

# magazine

For Sustainable Global Gaming Excellence



## The WLA celebrates its 10th birthday!

This year, the World Lottery Association commemorates a decade of serving the global lottery community. From the establishment of internationally recognized standards to the promotion of responsible gaming, the WLA continues striving toward helping its members support good causes in their communities. In this issue we look back at the first 10 years.

# We see opportunity.



Today's global economic pressures have generated incredible business challenges. In this climate, we see opportunity. Opportunity to accept, seize and manage change—to be more competitive in the entertainment industry...and to grow lottery sales from *retail expansion*, to implementing *best practices*, to *new media games*, to exciting *new business models*. We see opportunity everywhere...but more importantly, we see it for our customers.

Partnering with lotteries...for good causes.



**GTECH**<sup>®</sup>  
Architects of Gaming

GTECH<sup>®</sup> is an advocate of socially responsible gaming. Our business solutions empower customers to develop parameters and practices, appropriate to their needs, that become the foundation of their responsible gaming programs.



## Contents

- 5 Letter from the President**
- 7 The WLA business plan 2009-2010**  
A road map for the future course of the WLA
- 8 10th anniversary special**  
The WLA pays tribute to a decade of serving the global lottery community
- 24 See you in Santiago de Chile!**  
All systems are go for the World Meet 2009. Details on the congress program and coinciding events
- 29 The WLA Security Control Standard**  
A conversation with SRMC Chairman Thierry Pujol. Mr. Pujol speaks about the latest improvements to the WLA SCS
- 32 The WLA Responsible Gaming Framework**  
A number of other measures have been taken to keep the RG Framework on a course of continual improvement
- 34 The Japan Lottery Association**  
The 64 year evolution of the Japanese Takara-kuji lotteries
- 38 British Columbia Lottery Corporation**  
Beating illegal offshore gambling operators at their own game, responsibly
- 40 Svenska Spel's Gaming Academy**  
A think tank for gaming professionals
- 42 Loterie Romande**  
2008 proves to be a record year for Loterie Romande
- 46 The learning curve**  
Reports from various WLA seminars from around the globe
- 50 Scientific Games Latino America**  
An exemplary social responsibility program leads to contented workers and higher productivity
- 52 Contributor news**  
Selected news highlights from the members of the WLA Contributor's Program

## Between retrospect and foresight



What started as an idea more than 10 years ago is now a well-established organization. As we look back on the past 10 years of the WLA we do so with pride and thankfulness. Indeed we can be proud of what we as an association have thus far accomplished. At the same time, we are thankful to our members and sponsors for contributing to our success

and standing by us throughout the past decade. In order for any organization to have an eminent future it must pay tribute to the past. In this special anniversary issue of the WLA magazine we will take you back in time to relive the historical moments of our association through the eyes of those individuals that made it all happen. Many thanks to lottery veteran Ray Bates for helping us put this retrospective together.

Looking forward now and considering what lies ahead, I have drawn up a map for the future course of our association together with the members of the Executive Committee. On page seven you will find a description of the WLA business plan for the remainder of 2009, and the time leading up to the next general assembly meeting in Brisbane in November of 2010. As we move forward we will be looking to deepen our cooperation with the regional associations, eliminate redundancies and strengthen the core of our member services.

Preparations for the World Meet 2009 in Santiago de Chile are advancing rapidly. With the congress just around the corner, I can assure that our host for this event, Polla Chilena de Beneficencia, has done a splendid job on the organization. On page 24 you will find detailed information as to what will be in store for you in Chile this October 26-29. We hope to see as many of you as possible in Santiago.

In this issue, we have the latest on the WLA Security Control Standard. Talking to the WLA Security and Risk Management Committee Chairman, Thierry Pujol, we learn how the standard continues to evolve and why it is now more important than ever for members to become WLA SCS certified.

We also have an update on the WLA Responsible Gaming Framework. Recently, we developed and published a guide to help members in the submission process for the Responsible Gaming Framework. This useful tool was sent out to the members in July and is available for download on the member website. We are also pleased to announce that the Responsible Gaming Independent Assessment Panel has a new member. Jan McMillen is a professor at the Gambling and Addictions Research Center of the Auckland University of Technology in New Zealand. We welcome Ms. McMillen to the world lottery community and look forward to working with her on the panel.

These and other issues of interest to our membership can be found on the following pages.

Jean Jorgensen, Executive Director, WLA

Enter the future of gaming!



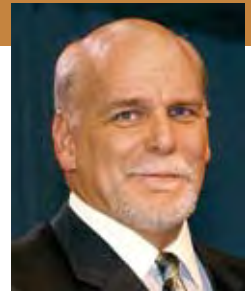
**Welcome to the world of INTRALOT Interactive.**

Sharing INTRALOT's wide knowledge, extensive experience and pioneering technology, I<sup>2</sup> is breaking new ground in interactive gaming.

**Meet I<sup>2</sup>, the new, strong player in the online gaming market.**

Responsible Gaming is an integral part of INTRALOT's solutions. Our state-of-the-art technology and operational expertise enable us to implement responsible gaming practices on behalf of our customers. At INTRALOT... we care a LOT.





## Overcoming long odds

Knowing I live in Louisville, Kentucky, home of Churchill Downs and the world-famous Kentucky Derby, first of the US's annual Triple Crown thoroughbred horse races, you may have expected I would draw a connection between that series and the current economic situation faced by our lottery industry members around the world

As May 3rd, the date of this year's Kentucky Derby, approached, Calvin Borel, the 2007 Derby winning jockey, was without a horse to ride until trainer Chip Woolley asked him to ride *Mine That Bird*. Although sired by *Bird Song*, winner of a 2005 Triple Crown race, *Mine That Bird* entered the starting gate with betting odds at 50-1. No horse with such high odds had won the Derby since the 1930s. Entering the homestretch, *Mine that Bird* was in 19th place. Borel guided the three-year old through an incredible stretch drive along the rail, for an exciting and decisive win. With the Preakness approaching, Borel was faced with a serious dilemma. The owners of *Rachel Alexander*, a filly (female) ridden by Borel to a win in the Kentucky Oaks, the equivalent race to the Derby for three-year old fillies, decided to enter her in the Preakness. Honoring a longstanding commitment, Borel decided to ride the filly in the May 17th Preakness and possibly forego the opportunity to win the coveted Triple Crown, a feat accomplished only by 11 horses and 10 jockeys since 1919. Additionally, no jockey had ever won two Triple Crown races on different horses within the same year, and only nine fillies had ever won a Triple Crown race out of 409 races held since the 1870s. Again facing long odds, but among the betting favorites, Borel guided *Rachel Alexander* to an impressive victory in the Preakness. Shortly thereafter, *Rachel Alexander's* owners announced they would not enter her in the Belmont Stakes, the third jewel of the Triple Crown, to be held June 6th at New York's Belmont Park. That decision freed Borel to return as *Mine That Bird's* jockey and seek to accomplish what NO jockey in history had ever done – win the Triple Crown in a single season on two different horses. Although Borel rode another brilliant race in the Belmont, the longest of the three Triple Crown races,

guiding *Mine That Bird* from the back of the pack to the lead in the homestretch, he was nipped at the wire by two horses finishing third to *Summer Bird*, another horse sired by *Bird Song* and half-brother to *Mine That Bird*. Nonetheless, Calvin Borel created great excitement and made racing history in the process.

Now for the connection. With the current global economic conditions, our lottery members and vendors/suppliers face long odds and great challenges. Although these odds may not be as long as those typically faced by the players of our lottery, draw or instant games, or those faced by Calvin Borel, they most certainly are difficult and nearly as unprecedented. The world has not faced such a deep and prolonged recession for more than 25 years, since the early 1980s. Fortunately, we like Mr. Borel, have more than one horse (product) to ride to success; the confidence in our knowledge, abilities and skills to negotiate through a crowded field of competitors for our players business, and the undaunted courage/determination to see the race through, even in the face of what appears to be insurmountable odds to finish in the ultimate accomplishment of our goal, winning by achieving maximum revenues for the beneficiaries of the good causes funded by our lottery revenues.

As was the case for Calvin Borel, the spring and summer has been an active time for WLA, our regional associations, and members. During June, the EL Congress was held in Istanbul, Turkey, and the NASPL Spring Directors' meeting in Nashville, Tennessee. Congratulations to EL Secretary General Bernadette Lobjois, Recep Biçer, General Director of Milli Piyango, the Turkish National Lottery, and their staffs for organizing a successful, interesting, and entertaining Congress. Together they were outstanding hosts and showed the attendees the beauty and culture of this both ancient and modern city. An excellent program and tradeshow brought participants up-to-date on the most recent developments in technology, marketing, and the legal, political, and regulatory environment in which our European members conduct their lottery

businesses. Congratulations also to Winfried Wortmann on the completion of four successful years as EL President during these extremely challenging times and to Friedrich Stickler on his election as Winfried's successor. The NASPL Executive Committee and member directors discussed the issues and developments facing the North American lottery industry, as well as being briefed by David Gale, Executive Director, on the Association's strategic plans for the future. Rebecca Paul and her Tennessee Lottery staff did an outstanding job hosting the meeting.

The WLA Executive Committee met during the EL Congress in Istanbul and considered several ongoing programs and business matters. Additionally, it approved the Association's business plan for the balance of 2009 and 2010, which was developed and presented by Executive Director Jean Jorgensen. Please be sure to review Jean's summary of the plan on page seven.

A few closing thoughts. Thanks also to our member lotteries who served as hosts of the WLA Academy seminars held jointly with our regional associations, Singapore Pools; Loterie Nationale Sénégalaise; Staatliche Lotterieverwaltung in Bayern; Norsk Tipping; Ontario Lottery Corporation, and Szerencsejáték Zrt. A special thanks to Ray Bates and the contributors to the WLA's tenth anniversary article. As a relatively new member and more of an observer than a participant in the Association's organizational activities and earliest years, it was particularly interesting to me to gain the insights of our founding fathers and mothers. Finally, best wishes to our friends and lottery colleagues in California, Greece, and Turkey on recovering from the devastating forest fires and floods in the Los Angeles, Athens, and Istanbul areas.

I hope to see many of you in Santiago for World Meet '09.

Arch Gleason  
WLA President





## The WLA business plan 2009-2010

As the WLA celebrates its 10th anniversary we are busy planning for the next decade. At its recent meeting in Istanbul, the Executive Committee reflected upon the course that the association should take in the time leading up to the next general assembly in November of 2010 in Brisbane. Their aim is to have a consolidated platform of member services that will facilitate the future strategic direction of the WLA.

The landscape in which the WLA operates is fascinating. We have 141 members from six continents; we have 40 associate members that deliver services and technology globally; and there are five regional lottery associations where gaming policies and values differ throughout. The WLA does not wish to impose change or competitive services within those regions. Rather, we respectfully seek cooperation, to eliminate redundant services and nurture good relations. We hope this will bring about an evolution beneficial to all associations and to our common memberships. Finally, our current economic climate requires members, associate members and our sponsors to conduct prudent and thorough budgeting reviews. This would indicate that now is not the time for new and costly initiatives. On the contrary, it is time to critically look at our existing services and to enhance what is needed and discontinue what is not. In short, this is what the Executive Committee established at their meeting in Istanbul.

### WLA Conventions

Our conventions give the membership the opportunity to learn from one another, to establish an indispensable business network and to generate the ideas that shape our future. The WLA will therefore continue to organize its convention and trade show bi-annually on even years. We will however strive for quality rather than quantity. It has therefore been decided that the World Meet 2009 in Santiago de Chile will be the final

World Meet for the WLA. We will no longer organize conventions in the years that fall between the official WLA convention and trade show. Given that some regional associations also have their conventions on even years, we will research how to best coordinate this to the benefit of the lottery and vendor communities.

The method for selecting a convention venue will also change. For 2012, the venue will be chosen following a bid-procedure among a number of professional convention organizers and convention centers from within one or two regions. Europe and North America have already been selected for 2012. These two regions account for the majority of lottery revenue, host the most members and associate members and the WLA has offices in both regions. Additionally, both NASPL and the EL have pledged their support to the WLA. We will assume responsibility for the most critical contracts, those with the hotels and the convention venue. There will no longer be a bid among host lotteries for the 2012 WLA convention and trade show, although we will seek the support and active engagement of a member lottery once a venue has been selected.

### Member services

Training and education are important to the membership and we will continue this endeavor. The WLA however, will no longer independently initiate seminars. Rather than compete with the regional associations, we will offer our cooperation and support for them in accordance with their educational needs. This may include a full seminar package with registration, administration and business program or it could be limited to the marketing of a seminar in accordance with the needs of the organizing regional association. One exception to this rule will be in the areas of security and responsible gaming where the WLA has two established standards. We will independently look into the need for training in these areas.

The WLA will continue to promote its standards for security and responsible gaming and will seek the broadest possible support for them. We recently sent our Responsible

Gaming Framework (RGF) Submission Guide to all our members. Although it is too early to make a complete picture of the membership response, I trust it will be both active and positive. For our European members we have made an arrangement with the EL that will provide an excellent opportunity for them to benefit from WLA RGF certification. This will include both lotteries which already excel in responsible gaming and those which are developing their programs.

The WLA magazine and the WLA website are the two essential components of our communications platform and both are well received by the membership. The WLA website, which is playing an increasingly important role in service to our members is a resource that demands constant attention. In order to strengthen our manpower needs in this area, as of next year, the WLA magazine will be published twice instead of four times yearly. In 2010, the WLA magazine will be issued once in summer and once again towards the end of the year.

Our last area of services will provide members with various tools that will help them run an even more efficient lottery. Amongst these will be a collection of data from the membership which will allow for benchmarking and analysis and will serve as a barometer for the well being of the lottery community. In this area we will also seek the cooperation of the regional associations in order to avoid redundancies and to maximize output.

With these measures we hope to better serve our members and to demonstrate the magnitude and special nature of our "WLA family" to the world.

Jean Jorgensen, Executive Director, WLA

# 10<sup>th</sup> Anniversary



[1999]

WORLD LOTTERY ASSOCIATION **WLA**

WORLD LOTTERY ASSOCIATION



[2009]

## Introduction

When I was invited to compile and edit this important piece of institutional history



I had two immediate reactions: The first was that I had been accorded a singular honor and a position of trust by the World Lottery Association to produce such a document of

record. The second, and more important thought was, "How the Hell am I going to organize and structure such a diverse collection of writings from such a diverse mix of contributors?"

Every organization has a history, and every organization risks losing its history

over the years if there is nothing written down. New members of the organization will, rightly, question why some things are or were done. It's important that the reasons don't disappear as older members disappear.

My first thoughts were to try to find a clever theme, like describing the whole thing in terms of an engagement, marriage and the first 10 years of conjugal bliss. This imposed too many constraints. I then thought of having it all described as an elaborate fairy tale, but then I realized that there might not be enough Hans Christian Andersens among my contributors. So I gave each of them a brief of the general shape of the piece and let them cover a mixture of detailed recollections and general impressions of the

creation of WLA and its first 10 years. I am indebted to all our contributors and I thank them on your behalf. However, I know that no one will carp if I single out Guy Simonis' contribution as, indeed, his contribution to the creation of the WLA.

Complete accuracy is an impossible goal and I am of the school that teaches that there is no such thing as a "fact". Life is an interesting mix of impressions, misconceptions and opinions. So, also are the following stories.

I have been asked to add the usual disclaimer that the contents of the following articles are entirely personal to the authors and do not reflect the views of the World Lottery Association. Ray Bates



## A decade in retrospective

### WLA diary

#### The Madrid 'peace' conference



*Guy Simonis, founding WLA President*

On a cold, miserable European January in 1993, as a Member of the Intertoto Board, I traveled to Madrid to listen to either a proposal for a lottery merger or a demand for submission.

M. Colé, the President of La Française des Jeux, (and AILE) had sent out a questionnaire to all Intertoto and AILE members asking if they were in favor of a single world organization. Not surprisingly, the majority of respondents were in favor. Colé interpreted these responses such that AILE should absorb Intertoto.

I put forward the idea of creating a new organization instead of capitulation by either party. The other two Executive Committee members on the Intertoto side were more inclined toward self-preservation. Richard Frigren, the long-time President of Intertoto, and Emil Fischli, the fiery Swiss, didn't want any change.

I suggested a merger of two equals, without much success. After a fine dinner and a few perfunctory good-byes, the first attempt at a meeting of the minds was over.

#### The Intertoto/AILE merger 1994

Efforts to get Intertoto to take the lead in merging two world organizations had failed. I wondered, if all members of both organizations came together in one conference would it not become evident that we all had the same interests? A conference in Vancouver might

be a drawing card. NASPL had already designated Vancouver to be the site of their 1996 Annual Meeting. When AILE approved Vancouver to simultaneously host the 1996 AILE Congress, I was automatically elevated to President of AILE and became its negotiator with President Frigren continuing to speak for Intertoto. I remained a Board Member of Intertoto, as there was no rule prohibiting membership in both organizations. The new situation would enable me to present my views at both boardroom tables. With the strong assistance of Reidar Nordby, Intertoto agreed to also participate in Vancouver in what came to be known as "World Meet '96."

#### World Meet '96

In October of 1996, over 1,400 delegates and suppliers gathered in the Vancouver Trade and Convention Center to participate in the biggest lottery conference to date. In the decade to come, World Meet '96 would be spoken of in positive terms, but the greater benefit was that the two parties had grown closer together. The Intertoto Board had moved toward favoring a merger. At the same time it was expected that AILE's insistence on absorbing Intertoto would be eased if not eliminated under incoming AILE President Raul Olmos, host of their 1998 conference.

#### Rome 1997

At the 1997 Intertoto Board Meeting, the great surprise was the announcement that Richard Frigren had resigned as CEO of Tipstjänst and Margerite Bourgeois, the General Secretary and de-facto leader of AILE, had left Loto-Quebec. The Intertoto Board asked me to serve as interim Intertoto President until the next Intertoto Congress in 1997 in Berlin. I agreed, under the condition that the Board support the merger of AILE and Intertoto, respecting the culture

of both organizations which had developed over a half-century.

An Implementation Task Force was formed to consider all the issues and concerns resulting from the creation of a new organization. It was important that the Task Force would include a francophone member, so Michel Ansiaux, director of the Belgian Lottery, was an obvious choice. The Nordic representative was our opera-loving friend from Helsinki, Matti Ahde. Reidar Nordby from Norway, and Friedrich Stickler from Austria were also natural choices. North America was represented by Ed Stanek. The last four appointments were automatic: mine as Intertoto President, Raul Olmos (and later Tim Holley) as AILE President, and the two Secretaries General, Lynne Roiter (AILE) and Yvonne Schnyder (Intertoto).

#### Intertoto Conference, Berlin 1997

The membership of Intertoto voted to extend my presidency until the next conference in Oslo, 1999. The proposal to dissolve Intertoto in favor of a new organization





received unanimous approval, subject of course to AILE passing a similar motion at its Buenos Aires conference.

A lot of details needed to be dealt with, a lot of compromises reached and a lot of egos soothed. One of the motivating factors for a new organization was the elimination of duplicate efforts. The problem was which functions would be retained and who would do what? There were bound to be disappointments.

### Buenos Aires 1998, the final hurdle; one more vote and it's done.

When the 1998 AILE conference met in plenary session, Glasgow was approved as the site for the 2000 Conference. Tim Holley, the head of Camelot would become AILE president and a Member of the Task Force.

The motion to dissolve AILE in favor of a new organization was approved unanimously. The vote meant that AILE was committed to disbanding itself and its members would join the new organization. All this was to come up for a final vote at the joint meeting of Intertoto and AILE in Oslo in 1999.

### Hassle in London 1999

Another meeting of the Task Force was scheduled for London in May 1999. Its purpose was to fine-tune the written agreement for a new organization. The old adage, "the devil is in the small print," proved to be true.



The division of responsibilities of the offices in Basel and Montreal caused some heated differences of opinion.

