.S. Dollars and British Pounds and it does not provide good news for the industry.

A little data, as reported on this site:

- Total Gambling Industry Fines in 2018: \$26 million dollars
- Total Gambling Industry Fines in 2019: \$22 million dollars
- Total Gambling Industry Fines in 2020: \$56 million dollars
- Total Gambling Industry Fines in 2021: \$50 million dollars
- Total Gambling Industry Fines in 2022: \$306 million dollars, or just shy of *double* the previous four years combined.



This site contends that “Gambling regulators in the United States, Australia, United Kingdom, Sweden and the Netherlands were busy in 2022 – levying penalties on numerous online and land-based gambling operators - which included record financial fines, revocation warnings and even gambling-license suspension.”

According to this site, some of the key areas of violation cited by gambling regulators included:

- Accepting wagers before licensed to do so.
- Contacting & offering promotions to self-excluding gamblers.
- Marketing to young adults.
- Breaking advertising rules / inducement infractions.
- Social responsibility failings.
- Accepting Prohibited Wagers.
- Offering bonuses in breach of local gaming laws.
- Failure to prevent Overspending & placing limits on accounts.
- Failing to identify customers at risk of gambling related harm.
- Not having or operating in violation of appropriate Anti-Money Laundering (AML) controls.

Does this list sound like gambling is an industry that is being well monitored and controlled by government for the public good and to protect the public welfare? I believe this list can and will be used to paint a picture of an out-of-control group of companies, ignoring regulations and prepared to corrupt both elected officials and members of the public? Total penalties this year, as of April 2023, are on track to be more comparable to 2022 and will undoubtedly exceed the total amount fined in any year prior to 2022. In 2023, fines already total almost \$54 million dollars.

I should also note that with my admittedly rudimentary skills, I could not find any indication of who started, updates or generally maintains this site, although from the sources it generally links to, it does not necessarily appear to have originated in the United States.

The fact that this site exists, in this raw form, should be of concern for anyone involved in the gaming industry. There are several use cases I can imagine for why such a site was created, but I don't personally believe that one of them is to provide governmental transparency since every gaming regulatory body publishes this information on their own website.

The first use this site could be used for is to goad regulators into a game of one upmanship. This could result in driving up the financial amounts of fines levied for regulatory or statutory violations. This could also lead to an increasing number of fines being levied by regulators. Whether it is having more companies fined or more fines levied at record levels, either could result in significant

reputational harm to the individual gaming company involved. However, it would *also* hurt the reputation, in general, of all businesses involved in the gambling industry, regardless of whether they are operators or industry suppliers.

There is one use case that should concern anyone with a personal stake in the Gaming Industry, and I might argue that includes everyone here today. I believe the most valuable use of this site, and its information as presented, is to provide a clearinghouse that shares data to support arguments that can then be used by any number of anti-gambling campaigns. Since this site only shows raw data, it presents an extremely unflattering picture without any context. My concern is that this raw data does not consider:

- Market growth,
- Regulatory changes,
- The amount of time the business has been conducting regulated activities,
- Whether the violation was self-reported; or
- Any other issues that could meaningfully contribute to answering questions regarding why or how the activity that is being penalized, occurred in the first place.

This data, presented in its raw form, can inflame an average person's views regarding whether gambling should be legal. It can also create concern that gaming is as corrupt as it has been portrayed down through the centuries and is an even greater moral and financial threat than described by today's anti-gaming advocates.

By publicly presenting the data in this manner, it becomes more valuable for anti-gambling organizations whose myriad goals include stopping the growth of the industry, limiting the existing number or type of games or casinos available to the public and outright prohibiting any casino-style or online gambling.

The anti-gambling movement is continuing to try to influence state lawmakers to prohibit or reduce the gaming available in the U.S. Recently, the University of Illinois Law Review presented a symposium which contained nine separate anti-gambling articles. In its Vol. 2021 No. 5. many of the articles were directed at the harms to family and potential for governmental corruption that is purportedly caused by the gaming industry.

Also, you only need to visit 'StopPredatoryGambling.org' to see exactly the types of arguments, **both old and new**, that are being crafted against the gaming industry today.

By the way, if anyone is interested, their national convention is being held next Friday and Saturday in Arlington, VA.

I believe it can easily be argued that the explosion in both the financial amounts and the absolute number of fines levied is evidence of both the explosive growth of the industry and that regulators in multiple jurisdictions have become stricter and harsher in their responsibility to regulate the gaming industry. Unfortunately, it can also be argued that, as it has grown, the gaming industry has become more lawless, corrupting and out of control.

