15 September 2010: Online gambling and gaming

Published on September 16, 2010

On its own initiative, the Autorité de la concurrence has decided to analyze the competition questions that are likely to arise in this sector

> *Version française*

The law n° 2010-476 of 12 May 2010[1] recently authorized competition within the sector of online gambling and gaming, notably involving sports betting, casino games and betting on horse races. With regard to sports betting, the [French] Sport Code[2] indicates that operators must acquire the right to organize online betting on sporting events or competitions from the organizers of these events.

The Sport Code also indicates that the *Autorité de la concurrence* must provide an opinion on all draft contracts for the acquisition of rights to organize online betting. In order to provide the actors in question with necessary clarifications, the *Autorité* has decided to initiate a self-referral for a general opinion on the possible competition problems within this sector.

The *Autorité de la concurrence* will issue an opinion that will establish a general framework and will provide the sector's actors with guidelines intended to guide them in their efforts, in consensus with the newly created online gaming regulation authority (the ARJEL).

The *Autorité* will issue its opinion by the end of the year.

After a preliminary analysis of the competition matters that may arise within this sector, the opinion issued by the *Autorité* will notably examine:

- the market access conditions and notably the agreements providing "betting rights". To this end, the opinion will examine the competition distortions that may be created within this framework, notably the provisions for establishing the compensation for the right to organize betting.

- the consequences on competition from the subsistence of monopoly activities (notably on "brick-and-mortar" networks) as well as the difficulties resulting from the existence of vertically integrated operators (organizers of betting and simultaneously owners of the rights to organize betting).

- the pricing policies applied by operators such as, for example, tied reductions or loyalty-building discounts.

[1] Law n° 2010-476 of 12 May 2010 relative to open competition and regulation of the online gambling and gaming sector.
[2] Articles 333-1-1 and 333-1-2 of the [French] Sport Code.

> For more details, consult the full text of the decision 10-SOA-03 of 15 September 2010 relative to a self-referral for an opinion regarding the online gambling and gaming sector