A major stumbling block was the proposition that if the new creation was to be an association of the world's lottery organizations, then the voting members should be those organizations and not their countries of origin. AILE's rules said countries should have a vote rather than lottery organizations; something that would, for example, equalize France and Germany. Intertoto rules held that lottery organizations authorized by the State could be members and vote independently of each other.

This was unattractive to unitary states such as France, which had one lottery organization while Germany would have 16 votes, not to mention the United States with 39 potential votes. The day was won by a proposal that for any "major" vote, a majority of 75% was required so that none of the "blocs" could control the agenda.

But there still remained the issue of control of the purse strings. The meeting broke up in a bit of disorder. Matti Ahde and Tim Holley, ever the politicians, shuttled from one faction to the other. After to some adjustments to the proposed constitution the meeting concluded on a positive note. The road was clear for the final vote in Norway later that fall.

### The unified association's future

At a later meeting in Malta, the implementation focused on the post-merger problems. It was agreed that I should continue and be nominated as the Founding President to serve from the formation in Oslo until the WLA inaugural meeting in Glasgow. This would allow for continuity in the post-merger problems and provide a good start for whoever would be elected President in Glasgow.

Oslo Relations 1999 was the theme of the Intertoto/AILE Conference in Oslo. Now that

the final vote was at hand, I felt apprehension. The voting was somewhat unusual because so many delegates were carrying two votes; one as a member of Intertoto, the other as a member of AILE. The Intertoto vote was first. It was a unanimous vote to disband Intertoto and to join the new World Lottery Association. A similar motion by AILE received overwhelming approval.

The World Lottery Association was born! The nominated slate for the Executive Committee, a careful blend from both sides, was elected allowing me to serve as the Founding President until the next conference.

Well, there it was, at last. Several years of massaging, cajoling, pleasing and bartering culminated in one world lottery organization. A new era had begun.

### Glasgow WLA 2000

The Millennium year 2000 saw the first full-fledged WLA conference hosted by Camelot. I presided over the proceedings, and then handed the gavel to Reidar Nordby, whose election as President of WLA was by acclamation.

### Scandinavian sport



*Richard Frigen, Former Intertoto President and Honorary WLA Member*

I joined the lottery industry in 1980 as CEO of Tipstjänst (today Svenska Spel), one of the founding companies of Intertoto in the early 1950s. One of my first decisions was to apply for membership of AILE to broaden the horizon of an old Toto-company with a newly launched 7/35 Lotto

as the first non-sport oriented game in the company.



It was not until 10 years later that I heard anyone plead for a joint global gaming organization. It happened in Sevilla, Spain, at the AILE congress in June of 1990, eight months after I had been elected President of Intertoto. A new colleague, Gérard Colé from France approached me. He was an AILE-president-to-be. Mr. Colé made it clear that he wanted me to close down Intertoto and let him make the AILE Paris congress 1994 be the start of a new global lottery industry era. He expressed his ambition in a two-minute meeting and then he went out in the Andalusian sunshine. I had one more meeting with Mr. Colé a couple of years later, when he confirmed his ambition to become the gaming world president at the Paris Congress in 1994. Fortunately, he was no longer in the industry when La Française des Jeux hosted the AILE Congress 1994.

But wasn't an engagement-to-be-married a good idea? After all, two thirds of the state authorized lotteries were members of both organizations! Yes, I found the idea sound and mature.

After a few months in office as Intertoto President, I noticed a considerable reluctance among many Intertoto members in Europe, especially those who had a "Toto background," to merge with AILE.

For me, however, it was obvious that the range of games in the member companies would become more and more equal thanks to the new online technology that came late to Europe. It took a few years for those who were late in their online introduction to see how, step by step, we got the old traditional football pool companies and the more conservative lotteries to swim in the same pool.

During my last year as Intertoto President I know that there were many lottery directors working in informal and formal meetings around the world preparing for the merger, most of all Guy Simonis. Looking back now,

it is interesting to question whether we could have forced the merger to move faster than the technological developments at the time.

In quieter moments I sometimes ask myself, "What would have happened if Gérard Colé had not left to enjoy the Andalusian sunshine in 1990 and had, instead, spent some more time with me in Sevilla?" Where would we all be now?

## Letter from America



*Ed Stanek,  
Former AILE  
President*

AILE, Intertoto, WLA – all fond memories for this retired ex-officer. I was President of AILE from 1991–1992 and continued on the Executive Committee for the duration of the association. During my term as AILE President I appointed a committee chaired

by the Finnish director, Matti Ahde, to begin exploring the possibility of a merger between AILE and Intertoto. Some slight progress was made but my successor as President of AILE (from France) didn't see eye-to-eye with Richard Frigen of Sweden (the then President of Intertoto) and the talks of a merger were kicked out the door until after another President of AILE (Tim Holley of Camelot) was chosen.

During this time I also happened to become a member of the Intertoto Presidium. Guy Simonis became Intertoto President and serious merger discussions were back on the table. The cultures of the two organizations were different and although the memberships overlapped, each had members unique to its respective association. Guy appointed me to be on a committee to begin the task of coalescing two worldwide units into one. This was not an easy task as each organiza-

tion served the needs of members from two distinct gaming sectors and each organization had its own office, Secretary General and staff, based in two separate locations – Basel and Montreal.

There seemed to be general agreement on the concept of a merger to eliminate duplication of effort, save some money, and minimize the need for travel and frequent conventions and trade shows. But there were plenty of issues to resolve and idiosyncrasies to absorb. Both former organizations agreed to contribute to the initial financial stake in the new World Lottery Association. Intertoto had the bigger income because of its dues structure but it also had more bills.

Bylaws were an issue as was the overall governing structure. AILE published all its information in English, Spanish, and French. Intertoto did business in English. Along with others, Hans-Jürgen Reissiger from Berlin and Michelle Ansiaux from Belgium were named to a committee on bylaws to which I was named chairman. Hans liked to nit-pick on the language issue, always wondering if there was something wrong with the translations although he spoke fluent German, French and English. It was determined that English would be the working language of the association and Michelle spoke little English. It sometimes took hours to decide on an appropriate preposition. In the end a governing structure was put in place and the new organization shaped up not as a clone of its former counterparts but rather as a breed of its own – or maybe a half-breed of its own.

There were many fights along the way but diplomacy and late night discussions around the bars in diverse geographic locations eventually won the day.



## The laconic Englishman



Tim Holley, Former AILE President

### Politics...

It was inevitable that some people would have personal agendas during the merger, when they would lose a position they valued in one of the former organizations.

### Wider perspective...

As WLA members don't (usually) compete with each other they are happy to share ideas. Clearly with a wider membership you get more ideas and more people to talk with. So the benefits were obvious and made the merger proposition an easy one to support.

I was constantly amazed by the willingness of lottery colleagues to help, in particular, by sharing and discussing new ideas. This was a very useful way for a new lottery company to get an initial feel for a new market or for new games or other ideas.

### Memories...

I remember the significance of the 2000 Congress held in Glasgow. We had chosen to site the event in Glasgow, rather than the more obvious London option. The real



reason was that we got to see many lottery colleagues in dress kilts, and what a frightening sight it was too!

It was a proud moment for Camelot, the most recent of lottery start-ups, to preside over the event which saw Guy Simonis hand the gavel over to Reidar Nordby setting up the first fully elected board of the spanking new WLA.

## The Nordic Knight



Reidar Nordby, first elected WLA President

The first time I heard the word merger mentioned was in 1997 at an Intertoto Executive Committee Meeting in Rome, where we unanimously agreed to take an Intertoto initiative to the Executive Committee of AILE.

### Why we needed it

One of the visions behind the merger was to establish a truly global association. We recognized that we were highly dependent on each other, in the sense that the bad reputation of lotteries in one region could affect the reputation of lotteries worldwide. We also recognized that state-controlled lotteries should publicize the purpose of their operations and who their beneficiaries are. A coordinated effort to support the position and reputation of lotteries was regarded as important.

### Practical changes in the new association

The new association provided the opportunity to make some important changes for the membership. We first decided to change the fee structure so that small, emerging

lotteries got a lower "entrance fee," while the big, mature lotteries had to pay a higher fee. Another goal was to make the association financially stronger, and also to make it possible for smaller lotteries to host congresses and conferences. The WLA also invited the suppliers into a contributor program, including sponsorships of the congresses and conferences.

### Conferences and congresses equal chaos and crisis

With such a big association it was always a challenge to select the best site for future congresses. Candidate hosts prepared extensive and impressive bids. Unfortunately, we had on several occasions selected places that had to be changed. I was getting the feeling that change had become the rule rather than the exception.

First we awarded the Congress to Mexico for 2001, under the leadership of Hector Morales Corrales. The political situation in Mexico changed and we had to find a new host. Israel offered, but the political situation there was too unstable, so we finally decided to go to Albuquerque with NASPL. This of course was just after September 11, and many of the Americans wanted to cancel the whole Congress, but we stood very firm on our decision.

In 2005, we decided to have the World Lottery Forum in Cancun. Everything was planned, including hotel reservations, dinners and entertainment. Just a few weeks before the event was about to take place, hurricane "Wilma" destroyed the entire city! At the congress hotel we had water levels up as far as the 4<sup>th</sup> floor and alligators were swimming in the main street! Fortunately, we were able to relocate to Merida in February 2006, and to transfer most of the "planning and deposits" to the new location. But still it was a logistical and financial challenge for the WLA.



**Nelson Mandela**

In 2004, we had the WLA Congress in Durban, South Africa. Although there were challenges with security, most participants were very happy with the Congress itself and the South African values that were transmitted – Hope, Reconciliation and Dignity.

Before the closing of the congress, some of the lotteries CEOs (on the initiative of Christophe Blanchard-Dignac) agreed to donate a contribution to a social cause in South Africa as an expression of our appreciation of their hospitality. Together with Uthingo we decided that this contribution should go to Chris Hani Children’s Hospital in Soweto. At that time we were not aware that Nelson Mandela was the Patron of this hospital.

Some time later, Nelson Mandela came to Norway and through a joint effort of Uthingo and the Norwegian Broadcasting Corporation, I was invited to meet him. The meeting was extremely interesting. Mandela as a person reflects the values we learned in South Africa: Hope, Reconciliation and Dignity! I will never forget that meeting; it was one of the highlights of my life. What a magnetic personality!

**An arranged marriage**



Lynne Roiter,  
Head of the WLA  
Montreal office

As a young bride, and up until recently, 10 years ago to be exact, I did not understand how arranged marriages could work. It took the WLA to prove me wrong!

I became the Secretary General of AILE in 1997, and within my

first few months on the job, received a letter from Intertoto proposing a merger. Going

through the process I quickly concluded that it was the marriage of two adult associations that was being arranged, one that would give birth to a child, the WLA, which would, as is the habit of children, learn from its parents and then surpass them.

But the AILE/Intertoto marriage was not a case of love at first sight. In fact I was told that previous efforts to form a union were seriously rebuffed by the parties. The cause varied depending on to whom you spoke, but to many it seemed that what should be a natural fit, would never come about. Still others, led by Guy Simonis, never one to take no for an answer, knew what had to be done – arrange the marriage. And he did!

But even in arranged marriages, planning has to take place; and for this the uncles and aunts were called in to advise – the uncles being Ed Stanek, Tim Holley, Reidar Nordby, Friedrich Stickler, Matti Ahde and Warren Wilson; the aunts Yvonne Schnyder and I, making sure all was in place behind the scenes so that the union, once it took place, would work. Who to invite? All members of both associations made the list even if they did not meet the new membership criteria. Who is to sit at the head table? For the first year, the members of both Executive Committees, so that each side of the family

feels like an equal partner. Who can have a say on how marriage progresses? Each member of the WLA family regardless of their family branch, but, on more critical issues, a larger number had to be in agreement so no one branch can control the direction taken.

Where will the WLA reside: In its maternal or paternal home? Why not in both, underscoring its truly global character?

And so it went, to make the union work, solutions and compromises were found to resolve the issues that in the past had seemed insurmountable. The best that Intertoto and AILE had to offer was taken and given to the WLA.

As time progressed, it no longer was a question of compromise because, from working together, trust and understanding developed. Yvonne and I, along with the staff of the two offices, naturally assumed roles that complemented each other. The WLA truly had become “one” rather than two separate entities.

Looking back at all that has been accomplished over past 10 years, it is clear that it is this unity in the lottery industry, that the WLA represents, which will permit us to meet the challenges that the next 10 years will present.





**Two mighty kingdoms**



*Yvonne Schnyder,  
Former WLA  
Executive Director*

Once upon a time there were two mighty kingdoms. While these kingdoms lived mostly in peace with one another, the leaders of each kingdom came to the conclusion that there should be a marriage and the two kingdoms should join forces and create

a new worldwide association where all the members could join in and share their experiences. That was the beginning of the merger talks between Intertoto and AILE more than 10 years ago.

Each of the kingdoms had wise leaders known far and wide; and each had their own godmothers, experienced women who wanted only the best for their respective kingdoms. These godmothers, known as Yvonne and Lynne, started a series of conversations, mostly over a glass of wine, in different parts of the world. They talked about the pros and

cons of having new business structures, new bylaws, two offices, one each in Montreal and Basel, the harmonization of their individual projects and programs and their worries of creating overlapping functions.

Although there were people in each kingdom who declared the merger would never happen – or if it happened it would never be successful – those who believed knew that anything was possible!

Both the godmothers were acquainted with one Guy known as “the Wizard,” and they sought his judgment and wisdom. The Wizard knew of the dangers of the situation, but his caring and strong words were reassuring to the godmothers. He spoke of a great orchestra that he would create, one that would bring the most talented, powerful and wise people from each of the kingdoms together to make up a very famous orchestra, one that would make music so sweet that it would resound in all corners of the earth, in all countries, large and small.

As so it happened that the Wizard worked hard to create an orchestra, one that over time learned to work, to practice, and to understand the music from different instruments brought from near and far. At first, the music was not in tune and listening was not pleasant, but over time, the orchestra became better and better, until there was sufficient support for a grand concert to be held in order to determine if everyone liked the music.

The Wizard Guy sat down with the godmothers and the leaders of each of the kingdoms, and it was decided that the great concert would be held in the year before the end of the Millennium. The concert would be held at a great gathering of both kingdoms in a place in the far north, a place in the land of the Vikings. A new name, a new logo, new bylaws and strategies were created and put into force in 1999 in Oslo and the first convention of the new Kingdom – the World Lottery Association – was held in the following year in Glasgow.

Each of the two godmothers watched with pride and joy as this came to pass, and each took her own rightful place in the new global kingdom.

**Antipodean angles**



*Jan Stewart,  
Former WLA Senior  
Vice President and  
Executive Committee Member  
(1999–2008)*

I vividly recall my first experience of Intertoto which proved to be one of the seminal experiences of my career as CEO at Lotterywest which began in 1992. Early on, I learned that our lottery had won the right to host an Intertoto conference in Perth in 1995, and that one of my responsibilities would be to





My appointment to President of the newly formed Asia Pacific Lottery Association in 1999, and my election as a committee member in Durban meant I served the WLA as a member of the Executive Committee for a total of nine years.

We all know that the vast majority of mergers and acquisitions fail. It is true in the commercial world and in my experience true of many other types of organizations whose members find it difficult to relinquish the status quo in the hope of future benefits. So, it is to the great credit of Guy Simonis and the others who worked behind the scenes, that the idea of a merger of Intertoto and AILE was not allowed to rest, and that he and others persisted in negotiating through the complex challenges and issues of creating a single entity from these two diverse organizations – diverse in every sense – culturally, linguistically, historically and constitutionally.

The new WLA committee structure, led by Reidar Nordby as the inaugural President, had much work to do not only in setting a clear direction for the future of the WLA but also in resolving all the very practical aspects of the establishment of clear roles and responsibilities to be shared between the two WLA administrative headquarters – the Basel office and the Montreal office. It was to their credit that Yvonne Schnyder and Lynne Roiter and their staff were able to negotiate harmoniously through some of these more practical issues and maintain a seamless level of services to the members.

The WLA has enjoyed much success over the past 10 years, with many significant achievements mentioned elsewhere in this article. As we enter this new decade of WLA, there is now a very solid foundation built by the staff of both the Basel and Montreal offices from which the new WLA Executive Director, Jean Jorgensen, will take WLA to the next level of excellence and of service to our colleagues.

organize the event. The enormity of this task confronted me when I attended AILE and Intertoto conferences hosted by the Hong Kong Jockey Club and La Française des Jeux. Observing the global lottery industry together for the first time was a most impressive experience, but one which almost overwhelmed me with anxiety particularly at the thought of the magnitude of the task of organizing anything comparable in Perth. As it turned out, we did manage to give the delegates who came to Perth a warm and glorious week in late spring 1995, and an interesting and entertaining education and networking experience.

By this time, however, I had come to seriously question why we had two international organizations offering essentially the same kind of services. Most importantly, why was my lottery paying two sets of membership dues? So, by the time we attended the World Meet hosted by Guy Simonis and the British Columbia Lottery in Vancouver in 1997, I was delighted to learn that the members of the Executive Committees of Intertoto and AILE had started to talk about a merger of the two organizations.





## Member services

### 10 years of solid progress and practical achievements

#### The WLA Security Control Standard

Internationally recognized and respected



*John Branscombe, Former WLA Security and Risk Management Committee Chair*

In the late 1990s, a group of security officials from a number of Intertoto member lotteries decided to set up a security committee to respond to some common lottery security issues and problems. As the work progressed it was obvious that the development of a lottery security standard was

required to give reassurance to operators, regulators and, above all, to players about the security and integrity of the operation of qualifying lotteries. The lottery security standard was launched in late 1997, with Norsk Tipping being the first lottery to be certified under the new standard in 1998.

The committee was greatly assisted in its work by two outside consultants and many of us in the lottery world will remember with fondness the larger than life character of the late Paddy Smyth who, with his bulbous but kindly face, his bulky figure and his arched eyebrows was lifted straight from the pages of a Dickens novel. Paddy was fundamental to the work of the committee.

Bent Ekberg from Denmark was the first chair, followed by Morten Scheldrup from Norway. As security director with Camelot, I was invited to join the committee in 1998.

Two certification bodies were appointed, BSI and DNV, both with worldwide representation and, with the birth of the WLA, the committee expanded with members joining from the USA, South Africa, and Australia. To ensure the standard continued to be fit for purpose it was completely rewritten in 2003.

I was appointed chair of the group in 2004, a post I held for three years. The brief of the committee was widened to include the active promotion of security awareness and the work of the group was disseminated via regular security seminars.

Thierry Pujol from la Française des Jeux is the current Chair and he continues the excellent work of the committee leading it into new endeavors and projects.

On many occasions, Reidar Nordby, when he was president of the WLA, referred to the Security Committee as 'The Jewel in the Crown' of WLA activity...

A perfect description!

#### WLA Responsible Gaming Principles and Framework

Something good happened on the way to the Directors' Forum



*Michelle Carinci, WLA Corporate Social Responsibility Committee Chair*

At the WLA Conference in Granada in 2003, there was a very animated discussion during the Directors forum about the gaming industry being under attack and it was decided to do something about it. Following a discussion that same day, the membership took the first step to officially acknowl-

edge the importance of Corporate Social Responsibility (CSR) through a simple resolution. That resolution ultimately called for a common set of responsible gaming principles and a framework that would ultimately lead to third party certification. In addition to being the right thing to do, the driving force behind this call to action at the time was the continuous barrage of unbalanced and incorrect lottery media stories swirling around the globe. Also, looming in the background was the threat of regulated competition and the continuous growth of illegal and unregulated gaming operators and activities.

While there were a variety of different reasons for the need to formalize CSR, and specifically responsible gaming initiatives, one thing was common to all; the need for global standards. Those standards would ensure that legitimate gaming operators were accountable for being socially responsible, seen to be accountable and they would provide a significant differentiation from the unregulated competition.



