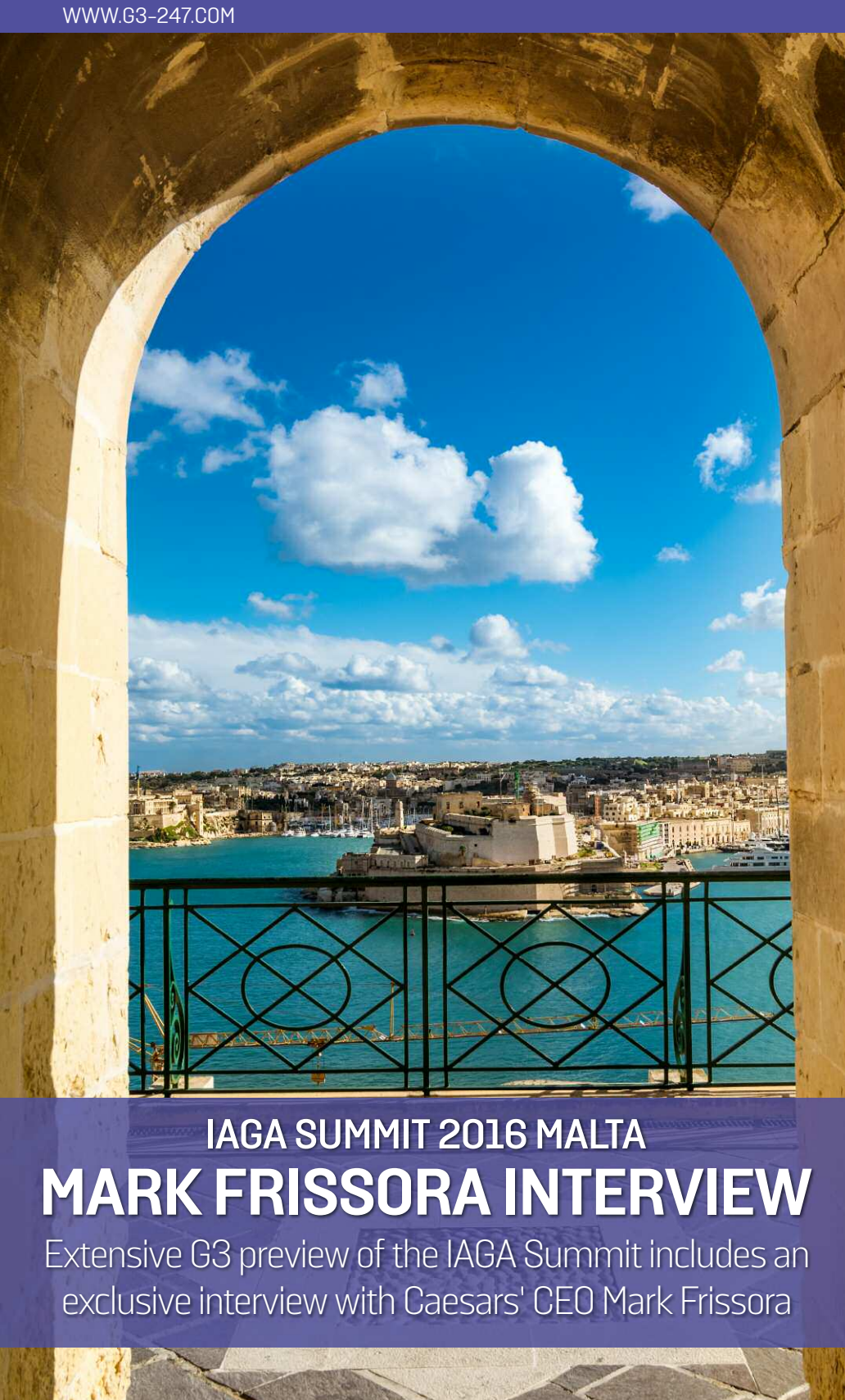




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Uruguay P08



Westspiel's Duisburg Casino doubles its order for APEX slots after initial positive player tests
GERMANY P16



Konami's new Vegas HQ awarded Southern Nevada sustainable green building award
US P26



Crown Resorts warns its Perth hotel will face an uphill struggle due to external economic factors
AUSTRALIA P28

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Ilkim Hincer,
Co-Chair of the Gaming Specialty
Group at Osler, Hoskin & Harcourt, LLP

Ilkim Hincer is the Co-Chair of the Gaming Specialty Group at Osler, Hoskin & Harcourt, LLP. Ilkim is the former General Counsel of the British Columbia Lottery Corporation, Penn National Gaming's Canadian subsidiary at Casino Rama, and Onex Corporation's Trilliant Canada Gaming. Ilkim has extensive regulatory, compliance, risk management, procurement, commercial and international transactional experience in the gaming industry. His experience includes practical and operational experience establishing and enhancing compliance regimes and internal controls (including provincial gaming, responsible gambling, and federal anti-money laundering requirements) for both private sector gaming operators and the public sector provincial government agent responsible for the conduct and management of gaming. He can be reached at ihincer@osler.com

The federal Criminal Code of Canada's gaming provisions (which have not been substantially amended since 1985) require that the provincial governments are both gaming operators and gaming regulators. Whether this is the most efficient and effective means to achieve provincial or federal governments' mandates vis-à-vis Canadian consumers is a good question.