Early in my career I had the responsibility, among other things, of analyzing new jurisdictions and evaluating their potential value for my then employer Circus Circus. Hands down the hardest part of the job was trying to convince councilmen, aldermen, sheriffs, mayors, assemblymen, state senators, governors, or the staff members of all of the above, that casino gaming in 1990s America could be controlled, regulated, and be enjoyed as adult entertainment without causing the moral and financial collapse of society in general or their community! It was not an easy task then and it certainly hasn't become less difficult with the expansion of both the bricks and mortar and online gaming opportunities over the past three decades.

I am certain that many of you listening to me are convinced that a *total* prohibition of gaming as we know it today could not happen. This may be true, and you may be right. I certainly agree with you when it comes to my home state of Nevada. Our licenses, issued to casinos and individuals, do not have an expiration date, in most cases. I also do not believe that the Nevada public is interested in closing the resort industry that has been built in Las Vegas, or even Reno, in a government 'taking' action without overwhelming cause.

However, that is not necessarily the case in other commercial jurisdictions in the United States. Other U.S. jurisdictions *have* placed renewal requirements on licenses for operators, their operations or even contracts with charitable organizations, any or all of which are needed to run a gambling enterprise in their jurisdictions. Their commercial industries could be outlawed in a matter of a few years.

The good news for any law students considering becoming litigators is that this could also become the *full employment until retirement* caseload that you *could* work on for the rest of your careers.

#### IV. BACK TO BASICS

To avoid this dystopian view of the future of our industry (except for that part about full employment), I believe we need to get back to the basics of governmental control and regulation of gambling activities. Statutory and regulatory schemes must be vigorously enforced. Illegal forms of gaming must be sought out and destroyed!

I have also compiled some additional steps that I believe should be voluntarily adopted:

For the Industry:

- a. Always self-report known violations of statutory or regulatory provisions or standards.
- b. Accept any penalties imposed by regulators *without* publicly trying to minimize your business's culpability. Remember that in most cases you have negotiated the fines and conditions of any punishment (except for revocation which is generally not subject to negotiation)

- c. *Train and retrain* your staff on all of your policies and procedures! Provide focused training regarding the rules designed to stop money laundering! Money laundering rules are in place to help identify and stop organized criminal groups, not to stop you from catering to wealthy patrons that enjoy gambling!
- d. *Invest in Responsible Gaming* programs to help anyone that may be harmed through disordered gambling.
- e. *Stop* using language in ads that may be viewed as deceptive advertising! Even if you aren't a member, follow the codes of conduct in operations and marketing adopted by the American Gaming Association; and
- f. *Never cater to minors* in your products, your promotional offers, or your advertising and *never* enter business partnerships with institutions whose majority constituents are minors. Also *vigorously* exclude minors from the gaming areas in your operation.

For Regulators:

- a. Conduct rigorous investigations into applicants for gaming licenses and approvals and, when in doubt, *deny* or limit the approval! The time when you have the greatest power to make an impact on the future compliance posture of all your licensees is at the moment of licensing. Always remember that it is a PRIVILEGE to hold a license, not a right.
- b. Make certain that your decisions are *swift, firm, and fair*. Your licensees should know what to expect as a response to any violations.
- c. When taking punitive actions, publicly provide clear explanations regarding the importance, or if appropriate, the relative unimportance of the violation you are disciplining.
- d. Engage in *progressive discipline*. This is how most licensees interact with any of their employees that violate company policies. Licensees should expect the same from you and will not be surprised that a second violation is treated more harshly than the first.
- e. When it is appropriate, *revoke* or *suspend* the license to operate. While it should only be necessary in rare situations, revoking or suspending licenses commands the attention of the entire gaming industry. When revoking or suspending a license, give even greater transparency of the regulatory reason(s) for such punishment; and
- f. Use *every* legal authority available to you to uncover and help prosecute and shut down purveyors of illegal games and gambling operations and imprison them, fine them or both.

## V. CONCLUSION

We have come a long way from the scandals and unsavory influences that were involved in the gaming industry at the end of the 19<sup>th</sup> and the first half of the 20<sup>th</sup> century. I genuinely believe that we are living in the golden age of gaming. There are more jurisdictions with more casinos and more ways to gamble than ever before in the United States and around the world.

To paraphrase Stan Lee, ‘. . . *with this great opportunity comes great responsibility*’. For the industry to continue its prosperity, we have to continue to prove that we effectively police ourselves, that we lessen any harmful effects from the games we operate and that we provide well run, safe recreational activities for adults.

To help our industry continue to prosper, we need regulatory authorities to take fair but firm action when they are made aware of regulatory shortcomings, to investigate and rigorously seek prosecution of unlicensed and illegal gambling in their jurisdictions and to block the entry into our industry of those individuals and companies that don’t conduct themselves with the greatest degree of honesty and integrity.

If we all work together to achieve these goals, I believe that we will not only continue to maintain a high degree of public trust, but that we will continue to thrive and be considered an example to new jurisdictions of the value that is created when a well-regulated gaming industry is established.

Thank you very much!