Six years later, in spite of some skepticism, diverse cultures and varying legal and regulatory environments, the WLA membership has clear principles and standards they have agreed to live up to as well as a responsible gaming certification process that is reasonable and recognized by third party experts in the CSR field. This was accomplished on behalf of the WLA membership by a small, dedicated leadership team with representatives from all global regions; a team that had a vision and turned that vision into a reality. Members of that same team continue to work closely with the regional organizations to ensure the process and program is effective for all members. Given the continuing diverse challenges, the cooperation between the WLA and the regional organizations is integral to the continued success of the Responsible Gaming initiative.

It has been a remarkable journey and I would suggest it has only just begun. CSR is fundamental to success in any business and goes well beyond responsible gaming. It is about solid leadership, governance and transparency, community involvement, minimizing the environmental footprint and being a good employer.

Many of our members have taken CSR well beyond responsible gaming. So the obvious question for WLA members is whether there is merit in expanding the Responsible Gaming principles and framework to include other areas we have in common?

Sounds like a good topic for a Directors forum!

**WLA Academy in retrospect**  
**Lifelong lottery learning**



*Göran Wessberg, Former WLA Training and Education Committee member*

What do I recall from my conducting some 100 seminars and workshops in 10 years for the WLA Academy? Some memories certainly stand out more than others, although I sincerely hope that our 3000-plus participants have, to some degree, benefited from all of them.

Sports betting has always been at the top of the priority list for the WLA as well as its predecessor and our sports betting seminars have always been popular and well attended. The one in Seoul in 2004 ended with the entire class attending the opening match of the World Cup between France and Senegal. The Senegalese lottery CEO was so pleased with his team beating the reigning world champions 1-0 that he, despite being a Muslim, invited all of us for a glass of celebratory champagne afterwards.

Docendo discimus. For sure I have learnt a lot about most subjects in the lottery world from conducting all these seminars globally. For example, at the well-attended new technology seminars, in Hong-Kong, Vancouver, Reykjavik, and in Helsinki, mostly held in cooperation with the regional organizations.

Over the years the Seminars have been well supported by the local "hosting" Lottery. The annual marketing seminar in London with EL was always a big success, with generous support from Camelot.

Two major WLA assets have sprung from the Academy seminars. Firstly, the security standards followed on from an idea first proposed by Reidar Nordby at an Intertoto seminar in Kilkea castle (Ireland) in the early 90s, and it was later refined and developed into the formal WLA Security Standards. Secondly, and also dating back to the 90s, was the suggestion, put forward in Budapest at an Intertoto gaming research symposium, to take a lottery stand on responsibility. Now we see the final result of this idea in the CSR Responsible Gaming strategy developed over recent years at numerous WLA seminars and workshops in Canada, Sweden, Australia and many other places.

My favorite seminars, however, have been the creativity ones in Latin and South America with CIBELAE where we have tested new and sometimes crazy approaches for lottery development (thinking out of the box) in exciting surroundings, and the English for the lottery business courses. Last but not least our flagship, the Erewhon case study program for top management, brilliantly conceived and conducted by the one and only Guy Simonis.

How can these experiences and ideas be carried on and carried out over the next decade for a business facing new challenges? Well, it is up to WLA to take up the gauntlet!





## The WLA Platinum Contributors

### Forerunners, pacesetters, pioneers... Essential partners



**GTECH®**  
Architects of Gaming

#### GTECH

As the first lottery industry group to have recognized vendors as partners, the WLA has a long history of reaching out to lottery suppliers and vendors. The dedication and commitment the WLA has shown over the years in bringing together decision makers from lottery organizations all over the world has provided all of us with innumerable opportunities to excel. By convening regularly to share our thoughts and ideas, our experiences and plans, our challenges and successes, the WLA has enabled all of us to tap into an unbelievably valuable resource of knowledge and information. By virtue of this knowledge and information, the WLA has empowered us to apply it to the many beneficiaries of lotteries the world over.

At GTECH we are particularly proud of the relationship we have fostered with the WLA over the years. By working together, we have reinforced a shared commitment to the international lottery industry. This partnership has allowed us to communicate our standing

as the industry leader in technology, business management, and customer dedication. Like many vendors, GTECH has always recognized the WLA-sponsored conferences as the industry's premiere event for engaging with their customers to better understand players' needs, now and in the future.

As a Platinum Contributor to the World Lottery Association, GTECH has long appreciated the opportunity to offer our perspective on the direction that consumer behavior is taking, to offer our thoughts on how lotteries and suppliers will develop strategies and technologies in addition to a marketing mix that will meet the needs of the industry; furthermore, to offer our ideas about how lotteries and suppliers will find the balance to sustain long-term partnerships while staying on the cutting edge of the competition that faces all of us from every direction.

It is in this spirit of appreciation that we at GTECH congratulate the World Lottery Association on its 10<sup>th</sup> Anniversary and we look forward to a similar congratulatory wish 10 years down the road. Congratulations.



#### Scientific Games

Scientific Games was the first Platinum Contributor to the inaugural WLA Congress held in late August 1999 in Oslo, Norway. We continue that commitment to this day on what is the 10<sup>th</sup> Anniversary of the historic merger of AILE and Intertoto. Then and now, Scientific Games has never wavered in our support of your organization's mission, vision, values and objectives.

In addition to our sponsorship, our commitment today also includes full and comprehensive support of the WLA Corporate Social Responsibility Program initiative to develop common standards aimed at protecting lottery players around the world. Scientific Games has always advocated that responsible gaming is fundamentally about fair games that people can trust. We invest a huge amount in this area. In 2008, in collaboration with lottery customers around the world, we designed thousands of games that resulted in the manufacture of over 38 billion instant tickets on our state-of-the-art, high-





speed presses in North America, South America, Europe, Australia and, most recently, Asia. Consistent with the principles of the WLA, we design these games to meet the highest standards of security and integrity and to help ensure the public trust is protected and that lotteries are able to continue fulfilling their respective public charters.



## INTRALOT

Back in the late 90s, the lottery industry welcomed the genesis of the World Lottery Association. Since then, the WLA has established a global platform that provides its members with valuable insights into the lottery market, an exchange of experiences and best practices from lottery experts while promoting globe-spanning innovations which are expected to become the principal drivers of the industry's future. INTRALOT has actively supported this worldwide initiative and the vision of its founders since its establishment.

Proud to be a Platinum Contributor of the WLA, INTRALOT is committed to the advancement of WLA initiatives and thus enhancing the WLA's value within the lottery community worldwide. Our long lasting collaboration with the WLA and our participation in its activities has endowed us with a wealth of deep knowledge which has proven to be a

great asset to the company and its executives for building sustainable excellence in lottery leadership and identifying the paths for future development.

While the lottery industry is facing new challenges in the middle of the current economic turmoil, Constantinos Antonopoulos, CEO of INTRALOT and principal supporter of WLA, sees that "in this new environment, various opportunities and complexities emerge which eventually will reshape the lottery market. The WLA, through the joint efforts of its members, is expected to bring these developments to light, increasing the industry awareness in order to adapt the best practices and regulations that will eventually add value to their stakeholders and boost growth. INTRALOT, through its cutting edge technology and extensive operational know-how, is ready to serve the upcoming needs of the global lottery market and drive the industry to the future."



## INTERACTIVE

### Ace Interactive

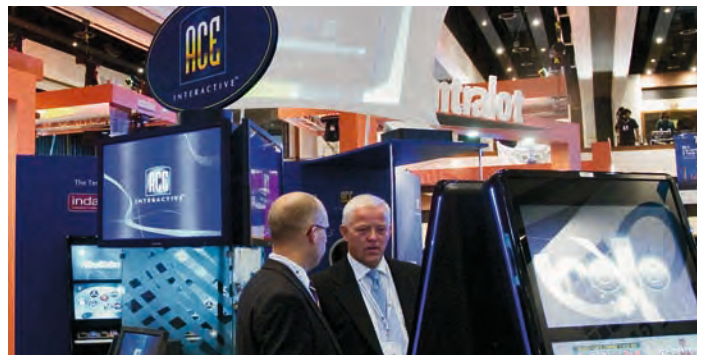
In 2006, former leading lottery supplier EssNet was spun-off. The traditional lottery part was sold to Scientific Games and the Video Lottery part to leading Casino supplier Aristocrat. At that time we decided to rename ourselves ACE Interactive. It was an obvious decision to

position ACE Interactive as Platinum Sponsor with the WLA so as to raise awareness within the WLA of the unique challenges and opportunities the Video Lottery space caters for. ACE Interactive is thus the only fully dedicated Video Lottery Solutions provider filling this missing niche within this elite group of Platinum Sponsors.

ACE Interactive and Aristocrat very much appreciate the forum for exchange provided by the WLA and are fully supportive of WLA's mission to impose the highest ethical standards, as well as full transparency and fairness in the lottery business to ensure that all our players are offered fair and honest games.

From a slightly different angle we also look at the WLA as some sort of deluxe dating service in the gaming industry. Good examples for this can be found in the number of industry 'babies', 'weddings' and sometimes even 'divorces' have been initiated on the supplier side as a result of the 1999 marriage between AILE and Intertoto. ACE Interactive is one of those 'lottery babies' and we look forward to this healthy child being 'raised and nurtured' over the coming years by such a valued organization as the WLA.

We congratulate WLA on its 10<sup>th</sup> Anniversary, and are confident that the WLA can sustain its stamina for the future to remain flexible and open to change and to jointly tackle the challenges ahead both from within and from outside the lottery business.





## The Five Regional Associations A decade of alliance, assistance and cooperation

### The European State Lottery and Toto Association



*Friedrich Stickler,  
President EL*

It is an interesting coincidence that EL is also celebrating its 10<sup>th</sup> Anniversary in 2009, as it was in 1999 that the AELLE and the European Section of Intertoto merged to become a single representative body for State lotteries and

sports betting companies in Europe. Like all mergers, there were difficulties to be overcome and compromises to be negotiated, but there is no doubt that the emergence of a single European Association in 1999 played a significant part in facilitating the trouble-free birth of the WLA. The existence of just one European representative association meant that there were no conflicts to be resolved when deciding on the regional relationship and representation of the EL on the first Board of the WLA.

Over the past 10 years there has been a strong and growing spirit of cooperation between the EL and the WLA, both on an ongoing annual basis and in terms of the strategy and policy developments of both Associations. European expertise and experience has been made available to the WLA in areas such as legal policy, and European lotteries were happy to use the WLA Security Control Standards as a requirement for those European lotteries wishing to join the Euro Millions game. More recently, the EL and the WLA have developed harmonized approaches to the development of their responsible gaming frameworks, standards and certification processes.

The future looks bright for both organizations and as more and more issues become truly global in nature, there is no doubt that cooperation in many fields, common strategic approaches and policies will become the norm rather than the exception, in the future interests of members of both Associations.

### The North American Association of State and Provincial Lotteries



*David Gale,  
Executive Director  
NASPL*

Throughout the past decade, NASPL has worked closely with the WLA in responding to the needs of the lottery industry on a variety of issues. Even though we have found each jurisdiction to be unique in some areas, there are still many common links which seem to connect us all. For this reason, the WLA has played an important role in the successful development of the lottery industry over the past 10 years. NASPL stands ready to continue its support of this effort, and sends its well-wishes and a great thank you to Arch Gleason and the WLA for many more decades of success.

Firstly, on behalf of NASPL, I would like to congratulate the WLA for an extraordinary 10 years! It has been a perfect example of how world lottery organizations can come together and create an association that addresses the needs of this great

### Asia Pacific Lottery Association



*June Roache,  
Chairperson APLA*

Given that the Asia Pacific region includes 40% of the world's population, and some of the biggest and longest standing lotteries in the world such as the Japan Lottery Association, Tattersall's in Australia, The Hong

Kong Lotteries and the developing lotteries of China, it seemed self evident in the mid-1990s that the time had come to create a more formal regional structure for those of us in this part of the world.

Regional lottery associations were well established in Europe and North America when the inaugural meeting of the Intertoto Asian Interest Group was held during the Intertoto Conference in Perth, Western Australia, in October 1995. Each subsequent year, the group met until the formation of the Asia Pacific Lottery Association (APLA) at the Oslo Relations in 1999. At that first official meeting, Jan Stewart, Chief Executive of Lotterywest, was elected as Chairperson and Henry Chan of The Hong Kong Lotteries Board as Vice-Chairperson. From September 2004 until September 2008, Henry Chan was Chairperson of APLA. APLA owes a great deal to Jan and Henry for their outstanding leadership of APLA during its near decade in existence.

APLA now represents 24 lotteries from 10 countries in the Asia Pacific region with combined annual revenues in excess of US\$21 Billion. Each of these Full Member



lotteries is also a member of the WLA. The 14 associate members are suppliers of services within the region and several of these provide invaluable support for APLA's Regional Conference and Seminar. Both of these annual events provide an excellent platform to discuss lottery related issues and a professional exchange of experience and information.

On behalf of all APLA Members, I congratulate the World Lottery Association on its 10<sup>th</sup> Anniversary.

### Corporación Iberoamericana de Loterías y Apuestas de Estado



Gonzalo Fernández, Secretary General CIBELAE

The Corporación Iberoamericana de Loterías y Apuestas de Estado (CIBELAE) was founded in 1988, and during its long history, has always had a strong relationship with international lottery representative associations at a world level, particularly since

the creation of the World Lottery Association in 1999.

CIBELAE encourages the highest standards among its members and shares the WLA vision of upholding the highest ethical principles while operating lotteries for good causes. CIBELAE has always recognized the WLA as the global authority on the lottery business

and has welcomed the many opportunities over the past 10 years to co-host and cooperate with the WLA in the organization of many joint seminars, conferences and events.

CIBELAE, under the new Presidency of D. Juan Pablo Durán Escobar, the President of the National Lottery of El Salvador, looks forward to enhancing the cooperation and fruitful sharing of experiences between CIBELAE and the WLA over the coming years. An excellent example of this cooperation is the upcoming World Meet 2009, when WLA will join with the 12<sup>th</sup> CIBELAE Congress at an event hosted by Polla Chilena de Beneficiencia in Santiago, Chile.

CIBELAE congratulates the WLA on its 10<sup>th</sup> Anniversary, and looks forward to working closely together as both organizations help their respective and joint members deal with the challenges facing our sector over the coming years.

### Association Africaine des Loteries d'Etat



Baila Wane, Secretary General AALE

Since its foundation in 1981, the Association Africaine des Loteries d'Etat (AALE) has valued its relationship with the WLA and its predecessor, the International Association of State Lotteries. Regular joint activities are organized by AALE and

the WLA and all of these are attended by and received with great appreciation by the AALE members. The global expertise of WLA and its network of member lotteries is a very valuable resource that can be used by the AALE members to help them respond to the need for new games, experiences, systems and practices.

AALE and its members congratulate the WLA on its 10<sup>th</sup> Anniversary and hope that the same spirit of mutual cooperation that has been present for the past decade will continue for many long years into the future.





## Looking forward

### The WLA of the future: For those who do it right



*André Chaker,  
Director of  
New Business  
Development  
at Veikkaus Oy*

As we celebrate the victories of the past, we must also prepare for the challenges of the future. I see competitiveness and responsibility as the two dominating trends for the future of lotteries:

#### Competitiveness

Whether legal or illegal, increased competition is an inevitable component of our future marketplaces. Some parts of our industry will be more open or privatized and some will make efforts to maintain their traditional practices. Regardless of the legal framework adopted in each jurisdiction, it is clear that lottery owners, including states, will be urging their lottery operators to be more efficient and more competitive. The bar representing best practice levels of lottery operation will rise inexorably. Suppliers to the lottery sector will maintain and develop their political and commercial position only by continuously improving their overall performance and quality.

Structural changes are widespread. The writing is on the wall. The line between suppliers and lottery operators is blurring with Lottomatica acquiring GTECH, and Intralot now operating lotteries in different parts of the world. The French Government is planning to test new ownership models for selected parts of the gaming sector in France and it is clear that both suppliers and lottery

operators will be expected to express an interest in the sales of any stakes in the shareholdings of gaming activities, be they in the UK or France or elsewhere. The United States will most likely be one of the jurisdictions to experience the greatest structural changes. Privatization of some state lotteries and the gradual introduction of legal Internet gaming will bring significant growth as well as new challenges in responsible gaming.

Operational changes are also well in evidence, with the Nordic lotteries emerging as early adopters of operational change. Veikkaus was the first lottery to hit the Internet in 1996 and Svenska Spel was the first State Lottery to introduce Internet Poker in 2006. Both moves have been successful and have opened up important new markets for the entire regulated gaming industry. Close to 25% of the sales of Veikkaus now come from the Internet and mobile channels, while sales growth has continued via the traditional retail channels. This is already far beyond the scale of e-commerce predictions made by current Internet gurus. Lotteries must continue to expand their offering in an efficient and responsible way to stay “in the game,” particularly with young adults.

Organizational changes must follow structural and operational change. These pages are full of epic tales describing how the WLA was consolidated into one organization. On this anniversary, we must reflect on how our international cooperation should be organized and structured. We must, here too, become more efficient and competitive. We cannot afford duplication and multiple administrative layers between our governing bodies. In addition, we need to use our industry bodies as a catalyst for new, responsible ventures that we genuinely cannot realize on our own. As most economic activities become increasingly globalized, we need to

have support mechanisms at a global level to defend positions and respond to attacks from legal and illegal sources. The WLA should be the foremost provider of such “global support” for authorized gaming companies in the future.

#### Responsibility

Acting and doing business in a responsible way can be a clear source of competitive advantage. State lotteries need to stay at the forefront of responsible gaming, not just because it is a legal or moral obligation, but rather because it is the way that consumers will expect successful companies of the future to behave. Offering gaming in a responsible way that is both real and demonstrable will continue to be a positive differentiating factor for the activities of state-authorized gaming operators.

We hold some of the most trusted brands in each one of our jurisdictions. This universal trust must be harnessed in ways that continue to achieve the excellent results we have produced until now for the benefit of our good causes and society in general.

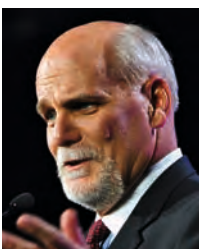
We must not only act responsibly, but we must be seen to be acting responsibly. We must be more effective at communicating supporting messages to our players, stakeholders and the general public. We must not only communicate our message at a national level, but we must also communicate the message that we are part of a larger international community of like-minded gaming operators who all have the best interests of the players and society at heart. We must not let our illegal competitors, with their dismal



claims of social development, win an inordinate share of public opinion, not to mention a share of the gaming market. Our players and the general public must be made to understand that we are operating for the public good as opposed to those who are operating for private profit. This is a global message that can best be delivered by an organization with a global reach. A burning question is whether the WLA should be doing more for its member lotteries to face this important corporate PR challenge.

State-regulated lotteries shall succeed in the future by combining forces in a more competitive and responsible gaming environment. In the future, the WLA must continue to be a prestigious club for those who are doing this business right.

**Vision for the Future**



Arch Gleason, WLA President

While I might have a slightly different view of the future than André Chaker, and I suspect his boss Risto Nieminen may as well, I very much agree that he has identified the major issues and challenges the WLA, its affiliated regional associations, and our members' face. This includes an ever-changing legal and regulatory environment, increased competition, operating efficiency and competitiveness, rapidly evolving technology and new media, as well as social responsibility.

As local, state, national, and international laws struggle to keep up with the new technology and media channels, governments are considering whether and how to regulate or liberalize markets. This is true both in Europe

and the U.S., as well as other nations and regions of the world, Africa, Asia, Australia, and South America. Until recently, it could be said that gaming regulation was like what is often said about U.S. politics, "all is local", in that it was left to each sovereign state or jurisdiction. However, like with climate change, the environment is changing. Internet wagering has dramatically affected this situation in Europe and the U.S. in recent years with the intervention of the WTO, European Commission, and U.S. legislation governing Internet wagering.

In addition, the historical lines of demarcation between lotteries and other gaming providers as well as lotteries and vendors/suppliers have gradually become blurred, broken down, and even to some extent have disappeared completely. This is evidenced in several parts of the world through changes in lottery operators and the recent consideration of privatization initiatives by several states in the U.S.