North America: the convergence of technology and entertainment



Turning his gaze on North America, Ilkim Hincer describes the market conditions currently affecting the gaming sectors in North America with a view to expanding on the subject at the IAGA Summit 2016 in Malta this month

What are the biggest challenges affecting your locale (i.e., Canada/North America) right now?

The impact of emerging, innovative and disruptive technologies, and the evolving demographics, demands, wants and expectations of consumers. We are living in times of unprecedented pace of technological change. Historically, most of our laws, regulations and marketplace management strategies are based on traditional land-based approaches. In addition, the federal Criminal Code of Canada's gaming provisions (which have not been substantially amended since 1985) require that the provincial governments are both gaming operators and gaming regulators. Whether this is the most efficient and effective means to achieve provincial or federal governments' mandates vis-à-vis Canadian consumers is a good question.

How would you remedy these issues?

Through the adoption of more modern, holistic paradigms that are willing to let go of traditional concepts of boundaries and challenge the status quo, including lingering misperceptions about the gaming industry. In addition, government oversight in Canada

can evolve to react more nimbly to the realities of today's marketplace. Innovative and well-reasoned approaches connected more directly to consumer expectations, operational and regulatory realities can actually lead to: (i) enhanced consumer protection & industry regulation; and (ii) generation of greater revenue for the public good. All of this might require amendments to existing laws – in the spirit of one recent Criminal Code amendment that now permits charitable organizations to use modern technologies to offer more efficiently lotteries that generate revenue for good causes.

How would you summarise the financial and political stability of gaming in your marketplace?

In recognition that the public purse bearing the commercial risk was not sustainable in the long term, the provincial government launched a "modernisation" initiative in Ontario, Canada's biggest province and market. Another key driver was the recognition that private sector expertise can and should be leveraged better, not only to spur development and investment but also to provide enhanced, customer-focused operational services



within a heavily regulated model. Also, as noted, the growing online space is largely unregulated. The federal and provincial governments must decide whether our existing laws, practices and institutions sufficiently and efficiently protect Canadians while responding nimbly to modern demands.

One key part of the analysis is whether we are optimising opportunities to generate increased revenue for social priorities that may otherwise continue to flow out of the country in a largely unrestrained, unregulated marketplace.

Which gaming sectors are in growth and which in decline in your region – and why?

Lotteries have done well recently, buoyed by some record high jackpots. Casino gaming in Canada has been steady, with the border properties in particular experiencing upticks due to fluctuations in US-Canada currency exchange rates. The significant “privatization” process being undertaken in Ontario has generated considerable interest from gaming operators, developers and investors. This “modernisation” initiative is one of several examples of Ontario’s desire to optimise assets and raise money for priorities such as transit and infrastructure. This revitalisation of the gaming industry is opening up opportunities for expansion and growth across the province.

Online sports betting and social gaming continue to grow at unprecedented rates. The overwhelming majority of online gaming falls into the unregulated grey market category. Also, all indications are that eSports will continue its impressive growth.

All of this growth is attributable to a great extent to the convergence of technology and entertainment, evolving consumer expectations (especially in the highly coveted younger demographics) and the blurring of traditional boundaries between social, casino and online gaming.

If you could change one aspect of the regulatory framework in your market, what would it be?

The single most ubiquitous technological reality of our lives is the internet. It has transformed almost every aspect of our lives and brought with it the promise of seamless interconnectivity. By carefully modernising our regulatory approach to embrace this reality and not ignore it, we can help spur economic growth, foster new patterns of innovation and better respond to today’s realities. In Canada this also necessitates a serious look at the current governmental oversight model. Flexible, efficient, risk-based approaches to regulation that embrace technology not only provide greater regulatory and commercial clarity, but also opportunities and protection to Canadian consumers that may have so far eluded them.

The federal and provincial governments must decide whether our existing laws, practices and institutions sufficiently and efficiently protect Canadians while responding nimbly to modern demands.



The International Association of Gaming Advisors (IAGA) will hold its 35th annual International Gaming Summit with the Gaming Regulators European Forum (GREF) May 31 through June 2 at the Westin Dragonara Resort in St. Julian’s, Malta.