



## HARINGEY COUNCIL

### OVERVIEW AND SCRUTINY COMMITTEE

### INVESTIGATION OF BETTING SHOP CLUSTERING

### A WHISTLE BLOWER'S GUIDE FROM HARINGEY RESIDENT AND GAMBLING INDUSTRY EXPERT DEREK WEBB OF PRIME TABLE GAMES

#### Introduction

The purpose of this document is to provide a professional insight into why so many betting shops are opening in the borough of Haringey. The insight comes from a Haringey resident, successful gambler and businessman Derek Webb of Prime Table Games. Webb is the inventor of Three Card Poker, a game that has been played on the betting shop machines in various bookmakers. Webb and Prime Table Games are in no way anti-gambling, but are leading voices in the campaign to make gambling fairer.

#### Thoughts on why there are so many betting shops in Haringey

The ratio of betting shops per head of population in the UK is several times higher in urban areas, like Haringey, than in rural areas. We (Prime Table Games) think it is a safe assumption that the bookmakers target certain demographics when deciding where to open new shops, and that it therefore follows that they believe that the residents of Haringey are a particularly good demographic target. With a responsibility to protect the interest of its residents, the Council may be very interested to learn whether the bookmakers have evidence (anecdotal or empirical) that the social and cultural make-up of Haringey makes the area's population particularly attractive to the betting industry.

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Further, we believe the answer to the question as to why Haringey has so many betting shops may actually be even more straight-forward than demographic targeting, and be indicative of a wider problem surrounding a lack of effective legislation in the UK. The gaming regulations permit a maximum of four betting machines per shop and, based on the bookmakers annual accounts, these machines provide the betting shops with around half of their revenue. It is our assertion that the bookmakers are just maximising profits by having more machines – albeit in multiple locations in close proximity. During their representations at the review, it would be interesting to know whether the bookmakers agree that it is these machines and the revenue they generate, combined with the limit on number of machines per premises, that is driving the growth in numbers of Haringey betting shops.

#### **Thoughts on whether Haringey betting shops are operating ‘fair and open’ gambling**

UK gambling regulation incorporates the licensing objectives of socially responsible gambling and fair and open gambling. Yet despite the fact that the betting shops are open less than half the time that Las Vegas Strip casinos are, a betting shop machine in Haringey takes as much from players per day as a Las Vegas Strip casino slot machine. Our opinion is that this phenomenon is due to the Haringey betting shop machines being played for twice as long and/or for stakes twice as high as Las Vegas Strip casino slots, due to more addictive content.

Sadly it is also our opinion that the Haringey betting shop machine gambler is more prone to addiction than the Las Vegas Strip casino visitor. Given that the people of Haringey are feeding the bookmaker’s machines as much as the Las Vegas gamblers, in only half the time frame, it would be interesting to know whether the bookmakers can provide an alternative explanation to highly addictive content. Further, if the Haringey residents are targeted specifically for a propensity to become addicted, it would be interesting to hear whether the bookmakers believe that it is fair or socially responsible to continue to operate so many machines in the borough.

Looking at content specifically, betting shop machines feature games that are played at casino tables around the world – such as Roulette, Blackjack and Three Card Poker. The pace of these games is around three times faster when played on betting shop machines, and the rules of some versions

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played in the bookmakers are not as generous to players as the rules on the casino tables. This results in players losing either three times more or three times faster on these games on betting shop machines than on casino tables. Our opinion is that having casino table game content on betting shop machines that looks like the real games, but then allowing the games to be turbo-charged to win or lose three times faster than the real games is not fair to players. We would like to know why bookmakers are not forced to make it clear that players have a far more negative experience using casino games on betting shop machines than playing the same games on casino tables.

It is also noteworthy that in casino table games the average amount a player loses compared to the funds used is around 15%. The betting shop industry does not make public this ratio for betting shop machines, but informed analysis from Prime Table Games estimates it to be over 50%. In line with the gambling regulation's demand for gambling to be open, it will be useful to hear if the bookmaker's representatives can justify keeping this percentage secret.

#### **More questions that need answering to help understand the impact of these machines**

- What is the average total amount of numbers per spin that players bet on at roulette on a betting shop machine?
  - We believe the more numbers people bet on the more likely they are to be a problem gambler as they have lost focus and just 'need' to win
  
- What is the overall percentage of player funds paid into the betting shop machines that is actually retained by the machines
  - We estimate this to be around 50%

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- What percentage of a machine's business is completed in each quarter of the working day (3 hour intervals based on a 12 hour day), and how does that compare to over-the-counter activity during the same periods?
  - We believe that high levels of machine activity relative to over-the-counter activity may be indicative of machine addiction
  
- What percentage of betting shop machine wins are on each of the following games?
  - Roulette (which we believe has the most addictive content)
  - Blackjack
  - Three Card Poker
  - Any other game played as casino table game identified by game

### **More Information on Derek Webb and Prime Table Games**

Derek Webb of Prime Table Games created the game Three Card Poker, and owns the UK rights to the game. Three Card Poker is approved in the UK as a casino table game and Prime Table Games is recognised as the game proprietor. Three Card Poker has been used on betting shop machines and on the internet without our permission.

In a player survey over 80% of UK players who responded agreed that they would be concerned if internet casinos used an invented game without the inventor permission. We regard the behavior of gambling operators engaged in this practice (on the internet or in betting shop machines) as socially irresponsible, deceptive, immoral and unethical. We have paid for advertisements in relevant trade

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publications, stating that we will not enter into any business relationship with the betting shop machine industry.

We are experts in understanding gambling game content. We own over 30 granted US patents related to original gambling games. We have prevailed in complex US Federal litigation related to gambling games, intellectual property and anti-trust issues.

We have funded a campaign [www.fairergambling.org](http://www.fairergambling.org) to generate action against betting shop machines. We regard the Roulette content on these machines as particularly addictive and damaging to communities such as Haringey.

For more information please visit [www.fairergambling.org](http://www.fairergambling.org), or contact Kirsty Roberts through [PrimeTableGames@bcspr.co.uk](mailto:PrimeTableGames@bcspr.co.uk) or 0115 948 6901

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