The WLA, with its leadership and global role, is ideally placed to help its lottery members, and assist the regional associations to respond and adapt to the inevitable changes that are about to impact upon our lottery and sports betting businesses. It can and should assist them by providing a broader perspective through its knowledge and through the experiences of its international membership.

In the same way that the WLA Security Control Standard and Responsible Gaming Framework were real responses to real emerging issues over the past 10 years, I am fully confident that, during the next decade, the WLA will find appropriate solutions for whatever changes may lie ahead.

It is very difficult to engage in such forecasting exercises, some might even suggest futile, but one thing we can be fairly sure of is that there will always be government regulation of gaming and there will always be a need to adopt a common approach to issues and problems arising from gaming and gambling on the international stage. This means there will always be a role for the WLA to play in promoting best practices among state-authorized lottery and sports betting operators and in so doing genuinely protect the interests of the consumer.

As the legal and regulatory environment changes and adapts to new circumstances, there will continue to be a need for a representative body, the WLA, to look after the public interest, public benefit, and the interest of the beneficiaries and the "good causes" funded by the net revenues from our state regulated gaming operations.

In the short term, the WLA Executive Committee has adopted a business plan for 2009 and 2010, which was recommended by Executive Director Jean Jorgensen. It focuses our resources and operations on the critical aspects of our mission, including member communications and services, the WLA bi-annual conventions, our educational program (WLA Academy) in conjunction with the regional associations, and professional standards such as security and responsible gaming. So long as we stay focused on these objectives and our public purpose "Good Causes," we are well positioned to maintain the competitive advantage attached to our members' individual brands and separate ourselves from the other providers of gaming alternatives. Further, with Jean's leadership and that of our Vice Presidents, Risto Nieminen and Henry Chan, and the Executive Committee, I am confident that we are in good hands to face these future challenges and opportunities.

# «See you in Santiago de Chile!»

The WLA World Meet 2009 will be held jointly with the 12<sup>th</sup> CIBELAE Congress in Santiago de Chile from October 26 – 29, 2009.

Verónica Montellano, President of Polla Chilena de Beneficencia, host of the World Meet 2009, relates what participants can expect to find when they arrive in Santiago de Chile. By registering on the official World Meet 2009 website ([www.wla2009.com](http://www.wla2009.com)), you will not only have the opportunity to participate in a great working experience but, as a bonus, you will have the chance to visit a fascinating country.



Verónica Montellano

President of Polla Chilena de Beneficencia

Chile is, for the majority of travelers, a remote land. Located at the southernmost extreme of the South American continent, this fabulous country is a good 14 to 18 plane hours from most places in the world. But this should be of no concern to all those who wish to be part of a unique professional experience in an extraordinary part of the world. A couple hours of good rest and the

prospect of what you are about to experience is bound to cure any jet-lag.

What is ultimately important for a 21<sup>st</sup> century traveler is that the destination is unique, attractive and safe. This is an added plus for lottery professionals coming to Santiago de Chile to acquire new knowledge and share their experiences with their peers.

### An exceptional learning experience

The local organizing committee is now finalizing the business program for the World Meet 2009. In this issue, we have provided you with a preview of some of the speakers who will be on hand, some of the topics that will be covered and some of the activities that you will be able to participate in.

### Our objectives

Transparency, Corporate Social Responsibility (CSR), integrity and entertainment. These words, which have inspired the business program of this event, also provide the framework for the mission of the member lotteries of the WLA and CIBELAE. We would not have it any other way. We are dealing with institutions that, according to La Fleur's Almanac, represented a turnover of around US\$ 227.3 billion globally in 2008.

Around the globe, lotteries play an important role in generating income for good causes. For the most part, these are state-owned institutions or firms operating with state concession. As such, the different states retain control of gaming operations and avert the



harmful effects of gambling addiction by setting player limits or providing referral assistance programs for gambling addiction. Our companies provide a guarantee of integrity and professionalism. They are subject to the transparency required of government institutions and are regulated by the law. At the same time we provide a bulwark against the expansion of illegal gambling. It is well known that most lotteries have been created to fund the social policies of the state, favoring the most vulnerable segments of society. Thus the role they play in the collection of resources for state welfare institutions is indispensable. If it were not for the lotteries many of the community aid entities around the world would not be able to operate. For this reason, CSR is and will remain an essential business program topic for our ongoing events.

With regard to Chile, for instance, the beneficiaries of Polla are the Chilean Treasury and 12 other institutions, some of them private, which provide assistance to the community. Each one of these receives a percentage of our sales. This percentage and the conditions of the beneficence are deter-

mined by the Chamber of Representatives and the Senate of the National Congress.

### **The latest in high-end technologies and best practices**

Cutting edge technology and innovations in lottery best practices are among the motivating factors for executives traveling to international events.

Each year, lottery vendors greatly invest in research and development to create solutions that meet the changing needs of the lottery industry worldwide. Our vendors are true experts in the types of services that they provide. In the case of Polla, we follow a world-class business model based on the involvement of our vendors. As such they become «strategic partners» and benefit, along with us, from the growth and development of our lottery.

The World Meet 2009 will indeed provide the proper setting for all members to gain insights from international vendors into technological advancements, marketing trends and best practice innovations.

### **Places to visit**

Participants of the World Meet 2009 will have the opportunity to visit other regions of Chile, a country rich in unique and authentic cultures. Here you will find some of the rare places on the planet where you can still observe some of the wonders of creation. The Patagonian mountains and fjords, the forests with alerce trees, some of them more than one thousand years old, glaciers, plentiful rivers and lakes as well as breath-taking volcanoes.

The local organization committee has singled out the following three places in Chile that participants could visit should they decide to do so: San Pedro de Atacama; Isla de Pascua and the Torres del Paine en la Patagonia. Please visit the official World Meet 2009 website at [www.wla2009.com](http://www.wla2009.com) and select the program that would be most suitable and pleasurable for you. You are one click away from living an unforgettable experience.

### **See you in Santiago de Chile!**

*You will find the business program and other important event information on pages 26 and 27.*

# Business Program October 26 – 29

Sunday		October 25, 2009
Time	Activity	
17.00 – 20.00	Registration	
Monday		October 26, 2009
10.00 – 12.30	CIBELAE and WLA Executive Committee Meeting	
12.30 – 14.00	Lunch CIBELAE and WLA Executive Committees	
13.00 – 20.00	Registration	
14.30 – 16.30	Parallel	Latin-American Directors' Forum: "Gaming in Times of Economic Crisis in the Latin-American Jurisdiction;" Moderator: Mr. Wellington Moreira, 1 <sup>st</sup> Vice President CIBELAE, CIO Caixa Economica Federal (Brazil); Special Guest: Mr. Santiago Gonzalez, ex General Manager of Polla Chilena, Minister of Mining Industry of Chile
		WLA Executive Committee Meeting (continued)
19.30	Welcome and Opening Dinner, Venue: Grand Hyatt	
Tuesday		October 27, 2009 Moderator of the Day: CIBELAE (to be confirmed)
08.30 – 16.45	Registration – All Keynote Sessions in English, Spanish, French and Portuguese	
09.15 – 09.45	<b>Official Opening</b> , Ms. Verónica Montellano Cantuarias, President, Polla Chilena de Beneficencia, Chile; Mr. Juan Pablo Durán Escobar, CIBELAE President; Mr. Arch Gleason, World Lottery Association President; Mr. Hugo Lavados, Minister of Economy of Chile	
09.45 – 10.30	<b>Keynote Speaker: Klaus Schmidt, HEBBEL</b>	
10.30 – 11.00	Coffee Break, Venue: Exhibition Area	
11.00 – 12.00	<b>WLA Platinum Contributors Forum</b> "Business Challenges to Latin-America," Moderator Mr. Edmundo Agustin Dupre Echeverria, Polla Chilena de Beneficencia, Chile; GTECH Corporation, Scientific Games Corporation, INTRALOT S.A.	
12.00 – 14.00	Lunch – All Parallel Sessions in English and Spanish	
14.00 – 15.30	Parallel Sessions	<b>Parallel Session 1 – Money Laundering and Security</b> Moderator: Mr. Roberto Armando López, Lotería Nacional Sociedad del Estado, Argentina <ul style="list-style-type: none"> <li>The WLA Security Certification Program and Information, Security Management System, Mr. Thierry Pujol, La Française des Jeux, France</li> <li>Security Control Standard Certification: A Practical Experience, Ms. Jan Stewart, Lotterywest, Australia</li> <li>Prevention of Money Laundering and Terrorism Financing in the EU, Ms. Soledad Parra, Loterías y Apuestas del Estado, Spain and Ms. Ana Paula Barros, Legal Director, Santa Casa da Misericórdia, Portugal</li> <li>Prevention of Money Laundering: A Task of Global Coordination, Ms. Tamara Agnic, Gafisud, Member Treasury Department</li> </ul>
		<b>Parallel Session 2 – Managing Lottery Sales</b> Moderator: Mr. Rolf Stypmann, Toto-Lotto Niedersachsen GmbH, Germany <ul style="list-style-type: none"> <li>Interactive Channels, Lowering Operational Cost While Increasing Sales, Mr. Miguel Angel Abreu Ferrer, Betware, WLA Silver Contributor</li> <li>Pollard Banknote, WLA Silver Contributor</li> <li>Superenalotto, Sisal, Italy</li> <li>National Lotteries Control Board, Trinidad &amp; Tobago</li> </ul>
15.30 – 16.00	Coffee Break, Venue: Exhibition Area	
16.00 – 17.30	Parallel Sessions	<b>Parallel Session 3 – Marketing and Consumer Loyalty</b> Moderator: Mr. Henry S K Chan, HKJC Lotteries Limited, Hong Kong <ul style="list-style-type: none"> <li>Compulsory Player Registration, Mr. Tollef Imsdalen, Norsk Tipping, Norway</li> <li>Customer Relations Management, Mr. William Thorburn, Golden Casket Lottery Corporation Limited, Australia</li> <li>Attitudes Towards Gambling and its Role in Market Segmentation, Mr. Pablo Marshall and Mr. Rodrigo Guesalaga, Polla Chilena de Beneficencia, Chile</li> </ul>
		<b>Parallel Session 4 – Product and Channel Development for New Players' Generation</b> Moderator: Mr. Benjamín González Roa, Lotería Nacional para la Asistencia Pública, Mexico <ul style="list-style-type: none"> <li>Interactive Sales, Camelot, United Kingdom</li> <li>Canal LAE, Mr. Jacinto Pérez, Loterías y Apuestas del Estado, Spain</li> <li>Mr. Alberto Queijo, Loterías y Quinielas, Uruguay</li> </ul>
18.30 – open end	WLA Platinum and Silver Contributors' Joint Event	

Wednesday		October 28, 2009 Moderator: Verónica Montellano
Time	Activity	
09.15 – 10.15	Round Table	Moderator: Ms. Verónica Montellano, Polla Chilena de Beneficencia, Chile <b>To Whom Does the Lottery Belong?</b> Ms. Monica Singer, President, Public companies' system of Chile; Ms. Rebecca Paul Hargrove, Tennessee Lottery, USA; Mr. Mariano Campos, Lotería de Concepción, Chile; Mr. Martin Pugh, Camelot, United Kingdom
		Moderator: Mr. Enrique García, Chile <b>What can the lotteries learn from other markets?</b> Mr. Enrique García, Chile; Tobaccos, Mr. Armando Alcazar, Vice President of Grey, Chile; Mobile Telephony, Mr. José Miguel Torres, Product and Services Development Manager, Telefonica Moviles de Chile
11.00 – 11.30	Coffee Break, Venue: Exhibition Area	
11.30 – 12.30	Moderator: Ms. Michelle Carinci, Atlantic Lottery Corporation, Canada <b>Corporate Social Responsibility &amp; Responsible Gaming</b> Mr. Mike Randall, Chair of the WLA Independent Assessment Panel - Responsible Gaming Framework and Ms. Inés García, member of the Independent Assessment Panel - Responsible Gaming Framework <b>Policy Implementation &amp; Responsible Gaming Management</b> Ms. Iris Geraldina Peralta, Lotería Nacional de Beneficencia de El Salvador; WLA Case Study, Level 4 Certification, Mr. Alain Cousineau, Loto-Québec, Canada	
12.30 – 12.45	WLA: World Lottery Association Convention and Trade Show 2010, Brisbane: "A Bright Future"	
12.45 – 14.00	Lunch	
14.00 – 15.30	Parallel Sessions	<b>Parallel Session 5 – World Class Instant Ticket Games</b> Moderator: Ms. Rebecca Paul Hargrove, Tennessee Lottery, USA <ul style="list-style-type: none"> <li>The New Concept of Instant Games in Brazil, Mr. Roberto Derziè de Sant'anna, Caixa Econômica Federal, Brazil</li> <li>Brad Wiebe, Western Canada Lottery Corporation</li> <li>WLA: Instant Tickets</li> <li>Mr. Rodrigo Valenzuela, Polla Chilena de Beneficencia, Chile</li> </ul>
		<b>Parallel Session 6 – Process Management System</b> Moderator: CIBELAE <ul style="list-style-type: none"> <li>Community Process Presentation, Ms. Cristina Revuelta, Loterías y Apuestas del Estado, Spain</li> <li>What is process management? Mr. Mario Prudkin, Lotería Nacional Sociedad del Estado, Argentina</li> <li>Model of good management practices in the Latin American Lotteries, Mr. José Luis Sánchez, Loterías y Apuestas del Estado, Spain</li> <li>Process Map of a Lottery, Ms. Geraldina Peralta Lotería Nacional para la Beneficencia de El Salvador and Mr. Luiz Rech, Caixa Economica Federal, Brazil</li> <li>Presentation of the Publication, Mr. Luis Zanazzi, Lotería Nacional Sociedad del Estado, Argentina</li> </ul>
15.30 – 16.00	Coffee Break, Venue: Exhibition Area	
16.00 – 18.00	Parallel Sessions	<b>CIBELAE General Assembly</b>
		<b>Parallel Session 7 – World Class Block Games</b> Moderator: Ms. Jane Roache, Lotteries Commission of South Australia <ul style="list-style-type: none"> <li>The World Lottery Draw, Mr. Richard Bateson, Camelot, United Kingdom</li> <li>Rebranding Canadian Lotto Game, Canada</li> <li>Euro Millions 5<sup>th</sup> anniversary, Mr. Jean-Luc Moner-Banet, Société de la Loterie de la Suisse Romande, Switzerland</li> <li>African Lotto Game Development, Mr. William Rouff, CEO of BR Gaming, South Africa</li> </ul>
18.00	First Meeting of Newly Elected CIBELAE Executive Committee	
19.30	Departure for Closing Dinner, Venue: Camino Real	

## Partner Program – World Meet 2009, CIBELAE / WLA, October 26 – 29, 2009

<b>Monday 26</b>	Opening dinner	10:00	Pre-Columbian Museum: Artistic heritage of pre-Columbian cultures
<b>Tuesday 27</b>	Santiago city tour	11:00	Guided tour of La Moneda, the seat of the President of the Republic of Chile
<b>Wednesday 28</b>	Los Andes tour	12:00	Arrival at MAVI, a private collection of Chilean contemporary art
	Closing dinner	13:30	Arrival at La Chascona, house of Pablo Neruda, 1971 winner of the Nobel Prize for literature
<b>Thursday 29</b>	Networking day	14:30	Finger food at the Observatorio Lastarria
		16:00	Return to the hotel

**Price:** The cost for the partner program is US\$ 400 (based on 30 participants). It includes the tours (Santiago and Los Andes) and the opening and the closing dinners.

### SANTIAGO CITY TOUR

Santiago is one of the most modern cities in Latin America. It is recognized globally for its sustained development as well as its economic, political and social stability. In recent years, the Chilean national capital has seen a number of flourishing sectors which adds to its attractiveness.

Due to the many natural resources that surround Santiago as well as its varied cultural, artistic and gastronomic activities it is the perfect starting point for visitors beginning their tour around Chile. A traditional guided tour of the city will take visitors through the vast public infrastructure.

### LOS ANDES TOUR PROGRAM

09:00	Departure from Santiago
10:00	We start by visiting the petroglyphs near Jahuel then continue on to the Piffaut workshop where we will have the opportunity to create our own petroglyph pottery
13:00	Visit to the Mendoza Winery and tasting
14:00	Arrival at San Francisco Church and museum, an architectural heritage
15:00	Lunch at Jahuel
16:30	Return to Santiago



## Networking Day – Valparaíso City Tour



**October 29, 2009**

Visit the labyrinthine streets of the Alegre and Concepcion hills. Enter this UNESCO World Heritage Site to discover hanging houses, steeply set stairs, narrow lanes and a wide variety of places that contribute to the history of Valparaiso.

The tour will finish in the Casablanca Valley, located in the Costal Cordillera. This area has an excellent climate for the cultivation of vineyards and is known for producing some of the finest wines.

### Program

09:00	Departure to Viña del Mar
11:00	Arrival at Viña del Mar, where our guide will join us
14:00	Lunch at Porto Fino Restaurant
15:30	Departure to Casablanca
16:10	Arrival at Casablanca, visits to the Sta. Emiliana and Casas del Bosque organic vineyards.
18:00	Return to Santiago

### Price

The cost of this tour is US\$ 180 (based on 40 participants). The price includes bus, guides, lunch, elevator tickets and wine tasting.



# DISCOVERING PARADISE

**OCTOBER 26-29, 2009**

GRAND HYATT HOTEL  
SANTIAGO, CHILE



Transparency, Corporate Social Responsibility, integrity and entertainment. These words, which have inspired the business program of the World Meet 2009, also provide the framework for the mission of the member lotteries of the WLA and CIBELAE. Outstanding speakers representing different countries and cultures will share their views on the most interesting and pressing issues in the industry.

Participants of the World Meet 2009 will have the opportunity to visit other regions in Chile, a country rich in unique and authentic cultures. Here you will find some of the rare places on the planet where you can still observe some of the wonders of creation. The Patagonian mountains and fjords, the forests with alerce trees some of them more than one thousand years old, glaciers, plentiful rivers and lakes as well as breath-taking volcanoes.

Register now online at [www.wla2009.com](http://www.wla2009.com), the official World Meet 2009 website, to take part in a unique work experience in an unforgettable environment.



# The WLA SCS – A standard of continuous improvement

**The WLA Security and Risk Management Committee Chairman Thierry Pujol speaks about the latest improvements in the WLA Security Control Standard, how the standard has developed over the years and why it is imperative that member lotteries become WLA SCS certified.**



*Thierry Pujol  
WLA Security  
and Risk  
Management  
Committee  
Chairman*

*Why is it important for a lottery to be WLA SCS certified?*

There are a number of important reasons why members should get certified. For one, it can ensure your return on investment by minimizing the yearly costs of handling security incidents. It also allows for continual improvement of your business while minimizing security risks. Plus it heightens the understanding of the need for information security throughout the company. I think one will find that committing to certification will keep your organization on a path of continual improvement.

Being that the WLA SCS is an internationally recognized standard, certification does a lot to enhance an organization's image and integrity. This will instill confidence and trust in your players, stakeholders and the regulators, especially in the case of multi-jurisdictional games such as Euro Millions or Powerball. WLA SCS certification distinguishes our members from the private betting industry which is illegal in many jurisdictions.

*After having two security seminars on two different continents, how do you see the certification process moving forward?*

It is still a bit too early to tell. We've made a significant shift in the certification process that has opened it up and made it more accessible for members around the globe. Recently, Swisslos and La Société de la Loterie de la Suisse Romande received WLA certification and were able to benefit from the more open structure that the new certification process offers. I can also say that globally several lotteries are on the way to being certified with this new process. That shows us we are on the right track.

*Until the beginning of 2009, the BSI of England and DNV of Norway were the only two official organizations which could perform the certification audit for the WLA SCS. Now the process has been opened up to include other qualified auditors. Do you feel the members clearly understand how this can greatly benefit their lottery?*

We certainly have made an effort to get the word out via the WLA Magazine and website as well as through the two seminars which we have had thus far this year. You have to realize that this new approach is a break from the past and it might take a little while longer until it is well known throughout the membership. But, as I said before, we recently accredited two individuals from SQS in Switzerland, the company which then went on to act as auditing body for the certification of Swisslos in Basel. Member lotteries which are not yet certified need to understand that if they have an auditing firm in their area with which they would like to work on the

WLA SCS certification, they should propose the auditor to the WLA business office in Basel. The SRMC will then get in touch with the member lottery and have them forward the necessary credentials from the proposed auditor. These will be reviewed by the SRMC and a decision will be rendered as to whether the auditor qualifies to audit for the WLA SCS. A minimal processing fee will be charged to cover the costs of the review. The member lottery will then be notified by the WLA as per the decision of the SRMC. We will keep a running list of approved auditors on our website for members to refer to should they need help finding an auditor close to them.

**“New technologies such as the Internet and mobile phone applications have certainly brought new benefits to the industry but they have also created new vulnerabilities.”**

I must emphasize the fact that with these measures we have opened up the certification process and made the WLA SCS more accessible to all member lotteries globally. By allowing them to find an auditor in their respective geographical area we have reduced additional costs which the certification process would otherwise raise; at the same time we have eliminated any language barriers which made the process difficult in the past.

*Do you foresee more lotteries moving forward to become certified as a result of these changes in the certification process?*

We are certain that it will make a significant difference. Since we made the first announcement of these changes at the

2008 WLA Convention and Trade Show in Rhodes, Greece, last October, we have received quite a lot of positive feedback from the members. Many of them confirmed what we believed to be the shortcomings of the old certification process, which showed that having only two auditing bodies worldwide, both located in Europe, was logistically as well as economically restrictive for our members outside of Europe.

*Back in 1999, security was the first area in which the WLA introduced an industry standard. In what ways has the WLA SCS developed since those early days?*

Since the beginning, the WLA has carefully monitored the changes in the lottery industry and how it has affected members, in particular, how it has altered the security needs of the members. We have periodically updated the standard and adapted the certification process to meet the demands that these changes have imposed. One notable change from the earlier versions of the WLA SCS is

**“By allowing all member lotteries globally to find an auditor in their respective geographical area we have reduced additional costs which the certification process would otherwise raise.”**

that the earlier versions provided a list of controls but did not indicate what a lottery was to do in order to implement these controls; nor were there any controls in place to assure that the lottery would remain compliant with the standard. With the latest version of the WLA SCS, a lottery is obliged to have the ISO 27001 in place which assures that a lottery will remain both compliant to the standard and will have measures in place to continually improve.

In addition to this the SRMC has since then also developed guidelines on security in sports betting operations, in fighting scams, detecting and preventing money laundering and scratch card testing.

*So changes in the industry have indeed created new security demands for the members?*

New technologies such as the Internet and mobile phone applications have certainly brought new benefits to the industry but they have also created new vulnerabilities. The Internet has increased the popularity of sports betting which in turn has increased the incidents of match fixing. The new technologies have also facilitated the rise of multi-jurisdictional games such as Euro Millions and Powerball. With the extremely large jackpots that these offer and their rather complex operating structure, increased security awareness is an absolute must. Retailer fraud is another phenomenon that we have had to confront in the past couple of years. These are among the many reasons why it is absolutely essential for our members to be WLA SCS certified.

The WLA SCS has been able to help certified members meet these demands head on. Our lottery-specific requirements are built around the ISO 27001, which requires an overarching ISMS to ensure that information security controls meet the organization’s information security needs on an ongoing basis, and that the ISMS will continually grow and improve. This goes beyond IT security and covers all of an organization’s information assets.

*When can we expect to see an update on the WLA SCS:2006?*

As a matter of fact, at a recent meeting of the SRMC in Rio, the future of the WLA SCS:2006 was discussed, and the idea of publishing the 2010 version of the WLA SCS was touched upon, but the plans are still tentative.

*A group within the SRMC has been established for the purpose of submitting the WLA SCS to the International Organization for Standardization (ISO) in order to get it recognized as an international lottery and gaming standard. Where do we stand with the ISO on this endeavor?*

At the end of 2006, the ISO approached the SRMC and asked if the WLA would be interested in establishing an international security standard for the lottery sector. ISO’s objective is to better market the ISO 27001 through stronger cooperation with different industry sectors. For example, a cooperative effort already exists between the ISO and the automotive industry as well as the telecommunications industry. At first, both industries had the ISO 27001 in place as their sole ISMS standard. Then, both industries found the need to take the ISO standard as the core of their ISMS and build their sector specific security requirements around it. This is exactly what the WLA has done with the WLA SCS:2006. Eventually the ISO formed a joint venture with the automotive and telecommunications industries and a sector specific ISO 27001 was developed for each industry.

As mentioned several times before, the WLA SCS:2006 has built our sector specific security needs upon the foundation of the ISO 27001. In doing so, the practical work is just about completed. In December of 2006, the SRMC began to formally research a collaboration with the ISO. The study was completed in the spring of 2008, after which it was decided to move forward with the collaboration. The ISO requires a two-step transposition process which we are now beginning. The process should take around a year to complete.

*How will ISO recognition of the WLA SCS benefit the WLA and its members?*

A joint ISO/WLA standard would enhance the reputation of the association and affirm the WLA SCS as an international standard of excellence.

You see, all the measures we have discussed today are aligned to strengthen and improve the WLA SCS. This in turn will benefit the WLA and each of its members. This is our objective now and will continue to be into the future.



INTERACTIVE™

# Discover Your True Gaming Potential

**TruServ™, the only gaming solution that allows lotteries to discover the potential of true Server Based Gaming.**

**Our TruServ System** offers networked gaming with central random number generation and game logic – delivering new player experiences and giving you true control over your network in large or distributed venues.

**Our Viridian™ and Indago™ Terminals** are designed to be physically robust with common, high quality components ensuring low operating cost and high availability. The engaging user interface transforms the players' experience.

**Our TruServ Games** are based on insight and experience in lotteries and casinos. Delivering you the best games and enhancing your reputation while driving revenue. Our Game Development Kit enables you to source games from any game supplier.



## Your Network for Games

ACE Interactive™ was founded in 2003 to develop and market the next generation of video gaming systems. ACE Interactive's TruServ™ solution provides for true server-based gaming for operators who demand flexibility, content, security and social responsibility. ACE Interactive is part of Aristocrat Technologies, one of the world's most successful gaming companies.



[www.aceinteractive.net](http://www.aceinteractive.net)

© 2009 Aristocrat Technologies Australia Pty Limited. It's all in the game and the Aristocrat logo are trademarks or registered trademarks of Aristocrat Technologies Australia Pty Limited. ACE INTERACTIVE™ and the ACE INTERACTIVE logo are trademarks or registered trademarks of Aristocrat Technologies Australia Pty Limited.

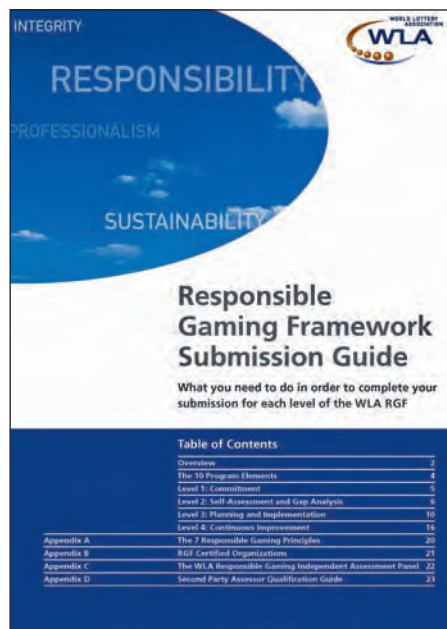
# Update on the WLA Responsible Gaming Framework

**The WLA is continually striving to improve its member services. Since the beginning of the year the WLA Responsible Gaming Framework has undergone a number of revisions. A Responsible Gaming Framework Submission Guide was published and sent out to all the members in July 2009, and a new member has recently joined the Responsible Gaming Independent Assessment Panel (RGIAP).**

Since the beginning of the year, work has continued on the WLA Responsible Gaming Framework. The second round of submissions was received in May. They include submissions for Levels 2, 3 and 4 Certification, and the Responsible Gaming Independent Assessment Panel (RGIAP) is, at the time of going to press, reviewing them.

The Responsible Gaming Framework has also undergone a revamping with the aim of clarifying the procedures to be followed by WLA members undertaking the certification process. The foundations of the Framework remain the same but its elements have been regrouped under 10 program elements, which are applicable to all levels of certification. They are: 1. Research, 2. Employee training, 3. Retailer program, 4. Game design, 5. Remote gaming channels, 6. Advertising and marketing communications, 7. Player education, 8. Treatment referral, 9. Stakeholder engagement and finally 10. Reporting, measurement and certification.

While these 10 elements must be addressed by WLA members, the level of the action required depends on the level of certification being sought by the lottery. Since the WLA Responsible Gaming Principles were approved by members of the WLA, all members have engaged to respect them and therefore meet the criteria for Level 1 Certification.



*The WLA Responsible Gaming Framework Submission Guide was published in July of this year and sent out to all members.*

Level 2 Certification is called Self-Assessment and Gap Analysis. A lottery submitting for this level has to conduct a self-assessment with regard to the 10 program elements and have it signed off by its CEO. This allows the member lottery to determine and describe which responsible gaming programs it needs to improve upon. Additionally, the lottery must prioritize what it needs to do based on gaps identified in the self-assessment.

Members submitting for Level 3 Certification, Planning and Implementation, are required to have established the relevant human and

financial resources to implement its various responsible gaming programs as well as have established stakeholder engagement programs and developed internal and external communications to support planning and implementation of its programs.

Level 4 Certification signifies that the lottery has terminated its responsible gaming planning and implementation phase and is now in the continuous improvement stage of its program. A level 4 submission must show that a lottery has implemented specific responsible gaming programs into its day-to-day operations as well as integrated the considerations of external stakeholders, and communicated its programs both internally and externally. The submission for this certification level must also be accompanied by a second party assurance report covering all elements of the submission.

Of course there may be some of the 10 program elements which are not applicable to a given lottery because of the rules in place in its jurisdiction. For example, not all lotteries are engaged in remote gaming, and in some regions treatment referral is dealt with by an external state organization. These factors will be taken into consideration in the RGIAP's evaluation.

European member lotteries that are also members of the European State Lottery and Toto Association (EL) and have been certified for the EL Responsible Gaming Standard may apply directly for the WLA RGF level 4. These member lotteries will be required to submit a copy of their EL certification along with the report from their second-party assessor to the WLA Montreal office. The documents may be sent in electronic form or as printed copies (six printed copies required). Upon the WLA receiving these documents the submitting lottery is automatically entitled to the WLA RGF level 4 certification. They will also be invoiced at this time

for the submission fee of CHF 2,400. The RGIAP will review the second-party assessor's report for any constructive suggestions they might offer. The WLA will then issue the submitting lottery the level 4 certification along with the RGIAP's comments and suggestions. Through the WLA RGF level 4 certification, a lottery receives global recognition for their efforts in the field of responsible gaming.

Although the content of both the EL RG Standard and the WLA RG Framework are similar in nature and share the same objective, there is one significant difference in the structure of the two. While the WLA RGF is built upon a flexible four-level structure the EL RG Standard is built upon one level. The EL RG Standard requires that a lottery's RG programs are already operating at a very high level before certification can be issued.

The flexibility that the WLA RGF offers will allow European lotteries that are not yet

ready to achieve the EL RG Standard to submit for levels 2 and 3 of the WLA RGF. This will allow European lotteries to better prepare themselves for the EL RG Standard as well as the higher level 4 of the WLA RGF.

Submissions can be made for two annual review dates, May 31 or November 30. Each submission is reviewed by the RGIAP which then makes its recommendations to the WLA Executive Committee.

We are pleased to announce that Professor Jan McMillen, Gambling Research Centre, Auckland University of Technology, New Zealand, has joined the Panel. (See box below for more information) The other Panel members are: Mike Randall, (Chair) Canada, Professor Errol Mendes, Faculty of Law Professor and former Director of the Human Rights Research and Education Center, University of Ottawa, Canada, Alice Tepper Marlin, President of Social Accountability International, USA, Ines Garcia, Head of International Relations and Social Responsibility, Spanish Savings Bank, Spain, and from the United Kingdom, Malcom Guy, Director of The Reassurance

Network Limited and John Luff, President of Sustainable Marketing. In order to ensure continuity, a rotation system for the Independent Assessment Panel members is being developed.

Since the Responsible Gaming Framework is based on the principle of continuous improvement, certification is valid for three years. It is hoped that in that time frame, members will not only have maintained their commitment and programs but will also have taken new steps in responsible gaming.

In July 2009, we sent out the new WLA Responsible Gaming Framework Submission Guide to all members. In the guide you will find a complete explanation of the revised framework. WLA members who require more information should visit the WLA website or communicate with the WLA Montreal Office.

## Bio: Professor Jan McMillen, B.A. (Hons), Ph.D.

Jan McMillen has extensive national and international experience in the analysis of gambling policy and regulation, the study of gambling impacts and social policy. She was appointed as Australia's first Professor of gambling research at the University of Western Sydney, where she was Director of the former Australian Institute for Gambling Research (AIGR) 1997-2003. More recently she was appointed to the Australian National University in 2003-07 as Professor and Director, Centre of Gambling Research. She retired from ANU in 2008 and currently holds an adjunct professorial position at the Gambling Research Centre, Auckland University of Technology, New Zealand.

Professor McMillen has also held appointments on two independent Gaming Commissions (Victoria 1991-93 and Queensland 1990-2003), and was Foundation President of the National Association for Gambling Studies (NAGS, 1985-87). Her dual roles as researcher-regulator have provided a detailed under-

standing of the responsibilities of gambling operators and the practical aspects of gaming policy and regulation.

Professor McMillen has conducted over 50 multidisciplinary gambling research studies in Australia and New Zealand where she has a collaborative relationship with regulators, industry providers and community groups. For example, she had a key role in the development of the responsible gambling strategy for all industry sectors in Queensland (2000). She has collaborated with several gaming-related research institutions including the Australian Productivity Commission; National Office of the Information Economy (NOIE); the Key Centre for Ethics, Law, Justice and Governance (KCEJG, Griffith University); Alberta Gaming Research Institute (University of Alberta, Canada); the Ontario Problem Gambling Research Center (Canada); the Institute for the Study of Commercial Gaming and Gambling (University of Macau); the China Center for Lottery Studies (Peking

University); Svenska Spel & the Swedish Gaming Council; Lotterywest and the World Lotteries Association.

In 2005, she was invited to collaborate with several Asian universities to establish the Asian Academic Network on Commercial Gaming (AANCG). Since then she has been on the Advisory Board, Institute for the Study of Commercial Gaming (ISCG), University of Macau.

Professor McMillen also has given invited addresses at numerous international conferences and gambling inquiries in Australia, New Zealand, Hong Kong, Macau, China, Singapore, Japan, Norway, Sweden, Britain, South Africa and Canada. She has published widely on responsible gambling issues in academic journals and books. In 2001, she established the prestigious International Gambling Studies journal, distributed by Taylor and Francis.

# Jumbo Takara-kuji Lotteries: Evolution of Lotteries in Japan

Lotteries in Japan can trace their roots back to medieval times when they were not strictly considered gambling but much rather brought social and religious gain to those who participated.



Mr. Yasuhiko Endoh,  
Japan Lottery Association  
President

Over time, they have been adapted to meet the changing needs of society. Today, the Japanese Takara-kuji lotteries, now in their 64<sup>th</sup> year, have grown with the country and gained fans throughout every strata of society. Not satisfied with simply supporting standard causes, Japanese lotteries have taken further initiatives particularly with the Green Jumbo which focuses on enhancing the environment, a topic that touches every single living being on this planet.



## The Origin of Japanese Lotteries

In Japan, lotteries were first held around 380 years ago, during the early years of the feudal Tokugawa (Edo) Period. They were issued at Ryouanji temple in Settsu-Minoo, part of present-day Osaka. During the New Year holidays, pious temple visitors put wooden cards with their name in a lottery box which a priest struck three times with a cone and picked three winners, granting each with a lucky charm. This temple event, which was called "tomie," is considered the origin of Japanese lotteries. Those who participated did so for religious purposes

to receive lucky charms and good fortune rather than for monetary gain.

Towards the middle of the Edo era, Tomi-kuji were held for the restoration of temple buildings, and they conferred non-monetary items such as rice cakes and cotton as supplementary prizes in addition to lucky charms. Over time, Tomi-kuji Lotteries prevailed by increasing their bonds with monetary rewards, becoming the model for today's Takara-kuji Lottery.

## Japan Lottery Association

The Japan Lottery Association, founded in 1964, works toward the healthy growth of the lotteries in Japan and thus contributes to the development and well-being of Japanese communities. One of its main duties is the promotion and publicity of the Takara-kuji Lottery. This includes providing assistance to the public facilities of local governments and public service corporations.

## The modern Takara-kuji Lottery

In October 1945, the government issued the first Takara-kuji lottery tickets to raise funds for postwar reconstruction and development, and to help combat inflation. The first lottery brought in about 100 million yen in sales with a main prize of 100,000 yen. In December 1946, municipalities were empowered to organize Takara-kuji lotteries, making local communities the beneficiaries. Today, Takara-kuji lottery tickets are only sold within the local municipalities. Sales across Japan in fiscal 2008 totaled 1,0419 trillion yen, and profits reached 475.8 billion yen.



The first Takara-kuji lottery tickets issued by the Japanese government in 1945 to raise funds for post war reconstruction.



An historical print depicting an early Japanese lottery drawing.

Jumbo Takara-kuji Lotteries are the most popular of the traditional games. They are issued five times a year as: The Green Jumbo Lottery in February, The Dream Jumbo Lottery in May, The Summer Jumbo Lottery in July, The Autumn Jumbo Lottery in October and The Year-end Jumbo Lottery in December. Additionally, there are other traditional passive and scratch games as well as lotteries based on numbers selection including Miniloto, Numbers, and Loto 6. Annual sales of Loto 6 have been holding steady at over 200 billion yen for the past five years.

## The Lottery system and the use of lottery proceeds

Under Japanese law, Takara-kuji lotteries may be organized only by the nation's 47 prefectures and 18 specially designated cities. The lotteries must first be approved by the local assembly of each issuing body and then by the Ministry of Internal Affairs



*Photo for a promotional poster for the Japan Lottery Association.*

and Communications. Banks and other authorized financial institutions are commissioned to handle the actual operation of lotteries. These are responsible for the printing and distribution of the tickets, public relations and advertising, sales, the drawings and the prize pay-out.

The law prescribes that lottery proceeds be used for the promotion of public interests. Some of the beneficiaries include programs which encourage cultural and international activities, exhibitions organized by local governments, steps to cope with an aging society and a declining birthrate, the arts, dealing with natural disasters, revitalization of the local economies, and environmental preservation. In recent years, actual use of the lottery proceeds has included the development of school facilities, road construction and maintenance, promotion of the arts and the development of parks. Proceeds of other lotteries, such as Green Jumbo and the Local Medical Care Promotion Lottery, go to predetermined beneficiaries, as their names might suggest. Further, special nationwide lotteries are issued to aid in the event of a natural disaster such as an earthquake.

**The origin of Green Jumbo**

Ryoku-ka (tree-planting) kuji, the predecessor of the current Green Jumbo Lottery, was established in 1984 in conjunction with the national tree-planting campaign advanced by the then Prime Minister. A wide range of people participated in this campaign, which was based on the policy that tree planting is very important for the preservation of the environment and enhancing the quality of life. Ryoku-ka kuji played a leading role in environmental protection in Japan.

In 1986, Ryoku-ka kuji was renamed The Green Jumbo. Although Ryoku-ka kuji was originally intended to be a temporary program, the continuing interest in tree planting and further demands from the administration lead to continuation of the lottery and the decision to change the name to one with a more popular appeal, hence Green Jumbo Lottery. In 1988, the Green Jumbo Lottery additionally began to support sports activities increasing the scope of its beneficiary program.

**The Green Jumbo today**

Towards raising awareness of the importance of the environment and Green Jumbo's key role in its improvement, school children

were invited to enter a painting contest with the theme environment and family. The best paintings were selected to be used as the ticket design for the Green Jumbo Lottery that was issued in February of 2009. This initiative proved so popular that the budgeted sales of 51 billion yen for the Green Jumbo Lottery was sold out in just three weeks! Net proceeds from Green Jumbo have reached 20.5 billion yen.

In addition to tree cultivation and sports the profits from the Green Jumbo Lottery are used to support satellite communication, regional IT projects, the arts and disaster recovery assistance. Additionally, in a few special cases, profits are used to support major international events such as the Nagano Winter Olympics in 1998, the 2002 FIFA World Cup and the 2005 World Expo in Aichi.

With its history of leading the nation in ecological activities and its support of major international events, Japan can proudly declare the Green Jumbo an epoch-making lottery.



The Ryoku-ka kuji or tree planting lottery was established in 1984 in conjunction with a national tree planting campaign.



The Ryoku-ka kuji was renamed The Green Jumbo in the late 1980s and the scope of its beneficiary program was increased to include sports activities.



Children's paintings were selected through a contest to serve as the ticket design for the Green Jumbo Lottery in February of 2009.



The drawing of the Jumbo Lottery.



**Global Favorites. Interactive Fun. Incredible Results.**

Hasbro internet and mobile games from MDI Entertainment.  
Playing in a new dimension.



1500 Bluegrass Lakes Parkway • Alpharetta, GA 30004  
www.mdientertainment.com • 1.800.572.7082.  
All Rights Reserved - MDI Entertainment, LLC  
Where authorized by law.



The MONOPOLY name and logo, the distinctive design of the game board, the four corner squares, the MR. MONOPOLY name and character, as well as each of the distinctive elements of the board and playing pieces are trademarks of Hasbro for its property trading game and game equipment. © 1935, 2009 Hasbro. All Rights Reserved.

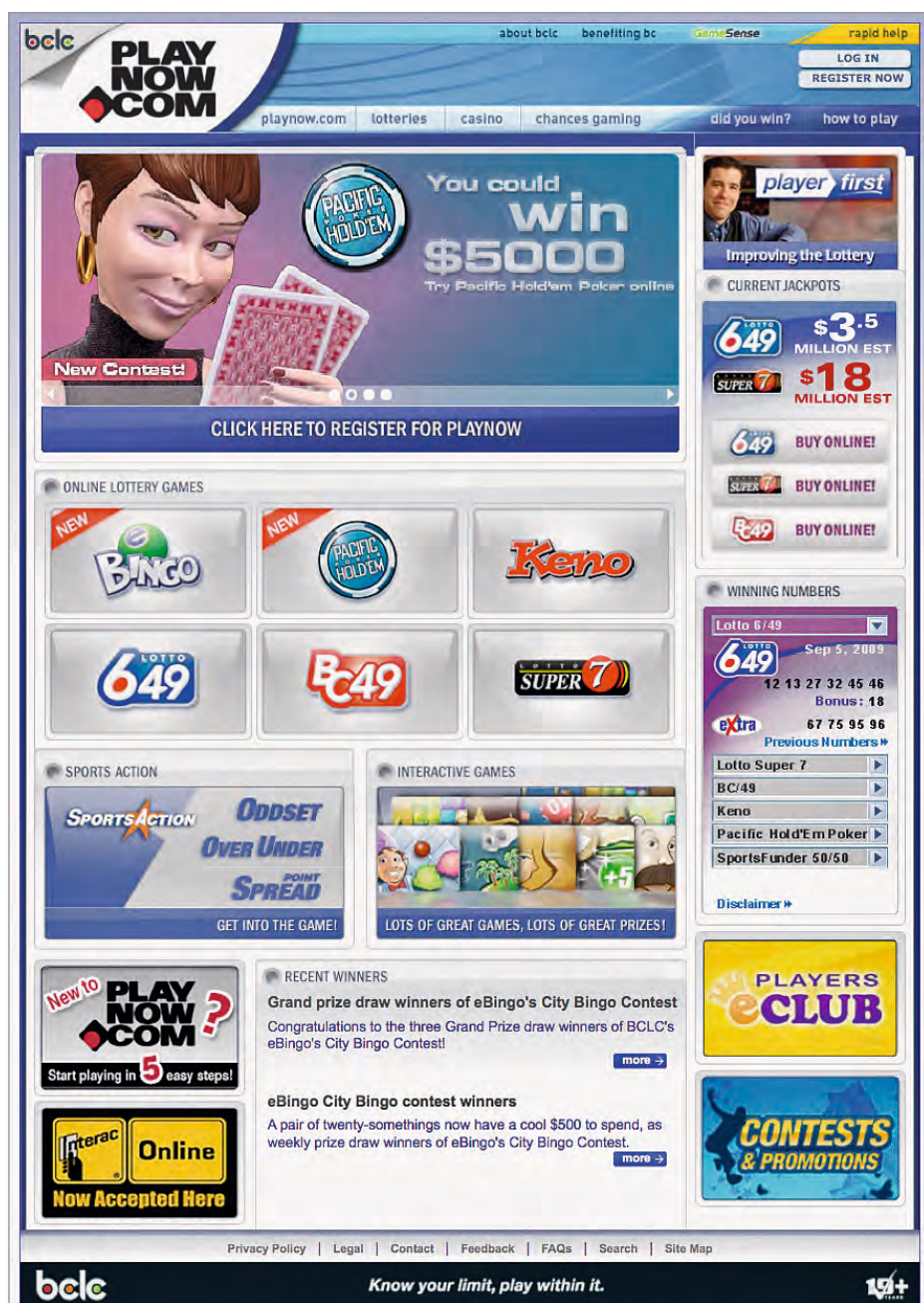
# BCLC: Beating illegal offshore gambling operators at their own game, responsibly

In an effort to take on “unregulated gambling operators,” the British Columbia Lottery Corporation (BCLC) plans to offer its customers a range of online casino-style games via their PlayNow.com website. BCLC has made the gaming experience more attractive to players while also giving them the tools to make informed choices through GameSense, their new brand for responsible gaming information.

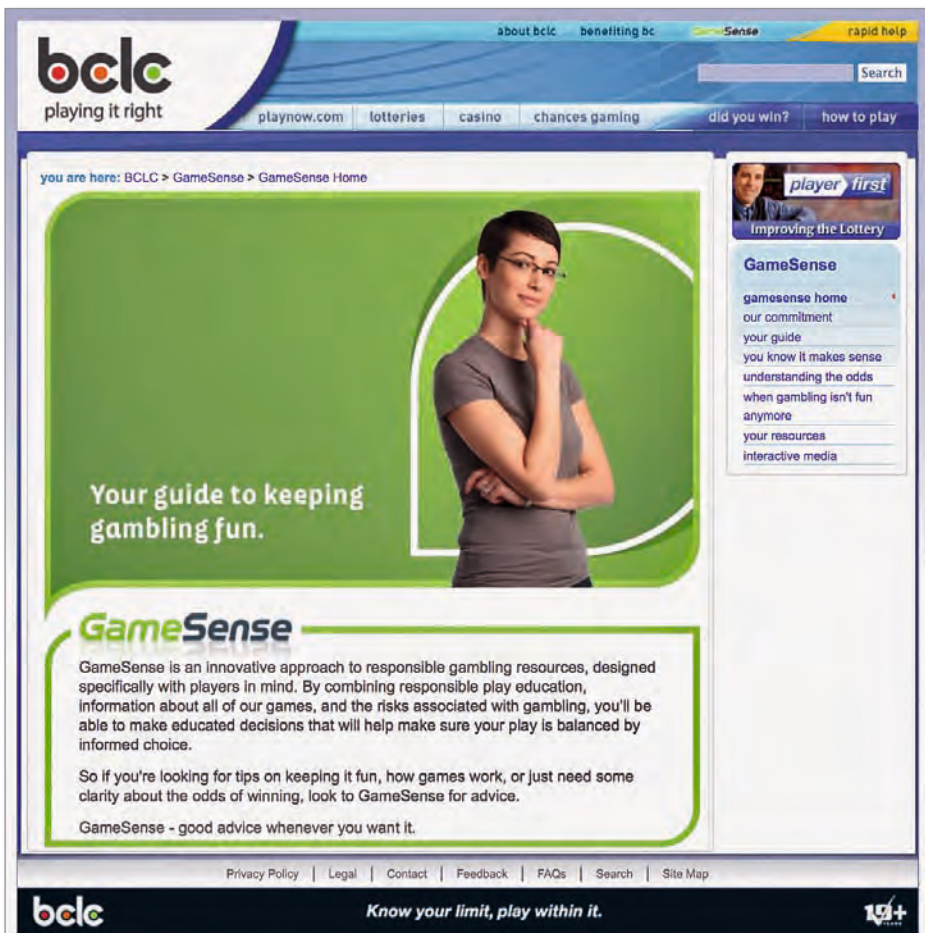
PlayNow.com has been operating successfully since 2004, and currently offers Bingo, Sports Betting and a series of number games. The BCLC will complement this product package with blackjack, roulette and poker by the end of March, 2010. PlayNow.com, which is secured, operated and regulated by the BCLC, is enhancing their gaming platform in an effort to meet the growing demand for online gaming by its consumers and to prevent further loss of revenues to the unregulated offshore operators. It is estimated that British Columbians spend about C\$87 million yearly on approximately 2,000 unregulated offshore gambling sites – money that would otherwise be used to benefit the citizens of British Columbia in the form of government support for charitable and community programs and services.

In a statement to the Canadian press, BCLC President and CEO Michael Graydon said, “At the BCLC, we think the time has come to explore a secure and regulated online alternative. It only makes sense. Gaming online is growing at a rate of 20 per cent a year. Globally, the industry is worth a staggering \$12 billion a year. Like the music and mainstream media industries, the Internet is irrevocably changing our business. Ignoring this change, or hoping it goes away, is not a realistic or intelligent option.” He further went on to say that in order to sustain customer loyalty and secure the future of gaming revenues for British Columbia, the BCLC must be competitive.

This will be a premiere move for Canada as well as the North American continent and comes at a time when legal issues concerning online gaming are challenging the lottery community internationally. Whether further Canadian provincial lottery corpora-



Offering Bingo, Sports Betting and numbers games since 2004, PlayNow.com will soon be offering Blackjack, Roulette and Poker.



GameSense, BCLC's new brand for responsible gaming information, provides players with the opportunity to make informed choices.

tions will follow suit with a similar offering remains to be seen.

Access to PlayNow.com is restricted to British Columbian residents, 19 years of age or older. The site features responsible gaming tools such as a session log displaying the amount of time players have spent online, responsible gaming reminders on the screen and factual information about the odds of winning. All player identities are verified and all transactions are monitored.

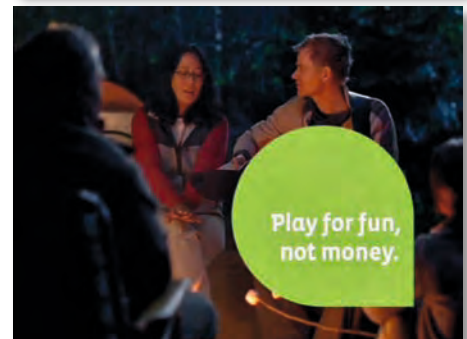
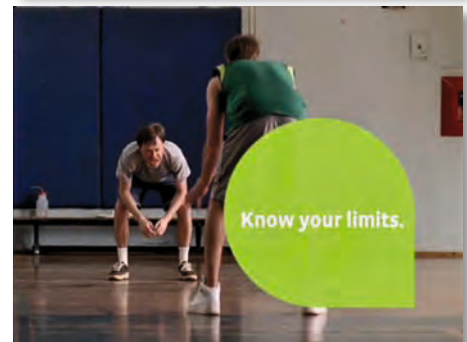
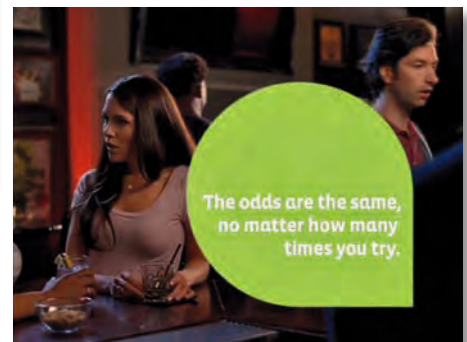
The BCLC has also recently adjusted the weekly deposit limit on PlayNow.com. Players now have the opportunity to set their own weekly limit at any amount between C\$ 1 and C\$ 9,999. Although this measure has met some criticism from gambling opponents in Canada, the BCLC has recently done quite a lot to ensure responsible gaming within their jurisdiction. Earlier this year they launched GameSense, a new brand for responsible gaming information available online and at all BC gaming facilities. GameSense combines responsible play education, information on all BCLC games and

the risks associated with gambling. This provides players with the opportunity to make informed choices when gaming. As part of this program the BCLC released a series of television commercials this summer to viewers across British Columbia. These advertisements represent the first-ever responsible gaming TV spots to appear in Canada. In addition, they have produced an informative video entitled "What are my chances to win at the slots??. The video, made in collaboration with the Ontario Lottery Group (OLG) and the Ontario Problem Gaming Research Center, illustrates the concept of randomness and the misconceptions and myths surrounding slot machine play. The television spots and the slot machine video are available for viewing on the BCLC website (www.bclc.com) under GameSense > Interactive Media.

With these measures the BCLC has taken bold steps to confront a double-headed challenge that the global lottery community increasingly will have to face. Remaining competitive while protecting their players and maintaining consumer trust.



The video, "What are my chances to win at the slots?" depicts the myths surrounding slot machine play.



As part of the GameSense program the BCLC released a series of TV spots this summer advising responsible play.

## Svenska Spel's Gaming Academy: A think tank for gaming professionals



Every year Svenska Spel hosts an extraordinary educational event. Here viewpoints are exchanged and extensively examined, truths are questioned and new insights created. This year was no exception as gaming professionals met in Visby, Sweden, on the island of Gotland.

During an intense 24-hour period, the main actors of Sweden's gaming industry gathered to jointly create a vision of where our industry is headed, what challenges await us and what improvements can be made.

At this year's Gaming Academy, the discussions centered around business ethics, customer expectations and long-term sustainable business. As in the past two years, there was a lot of discussion on the "re-regulation" of the gaming market in Europe.

Svenska Spel's annual industry seminar, the Gaming Academy, was inaugurated in 1992, the idea being to give the gaming industry a meeting place once a year for discussions, information and the opportunity for an informal gathering.

Visby is also the home of Svenska Spel's head office. Although they are the host and organizer of this event their aim is to provide an objective meeting venue where industry decision-makers and media representatives can feel at home. Issues concerning responsible gaming as well as gaming issues from a political perspective have been covered since the beginning. European law has also been covered, including the rules on free movement that apply within the European Union.

Open or closed market, to license or not to license are some of the questions that require answers. Both the Swedish gaming market and that of the rest of Europe are in a process of transformation. The majority of those that attended this year's Gaming Academy agree that the regulatory framework does not work.

"There are many different types of regulations in the EU and we are in no way heading towards everyone being covered by the same regulations. The Member States are encouraged to cooperate on certain issues and their responsibility is to take action if corruption, fraud and money laundering exist," says Ellen Hausel Heldal from the Swedish Ministry of Finance, which is pushing the gaming issue during the current Swedish EU Presidency.

Some of the questions Ellen and her colleagues in Europe are struggling with include:

- Should protective interests be overriding and commercial interests secondary in gaming legislation?
- Should licenses be taxed – and if so, what is a reasonable level of taxation?



“Also of concern is consumer protection, or to put it simply, gambling addiction. This is a problem that all countries have. We discuss the protection of minors and the vulnerable, advertising as well as the guarantee of an operator’s reliability. How can you be sure that the gaming companies follow the terms of the licenses? It takes quite a lot of work to find systems for this,” says Heldal.

The European Parliament is seeking bans on credit and bonus systems on the Internet, better protection for minors and the possibility of taking action against aggressive marketing. Research is an important area where the countries need to find a common basis of cooperation.

“There is a report from Svenska Spel which says that taking care of gambling addiction costs the state between SEK 23 and 4.5 billion per year. This does not include the cost to the relatives of those affected by gambling addiction. Within the EU, people are wondering if a broader responsible gaming effort would reduce these costs,” says Heldal.

### The financial and social benefits of a strong responsible gaming program

Mike Randall is a communications consultant with a special focus on corporate social responsibility (CSR) issues in the energy and gaming industries. He opened the second day of the Gaming Academy by describing the significance of a successful responsible

gaming program and how the gaming companies address the issue of corporate social responsibility.

According to Mike Randall, many talk about corporate social responsibility, but unfortunately it is just talk in many cases. “When I talk about CSR, I believe that successful CSR generates growth in society, not just financial success for the company. Financial and social benefits can go hand in hand. The environment, customers, employees, shareholders, society – everyone is a winner with honest, hard work on corporate social responsibility,” says Randall. “The gaming industry sells hope, which has to be one of the biggest challenges a company has – selling hope. The power we have also means that we have an enormous responsibility. Public interest has to come first and foremost. Social responsibility can define a company. Investments in money and effort must be seen as just that, an investment, not a cost. Effective CSR efforts should be a natural part of a company’s business plan” he added.

The World Lottery Association (WLA) has prepared a framework for ensuring successful CSR work in the future. It covers research, employee and reseller training, game design and balanced marketing.

CSR efforts are at a cross-road in the corporate world, according to Randall, who says that the global financial crisis will force

companies to be more transparent; cynical companies will vanish.

“How do you know it’s time for change? It’s always time for change,” concluded Randall.

### Action against match fixing

Match fixing, bribed referees and manipulated results are every gaming company’s nightmare; but they are not at all uncommon.

In 2005, the European Lottery Association (EL) initiated an informal monitoring system for wagering on football matches in order to combat match fixing. The EL also signed an agreement with the Union of European Football Associations (UEFA) promising systematic reporting on any suspicious wagering patterns. Following this agreement, the EL developed a streamlined European Lottery Monitoring System (ELMS) to do the reporting. Both the EL and the WLA have similar agreements with FIFA monitoring their matches.

“Fixing matches can affect our businesses and our credibility so we must take the problem seriously. For the UEFA, it is important that the spectators believe what they see in the arena, otherwise it won’t work,” says Søren Nielsen, Marketing Director of Danske Spil and manager of Danske Spil’s sports and online games.

Nielsen believes that football associations and the gaming companies must join forces to prevent gaming fraud from spreading. “The gaming companies can exchange information and change the odds, and the UEFA can initiate investigations in the football movement to address problems of fixed matches.”

Abnormally high bets and abnormally high winning payouts are sure signs of fraud. “We believe that this is an important system for creating a secure gaming environment; it is also important for corporate social responsibility to our resellers and others,” says Nielsen.

“The Gaming Academy marks the most important days of the year for the Swedish gaming market and the Swedish gaming industry,” said Meta Persdotter, CEO of Svenska Spel, at the concluding ceremony of this 18<sup>th</sup> Gaming Academy.

*Svenska Spel’s Gaming Academy continued its 18-year tradition by providing gaming professionals with a platform for constructive discussion.*



# Loterie Romande achieves excellent results in 2008

**For Loterie Romande, 2008 proved to be an outstanding year, reporting an annual profit of CHF 185 million, its second highest ever. This impressive result is the fruit of an exemplary performance by the full array of their products.**



*Jean-Luc Moner-Banet,  
General Director  
Loterie Romande*

Loterie Romande's gross gaming revenues (GGR) rose by 3.5% year-on-year to total CHF 366 million.\* Profits for 2008 totaled 185 million francs, a year-on-year increase of 5.1%. These encouraging results were achieved thanks to the brilliant performance of the games offered by Loterie Romande, in particular Euro Millions which finished 11.8% higher than in 2007. Attractively high jackpots fuelled players' interest in this game.

To date, Loterie Romande counts 291 staff on its books while its business operations generate between 1,200 and 1,400 jobs. CHF 69 million in commission fees were paid out to its retailers in 2008 and all of its CHF 185 million profit was redistributed for good causes to around 2,500 organizations, with the equivalent of an average CHF 500,000 being disbursed each day.

Traditional recipients of these funds are tourism and development, environmental conservation, heritage projects, youth and educational programs, culture and the arts, social welfare and programs for the elderly, training and research, healthcare and sports. Proceeds to sports amounted to CHF 30.5 million with 5.7 million going to elite sports, 3.3 million to equestrian sports and 21.5 million to grassroots and amateur athletics.

An increasingly dense distribution network With over 2,900 sales outlets (2,800 in 2007), Loterie Romande has one of the densest networks in the world. Its determination to maintain a 'neighborhood' presence with those playing its games is, however, being curbed by economic and social developments. With rural areas increasingly turning

into suburbs of bigger cities, the countryside's business fabric is wearing thin. In a drive to counter this trend, Loterie Romande is striving to establish new 'niche' outlet locations, such as cafes and restaurants. As these, however, are particularly vulnerable to cyclical economic developments, Loterie Romande is hard at work juggling their options to combat such influences, whilst maintaining regional coverage as a top priority. The increase in sales outlets is one of the driving forces behind the company's

excellent results achieved in recent years, but some players, particularly those between 20 and 40 years of age, show different gaming habits. For this reason Loterie Romande is working hard to expand and develop their palette of Internet games. The need to press forward with this

expansion has not, however, stopped Loterie Romande from shouldering its full responsibilities towards the public, particularly when it comes to responsible gaming.

## Games and products

In 2009, Loterie Romande, together with Swisslos, launched SWISS LOTTO PLUS, a combination of games that makes it possible to considerably boost jackpots. Since its debut this program has proven to be highly successful. The palette of scratch-cards that Loterie Romande offers is constantly being rejuvenated and updated to keep in tune with the changing tastes of the times. At present, they offer a range of five draw-based games (SWISS LOTTO PLUS, Euro Millions, LotoExpress, Banco and Banco Jass), 15 or so scratch-card games, sports betting options and betting on horse racing.





© Yann Mingard

*Loterie Romande with over 2,900 sales outlets has one of the densest retailer networks in the world.*

**New games on the Internet**

In the next months, Loterie Romande’s main innovative thrust will be on an interactive game-playing platform. At present, players have the opportunity to use this platform to participate in SWISS LOTTO PLUS, Euro Millions and sports betting, but this will gradually be extended to all of Loterie Romande’s games. The interactive platform does not just include the Internet, but also covers mobile phones and interactive TV. Albeit, a withholding tax of 35% on winnings over CHF 50 is proving to be an impediment for the development of this platform. “It’s like a millstone round our necks,” says Loterie Romande’s CEO, Jean-Luc Moner-Banet, who is currently lobbying for the tax to be abolished to enable public-service lottery companies “to compete on a level playing-field with international private operators.” Although these operators have in many cases carried on illegally in Switzerland, they have been able to do so without fear of recrimination as they are sheltered in tax havens. According to a recent report from a conference of cantonal directors responsible for lotteries, these illegal sites attracted close to 35,000 gamblers in 2007, most of whom are between the ages of 20 and 40. “Money staked on an illegal gambling site is not redistributed for the public good,” points out Mr. Moner-Banet

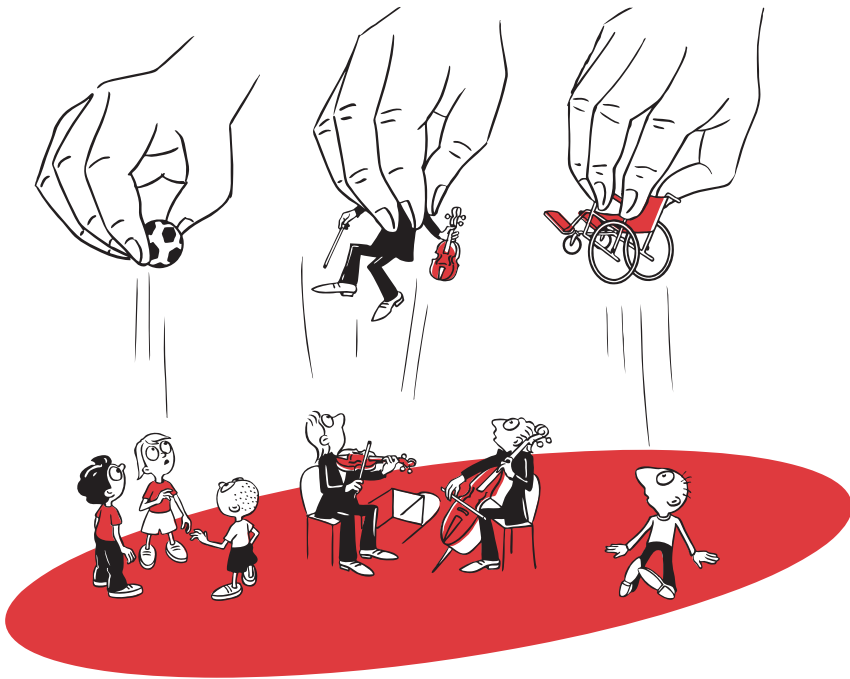
who is well aware of the difficulties that lie ahead in trying to have this tax abolished as “the whole process could take years.” A compromise solution could see the threshold for taxable winnings being lifted from CHF 50 to CHF 1,000, which would mean some 90% of winners not having to pay tax.

**Certified for Responsible Gaming and Security**

Loterie Romande was the first company in French-speaking Switzerland to be awarded the ISO 27001 certification for all of its business operations. This certification is a testament to the fact that the company has implemented and operates an effective and efficient Information Security Management System (ISMS). Not satisfied with that, Loterie Romande went on to secure the new WLA Security Control Standard certification. These certifications provide a guarantee at both the national and international level that the integrity, transparency and quality of the games that Loterie Romande offers to the public will remain at a high level. In addition, Loterie Romande was one of the first European lotteries to secure certification for the European Lottery Association’s Responsible Gaming Standards, which highlights their efforts to combat problem and addictive gambling.

**Referendum for lotteries working for the public good**

“The popular referendum initiative is a weapon wielded in desperation,” says Jean-Pierre Beuret, Chairman of Loterie Romande. ‘Gambling and gaming for the public good’, a federal referendum launched in April 2008, has been crowned with a stunning success. Over 193,000 citizens signed the petition, 100,000 being the minimum required. This initiative, geared towards permanently safeguarding favorable operating conditions for public-service lotteries has three main objectives. First, gambling and betting authorized by federal and cantonal authorities must be operated for the public good. These authorities should work together to combat gambling addiction. Second, the tax imposed on casinos, which comes under the aegis of the federal authorities, must be fixed, by law, at a rate that is in the public interest. Finally, lotteries and other forms of professionally-run gambling should be solely the responsibility of the canton which shall monitor and supervise the running of such operations. The initiative has been filed with the Federal Chancellery on September 10, 2009. The Federal Council, followed by the Swiss Parliament will process the text of the bill which may then be put to the popular vote in a referendum by 2012.



A cartoon supporting "Gambling and gaming for the public good." A Swiss federal referendum that was launched in April of 2008 and was warmly received.

**Social report: setting an example**

Loterie Romande is a pioneer in the field of responsible gaming, working together since 1999 with internationally renowned institutions and researchers. This was one of the main drivers behind the establishment of the 'Centre de Jeu Excessif' in Lausanne in 2001 which has been instrumental in fighting gambling addiction. Since a new Inter-Cantonal Convention on Lotteries and Betting came into force in July 2006, budgetary resources have been earmarked for the campaign on combating problem

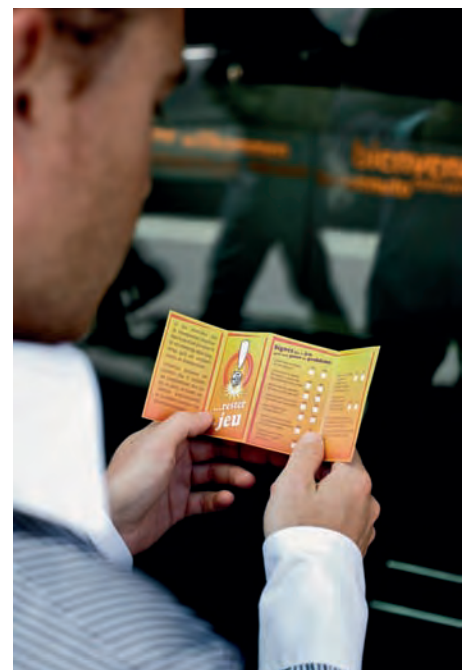
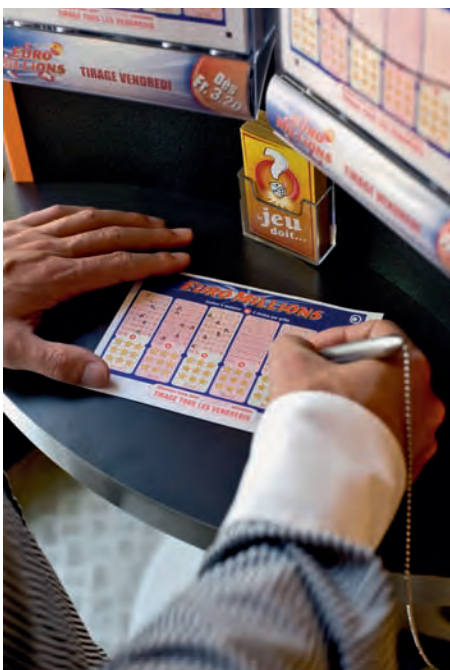
gambling. To this end, Loterie Romande and Swisslos both pay a levy of 0.5% from their GGR to the cantons, which amounts to about CHF 6 million a year.

Loterie Romande's social report for 2008 highlights progress made in 2008 on a variety of social issues. Loterie Romande's overriding aim is to continue setting an example in a whole series of areas of crucial relevance to society at large. Four main principles and priorities have guided Loterie Romande's social policies. First, as men-

tioned above, Loterie Romande was one of the first 10 to be certified as being compliant with European Lottery Association's Responsible Gaming Standard. This standard relates to all European lottery companies and establishes criteria in 10 areas relevant to responsible gaming. The second priority, revolving around human resources has expanded Loterie Romande's role in training professionals and has implemented measures to help the unemployed. The third principle focuses on security. As mentioned before, Loterie Romande was the first company in French-speaking Switzerland to be awarded ISO 27001 certification for all of its business operations. Last and certainly not least are its efforts for the preservation of the environment. Loterie Romande works together with suppliers to lessen the impact of its business on the environment. Moreover, Loterie Romande selects suppliers on the basis of their environmental attitudes.

As we have seen, although the challenges abound, the opportunities for Loterie Romande remain strong. With their sights set on the coming years and with their self-established priorities and tasks they aim to stay on top of the game delivering quality products to their customers and serving their community.

\* Loterie Romande reports its top-line results as GGR (money staked, less winnings paid out) and not as its headline sales.



Loterie Romande's responsible gaming efforts are exemplary, and have been one of the main forces behind the establishment of the "Centre de Jeu Excessif" in Lausanne.

# ARE YOU GAME FOR INNOVATION?



**Sagem Sécurité**  
SAFRAN Group

**you**  
and **us,** worldwide™

As a leading manufacturer in the gaming industry, Sagem Sécurité is active worldwide and has already delivered more than 180,000 lottery terminals. More than our capacity to meet the market's current needs, it is our commitment to provide the most innovative solutions that enables us to meet your future requirements.

[www.sagem-securite.com](http://www.sagem-securite.com)

# The WLA Academy: Seminars for the world lottery community in cooperation with our regional partners

**April 28–29, 2009**  
**New Generation, New Media,  
New Technology**  
Hosted by Singapore Pools  
Seminar in cooperation with APLA  
Macau



Fifty international participants made their way out to Macau in April to attend this joint WLA / APLA seminar which was generously organized and hosted by Singapore Pools.



The seminar started off with an outline of the gaming industry in Macau and how it has grown in recent years. Macau is mainly a table game market. Lotteries in Macau make up less than 1% of gross gambling revenue (GGR). Of the more than 22 million visitors who came to Macau in 2008, the majority were from Mainland China. A survey showed that they were predominantly male, were born after 1980 and were economically very well situated. These visitors come to Macau for two things: gambling and shopping.



This is the new generation; they are upwardly mobile and are technologically minded. In order to reach this generation it is essential to identify who they are. In the period spanning 1914 to the present, six distinct generations have been classified: “The Great One” is the generation between 1914–1929, “The Silent Generation” between 1930–1940, “The Baby Boomers” from 1946–1964, “The Woodstock Generation” between 1960–1970, “Generation Y” from 1980–1999 and “Generation Z” are those born since 1995 until the present.



Generation Z and the latter part of Generation Y belong to the so-called digital natives. These are people for whom digital technologies already existed when they were born, and hence have grown up with

such things as computers, the Internet and mobile phones. Mobility and interactive connectivity are integral to their realities. This poses new challenges for lotteries trying to win their loyalty.

Many lotteries are currently making the transition to online technologies but are still using traditional mass marketing tools. Through these marketing channels it is unlikely that the loyalty of the digital native can be won. This may be achieved through the implementation of an intelligent technology platform such as a customer relationship management system that captures customer data in real time. William Thorburn, CEO of Tatt’s Lotteries, Australia, demonstrated this in a case study on their player card registration model. Tatt’s now has more than 1.3 million registered players and more than 60% of their playing behavior is recorded. Through the use of this model Tatt’s is able to create one-to-one marketing which has gone a long way to helping them secure customer loyalty.

Many thanks to APLA and Singapore Pools for making this seminar a great success.

**May 6–8, 2009**  
**Against all odds – Preparing  
for the future**  
Hosted by the Staatliche  
Lotterieverwaltung, Bayern  
Seminar in cooperation with the EL  
Munich, Germany

The future of sports betting was discussed at this well attended seminar which covered two main areas of sports betting. In the first part new markets and innovations were dealt with and the second part was devoted to integrity in sports and sports betting.

Joni Sihvola of Veikkaus gave a global overview of sports betting which is handled in four different ways around the globe. In some jurisdictions it is banned outright. In others it simply does not exist. In a third part of the world only state monopolies are authorized to operate sports betting. In yet another jurisdiction competitive licenses are issued. The total gross gambling revenue (GGR) around the world for 2008 was estimated to be around €360 billion, with more than 70% of this originating from the lotteries. Although sports betting only accounted for about 7% of the GGR it added great value to a lottery's product package as cross selling was significant.

Mr. Andreas Mattes followed up with an analysis of sports betting among the lotteries. While Spain's Loterías y Apuestas del Estado has done quite well other jurisdictions have gone through a period of stagnation. Germany, for one, has been under increased pressure from both illegal competition and state imposed restrictions. They have experienced a 50% loss over the past four years.

Mr. Ludovico Calvi, head of sports betting for Lottomatica SpA, Italy, then reported on how Lottomatica had achieved a market leader position in corner shops. These are special shops that, in addition to sports betting, offer tobacco and refreshments. Lottomatica has set up 1,232 such corner stores and are planning to open as many as 1,300 in the near future.

Mr. Marko Stokuca, Odds specialist from Hrvatska Lutrija, Croatia, discussed the Croatian market which is one of the most competitive in Europe. Croatia has 11 authorized bookmakers and a total of 2,700 shops, approximately 1 shop per 1,650 inhabitants. This is a density twice that of the UK.

Mr. Jeff Thomas, CEO of World Fantasy Games, presented the world of fantasy gaming and how this could be used to attract customers to lotteries' sports betting websites. Playing fantasy games participants act as owners to build a team that competes against other fantasy owners based on the statistics generated by the real individual players or teams of a professional sport. Fantasy games are already a billion dollar industry. The majority of this market is in the US and Canada but it is starting to open up in Europe.

Mr. Mathias Persson and Mr. Ola Carlsson of Svenska Spel gave an update on the status of Svenska Spel's live sports betting. Svenska Spel is considered a pioneer in this field. Currently they have some 20 to 50 matches per week with average weekly sales of €175,000. They have though faced tough competition from other licensed operators such as Unibet.

Integrity in sports betting took up the second part of the seminar beginning with Jens Nielsen, Sports Betting operations manager of Danske Spil a/s and chairman of the EL Sports Betting Group. Mr. Nielsen presented an update on the EL monitoring system (ELMS) which has recently gone live. The operational headquarters of the ELMS is located at Danske Spil and is managed by two full time sports professionals. The ELMS will follow the betting patterns of lotteries on some 120 UEFA matches annually.

This was naturally followed by a presentation from Mr. Detlev Zenglein of the FIFA Early Warning System (EWS). FIFA has expanded the EWS network now counting more than 400 partners reporting to them on any irregular betting patterns.

Mr. Kyetil Bernsten and Mr. Roger Skjellerund presented the player registration card of Norsk Tipping. Their player identity cards have been in use since 1992; to date they have sold more than 2.8 million pieces. Each card has a validity of two years and costs seven euros. The card, which is valid across multiple channels, was made compulsory by Norsk Tipping in February of 2009. Before the compulsory player registration was introduced, it is estimated that 35% of odds revenue came from unregistered play.

The seminar was graciously hosted by the Staatliche Lotterieverwaltung, Bayern, and organized jointly with the EL. Many thanks to both.



**May 25–28, 2009**  
**Interactive Gaming and New Media**

**Hosted by Norsk Tipping AS**  
**Seminar in cooperation with the EL**  
**Hamar, Norway**

**Benefiting from an economic recession**

The seminar started off with an economic analysis from Mr. Warwick Bartlett of Global Betting and Gaming Consultants (GBGC). The figures he presented indicated that the gambling industry is not recession proof. He suggested that an economic recession serves a purpose. It weeds out the weak and paves the way for new innovators. This recession will cause a structural break from the past. Although it will be hard for all, those who are able to adapt and innovate the quickest, will reap significant benefits. When the going gets tough innovation is the key. The worst thing one can do is to carry on doing the same thing that has been done in the past. Dynamic ideas and embracing change are essential if we are to move ahead. As the economy worsens more people will be staying home. More people will be using the Internet and interactive media as an inexpensive form of entertainment.



**The UIGEA**

Tom Tai, Manager of Strategic Products of the British Columbia Lottery Corporation (BCLC), gave a detailed outline of how he saw America’s Unlawful Internet Gambling Enforcement Act (UIGEA). Mr. Tai underlined the fact that the law dealt with what was unlawful Internet gambling and not all Internet gambling was unlawful. To its credit, the UIGEA actually does provide some consumer protection against truly unlawful gambling. It also affirmed the jurisdictional authority of the individual state to regulate Internet gaming and that it could not be run by outside authorities or through multi-national trade agreements. He did however emphasize that the UIGEA could not be used or thought of as anything that would completely eliminate illegal gambling operations.

**The legal climate in Europe**

Speakers from four European countries outlined the legal climate in each of their jurisdictions. Speaking for Norway, Ms. Asta Skre, Assistant Director General of the Ministry of Culture and Judicial Affairs, explained how the Norwegian government is in the progress of introducing new legisla-

tion, similar to the UIGEA, which will prohibit the transfer of funds from a financial institution to an Internet gambling site.

Representing Italy, Ms. Claudia Ricchetti, Director of Legal and European Regulatory Affairs for Lottomatica, gave a comprehensive overview of the Italian online gaming rules and how they have been implemented since the “Bersani Decree” in 2006.

From Germany, Mr. Dirk von den Driesch, Manager Internet Marketing, Westdeutsche Lotterie, illustrated how the German State has outlawed all Internet gambling activity as of January 1, 2009.

Finally, appearing for the Netherlands, Mr. Mayk Senden, Online Marketing, Nederlandse Staatsloterij, related how the Dutch Department of Justice has also taken measures to prevent financial institutions from servicing illegal gaming operations. Many banks have since stopped financial transactions of this sort, but there are still court cases pending and the debate on how the Internet should be handled is not yet over.

**Designing games for the future**

Concluding the day was a fascinating presentation by Dr. Jane McGonigal, Director of Game Research and Development, Institute for the Future Designer of Alternate Reality Games. In explaining how games for the future should be designed she laid out four fundamentals which should be considered:

1. A game should provide a player with work that is satisfying
2. A player should get the feeling of being good at something.
3. The game should provide players with a platform to share time with people that they like.
4. The game should offer the player the chance to be part of something bigger.

The WLA would once again like to thank the EL for their cooperation in organizing this seminar. We would also like to thank Norsk Tipping for hosting this seminar and for their wonderful hospitality.

## Security Seminars

May 26–28, 2009

### Security and integrity in the lottery world

Hosted by the Ontario Lottery and Gaming Corporation

Seminar in cooperation with NASPL  
Toronto, Canada

June 23–25, 2009

### Where creativity meets security

Hosted by Szerencsejáték Zrt.

Seminar in cooperation with the EL  
Budapest, Hungary

Two security seminars took place this year on two different continents. The seminars followed similar agendas with only slight variation pertaining to the individual regions. In short, a few highlights from both seminars.

The WLA Security and Risk Management Committee (SRMC) was presented by Thierry Pujol, the WLA SRMC chair. Their mission, how they evolved, and their functions were laid clear for the participants as well as how member lotteries will benefit from the work of the committee.

Ed Stefan, Vice-Chairman of the WLA SRMC, presented the new WLA Security Control Standard certification process and how it works. He explained the difficulties of the old certification process and how it has been opened up to make it more flexible and accessible for members. The certification process has now been opened up to other auditing bodies making it easier for all members worldwide to achieve certification.

Thomas Bierbach from the Atlantic Lottery Corporation spoke about common security challenges which lotteries face. He explained the importance of maintaining the confidence of the players and stakeholders and how this can be challenged by retailer fraud, employee collusion, information security breaches and insider wins.

Dr. Christos K. Dimitriadis, CISO, Intralot SA, presented the topic of securing Internet gaming. He identified some of the common security threats that concern the lottery industry such as identity theft, player information disclosure or manipulation, game

## Regional and interregional lottery events until the end of 2009

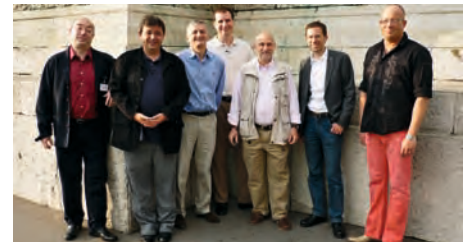
Date	Topic	Organizer	Host / Venue
<b>October</b>			
12–14	<b>Seminar on Info Sharing, ELISE</b>	EL	Lisbon, Portugal, Santa Casa de Misericórdia da Lisboa
4–9	<b>English for the Lottery Business – Step 2, 2009</b> <b>Postponed until next year</b>	Partners in Training Limited, York	Aldwark Manor, York, UK
6–9	<b>NASPL Annual Conference</b>	NASPL	Oklahoma City, Oklahoma Oklahoma Lottery
26–29	<b>World Meet 2009</b>	CIBELAE / WLA	Santiago de Chile Polla Chilena de Beneficencia
<b>November</b>			
9–12	<b>APLA Conference</b>	APLA	Auckland, New Zealand New Zealand Lotteries Commission
tbd = To be determined			tbcc = To be confirmed

logic invasion, user target fraud and internal fraud. Dr. Dimitriadis recommends a holistic approach to information security; one that takes into account all parameters whether human or technological.

Tony English, Information Security Manager for GTECH, gave an in-depth presentation on the current trends in cyber crime. Cyber crime is concerned with specific acts in which computer systems and infrastructures are used as vehicles to perpetrate crime. It is a global problem that does not recognize international borders. Cyber criminals are usually after proprietary information such as trade secrets or personal information such as account numbers or name and date of birth. Such crimes may not result in theft or loss but could involve actions that could damage the reputation of your lottery. Money laundering would be a good example of this. In combating cyber crime Mr. English recommends that one test and retest all applications, and regularly audit accounts and log files and to seek compliance with an industry standard such as the WLA SCS.

Various presentations were also given on Incident Management, Business Continuity Management, Management Systems and Crisis Management. How the different modes function and why they are essential.

We are indebted to the Ontario Lottery and Gaming Corporation and NASPL as well as to Szerencsejáték Zrt. and the EL for the splendid organization and generous hosting of the seminars in Toronto, Canada and Budapest, Hungary, respectively.



## Scientific Games Latino America: Social responsibility program leads to contented workers and higher productivity

### The program addresses gaming customer demand for greater efficiency

There is no more turbo-charged gaming industry indicator these days than the subject of Corporate Social Responsibility (CSR). The global gaming community continues to set the CSR bar higher and higher, proactively developing and implementing standards to guide and assist the industry in a focused effort to remain relevant to players and, at the same time, protect those at risk.

Scientific Games has been a proponent of Social Responsibility (SR) throughout its operations worldwide. What partly attracted them to purchase what is now known as Scientific Games Latino America (SGLA) back in the spring of 2002 was the fact that this then 13 year old company seemed different than most other upstart organizations. It was ambitious. It was goal oriented. It unfailingly practiced a customer-first philosophy.



Scientific Games Latino America is headquartered in Santiago – host city of this year's World Meet 2009. Twenty years ago, SGLA was a small, Chilean-based manufacturing firm looking to make its mark on an industry where there is no margin for error and where every day is a high-stakes, high-wire act. For the next decade-plus, it would build and solidify its reputation as a leading supplier of secure, high quality, high value instant lottery tickets and prepaid phone cards for the Latin American market.

“We were drawn to the company for many strategic reasons, not the least of which were its customer-centric philosophy as well as its passion and drive to be at the vanguard of leading industry indicators,” recalls Jim Kennedy, Senior Vice President, Sales and Global Marketing, a 25-year veteran of Scientific Games.

Consistent with the global gaming community's proactive push for higher SR standards, SGLA has developed, implemented, and documented a comprehensive SR program of its own. Its 2008 report – all 108 pages – is prepared in Spanish and English and can be accessed by going to the SGLA website at [www.scientificgames.cl](http://www.scientificgames.cl).

“We view social responsibility in a broad context and, thus, go to great lengths to integrate CSR principles into everything we do,” said Rodrigo A. Ballivian, SGLA Managing Director.

“For us, SR is a strategy whose mission is to improve our internal productivity, take care of our stakeholders, and, ultimately, add value to our company.”

This includes analyzing how SGLA manufactures its games and how to minimize the impact of its manufacturing process on the environment. It also includes development and implementation of health and wellness programs for employees and their families. It includes regular, ongoing events and activities designed to connect, at a deeper level, SGLA with the community in which it operates because, as Ballivian says, “we do not operate on an island.”

There's more. Any vendor who wishes to do business with SGLA is required to align with the company's SR business model. For example, two of SGLA's largest



Rodrigo A. Ballivian,  
SGLA Managing  
Director

vendor purchases involve the paper and the inks used in the manufacturing process. The vendors through whom SGLA sources these materials must have the capability to provide environmentally friendly solutions.

“All of our inks today are water-based – there are no solvent-based inks – and the cardstock on which we manufacture our tickets is recyclable,” says Ballivian.

SGLA's SR model is comprised of the following:

- Corporate Governance
- Working Life Quality
- Responsible Production and Quality
- Responsible Marketing
- Responsible Supply
- Environmental Management
- Commitment to the Community

There are specific Social Responsibility plans for these groups, which are supervised by a Sustainability Committee. A member of the various management offices, headed by the Managing Director, provides this comprehensive oversight. Monthly status reports are required from the Working Life Quality Committee, Responsible Marketing Committee, and Environment and Integration of SR to the Management System Committee.

### Dialogue is key

SGLA's SR committees were not developed in a vacuum. Nor were they developed from a purely top-down perspective. Rather, the program infrastructure was created based on a series of extensive interviews and focus groups conducted with key management and employees, as well as with SGLA vendors, customers, authorities, and other external groups.

Upon their creation, the committees were charged with integrating SR principles and practices into the SGLA business model through the Global Reporting Initiative (GRI) methodology, in line with ISO 26000.

According to Ballivian, the SR program has been a tremendous success, which is principally attributable to getting 'buy-in' from the various stakeholders, especially employees. "The program is working because we've gotten buy-in and earned the trust of our stakeholders. Without this, the program would not be able to achieve its strategic goals."

The veteran SGLA Managing Director believes the key to winning and keeping employee support is to follow a tried-and-true business principle, which is: "Tell your employees what you will do and then do what you say."

As it relates to SGLA's SR program, this statement encompasses the continual sharing of information with employees; listening to them; providing them a sanitary, safe work environment; allowing them to participate in certain decision-making processes; and rewarding top-tier performance and extra effort.

As part of the holistic SR initiative, SGLA also provides after-hours activities and programs to enhance the quality of life of every employee and their families. For example, on a Saturday morning, every month, the company organizes field trips to various museums located in and around Santiago. These activities are available to the children of every employee.

"We have a permanent, ongoing dialogue not just with the two unions that represent our employees, but with all 140 workers at our SGLA facility in Santiago," says Ballivian.

"We want our employees to have pride in their company. We want them to come to work happy, knowing that this is not just a job, but rather a culture in which management and employees work together in a spirit of cooperation, understanding and mutual respect. When this happens, our productivity and efficiency increases dramatically."



*SGLA cultivates a work environment in which management and employees work together in a spirit of cooperation, understanding and mutual respect.*

### SR Program addresses important customer demand

Ballivian believes the serious practice of SR principles creates a snowball effect with enduring benefits for the gaming customer. "When you have a better work environment, you have employees who are content, which leads to innovative products – indeed better products – that can be manufactured and delivered to customers quicker and more efficiently."

The proof is in the numbers. By the end of 2009, SGLA projects it will manufacture approximately the same amount of tickets, and do so with a streamlined organization. "We're continually improving our press, manufacturing and finishing systems and our numbers confirm that our improvement in productivity has been huge. Customers are demanding greater efficiency from their vendors and SR is enabling us to meet this demand."

In 2008, SGLA manufactured more than a billion instant lottery tickets (2" x 4" equivalent), a new record for the facility – with Chile, Ecuador, Mexico, El Salvador, and Ivory Coast accounting for more than 70 percent of its sales.

Today, SGLA is a gaming solutions leader in Latin America. The company manufactures its products combining sophisticated game design, development and programming together with a full, high-security printing and finishing facility in the Cerrillos neighborhood in Santiago.



*As part of the SR initiative, Saturday morning field trips are organized for the children of SGLA employees.*



**GTECH®**  
Architects of Gaming

## A Florida elementary school receives a new computer lab courtesy of GTECH Printing Corporation (GPC) and GTECH Corporation

**GPC, and parent company GTECH, donate \$15,000 in educational technology to Trapnell Elementary School through the company's After School Advantage Program**

GTECH Printing Corporation, in collaboration with its parent company GTECH Corporation, unveiled a new \$15,000 computer learning lab through the Company's After School Advantage Program at Trapnell Elementary School, during an official ribbon-cutting ceremony held in Plant City, Florida, on September 10, 2009. This event is part of a nationwide program GTECH has implemented to serve at-risk youth in communities where the Company has offices nationwide.

Representatives from GTECH joined Florida State Representative Richard Glorioso, as well as representatives of the Florida Lottery and Trapnell Elementary School, in commemorating the new lab which will benefit children enrolled in the Hillsborough County school district, grades K - 5.

"GTECH's After School Advantage Program is designed to help close the digital divide and open the door of opportunity with the latest technology for children who otherwise may not have access to computers. After School Advantage aims to increase children's interest and proficiency in computers in a safe, fun learning environment, while providing them with the necessary tools to help them become more competitive in school and in the future job market," said GTECH Printing Corporation President, Ross Dalton. "We are thrilled to have reached so many children through this program."

The state-of-the-art computer lab, which was built by GPC and GTECH employees, is fully equipped with 10 Dell flat-panel computers, a digital printer, and a suite of educational software, accompanied by renovations to the room, which included new desks and chairs, a fresh coat of paint, and inspirational



*GTECH Printing Corporation President, Ross Dalton with children participating in GTECH's After School Advantage Program.*

**GTECH's After School Advantage Program is designed to help close the digital divide and open the door of opportunity with the latest technology for children who otherwise may not have access to computers.**

posters. In addition, the lab is equipped with Internet access, word processing capabilities, and standardized test practice software.

"As many have heard the words, 'It takes a village to raise a child,' we have been so fortunate to have businesses such as GTECH as part of our extended family contributing to the educational success of our students," said Trapnell Elementary School Principal, Rhonda Pulling.

"The Florida Lottery is proud to partner with GTECH in making yet another computer lab a reality through the After School Advantage Program," said Florida Lottery Secretary, Leo DiBenigno. "GTECH's commitment to education initiatives in our state supports the Lottery's mission of enhancing public education by improving learning opportunities for students in our schools."

The After School Advantage Program allows GTECH to apply its technological experience, as the world's leading online lottery technology services provider, to assist in the education of our nation's youth. For each After School Advantage Program, GTECH donates an average of \$15,000 in state-of-the-art computers, online technology, software, and volunteer hours.

Since GTECH launched the After School Advantage Program on April 14, 1999, the Company has installed 130 computer centers in 23 states and Canada: Florida, Tennessee, Texas, Oregon, Georgia, California, Kentucky, Ohio, Arizona, New Jersey, Michigan, Washington, Kansas, Wisconsin, New York, Colorado, Missouri, Louisiana, Illinois, New Mexico, Virginia, Idaho, Rhode Island, Washington, DC, and Moncton (Canada).

GTECH Printing Corporation, with facilities in Lakeland and Plant City, is the fastest-growing, instant-game manufacturing company in the industry and currently services more than 35 customers worldwide, including the Florida Lottery. GTECH Corporation is the online lottery technology and services provider to the Florida Lottery.



## INTRALOT awarded for its business ethics

INTRALOT was distinguished with the BEE Silver/Proven Support Award by the European Business Ethics Network in Greece (EBEN GR) during the 22nd EBEN Annual Conference that took place in Athens, September 10-12, attended by over 150 participants from all over Europe. This distinction rewards the company's ethics and its ethical Corporate Governance and Social Responsibility. The award was delivered to Mr. Argyris Tsilidis, Organisation and Human Resources Director of INTRALOT, who stated: "We feel proud that our company received this essential award. Not only does it verify our will to have a business model that respects its stakeholders, its personnel, its clients and its shareholders, but it shows that our company is dedicated to the development of a management approach that secures good understanding, confidence, responsibility, and above all ethics."

EBEN GR is a non-profit association founded in 2005 that represents the European Business Ethics Network in Greece. The European Business Ethics Network, founded in 1987 as a non-profit association, is a cross-national network dedicated to the promotion of business ethics, in academia, business and the public sector. EBEN GR aspires to play a significant role in the corporate arena by providing support to organizations and professionals, in order to adapt a new management approach, with the supply of business ethics principles, research tools, training and best practices propagation.

## INTRALOT awarded for its international investments

INTRALOT was distinguished as one of the "Trade and Investment Leaders", receiving the "Investment Leaders-Greek International Investments" award during an official ceremony organized by Helexpo (the biggest International Fair held in South-East Europe) and StatBank (a database for Statistics, Economy and Business) in Thessaloniki, Greece.

The award ceremony was held during the 5th Business Forum that was part of the 74th Thessaloniki International Fair on the

theme: "Foreign Direct Investments. Seize the Opportunity in Times of Recession".

The event drew the attention of the Greek business community, as well as that of South Eastern Europe and focused on the major issue of investments. Its main objective was to exchange ideas and experiences on topics such as World Investment Situation, Foreign Direct Investment, Investment for Development and Opportunities in the wider region of South-East Europe.

Commenting on the award, Mr. Constantinos Antonopoulos, CEO of INTRALOT, stated: "INTRALOT's distinction as one of the leading international investors is a fitting reward for our commitment to continuously expand the company's footprint and establish a long lasting presence in regions where business opportunities arise. Currently, we are proud of our presence in 50 countries all over the world, and of our 5,000 professionals who are working hard to guarantee INTRALOT's global success".



INTERACTIVE

## Aristocrat server based gaming product wins approval in Macau, opening the way for U.S. entry

Aristocrat Leisure Limited announced June 2, 2009, that its server-based gaming product for casinos won approval in Macau, opening the way for entry into the U.S. and other major markets around the world.

The ACE TruServ™ server based gaming product is the first client server based gaming system to be approved (GLI-21 and GLI-11) for casino (Class 3) gaming globally.

Chief Executive of Aristocrat, Mr Jamie Odell, said "The approval is an important milestone for Aristocrat and its European subsidiary ACE Interactive, as it paves the way for approvals in other GLI regulated jurisdictions across North America and around the globe. Network gaming is the next big technology shift for the gaming industry worldwide as it combines dynamic game control, multi-vendor content, floor

management and configuration into a single solution, which has been a goal for machine manufacturers and operators over many years."

The ACE TruServ™ server based product for class 3 gaming provides operators with new levels of flexibility in managing and configuring their gaming floor. The product provides a secure and reliable communications infrastructure that enables Aristocrat to create new and innovative game concepts.

Mr. Doug Bertinshaw, Vice President of Network Gaming at Aristocrat, said "Aristocrat has invested heavily in developing the ACE TruServ platform as this is the technology that will break the traditional fixed 'game in a cabinet' paradigm. The advantage to the industry is to provide a more dynamic networked gaming environment, with a library of games and new game forms from multiple vendors served and deployed across connected gaming machines within a venue or across a nation. The technique is already deployed in the entertainment gaming market". Aristocrat's new LCD Viridian cabinet has been designed to enable it to be configured for ACE server based gaming, allowing game changes without physically replacing components. ACE has worked closely with global gaming operators to ensure the product delivers the right functionality that meets market expectations. Gaming venues and operators will benefit from the ability to dynamically modify and tune available games on the gaming floors to better meet changing player profiles.

### WLA MAGAZINE is published by:

The World Lottery Association  
Lange Gasse 20  
P.O. Box  
CH-4002 Basel, Switzerland  
[www.world-lotteries.org](http://www.world-lotteries.org)

**Publication Director:** Jean Jorgensen, WLA Executive Director

**Editor:** Paul Peinado, WLA Communications Coordinator

**Print:** Werner Druck AG  
Basel, Switzerland

**Layout:** 3satz GmbH  
Thalwil, Switzerland

Many thanks to our PLATINUM contributors

---



Many thanks to our SILVER Contributors

---





31 October – 5 November 2010  
[www.wla2010.com](http://www.wla2010.com)

*Say G'day  
to some of the locals*



Your host, Tatts Lotteries' Golden Casket, extends a warm welcome to our lottery colleagues to join us in Brisbane, Australia for the World Lottery Association 2010 Convention and Trade Show.

The future looks bright and you just never know who you might meet Down Under in 2010.

Please go to [www.wla2010.com](http://www.wla2010.com) for more details



# the game is on



**Betware has over 13 years of experience in developing Enterprise Service Oriented iGaming Platforms for Lotteries. Our Software Development Kit offers open API's for 3rd party game developers, Central Player Account Management with Single Sign On and a full range of Responsible Gaming features. Complemented by a rich portfolio of games including Lottery, Instants, Casino, Bingo and Multiplayer games, Betware Solution answers all your New Media gaming needs.**

[www.betware.com](http://www.betware.com)

**Betware**  
- the best bet