

# Sportingbet still keen on U.S. expansion

The chief executive of Sportingbet said in an interview published Thursday that he is determined to expand activities in the United States, where the online gaming company's chairman was arrested earlier this month.

Andrew McIver told the Financial Times that he believed the United States was the only market worth serious investment. „It's the U.S. – or what's the point? I still hold that view,“ the newspaper quoted McIver as saying.

Peter Dicks, 64, resigned as the company's non-executive chairman after being arrested in New York on Sept. 6. Customs officials discovered he had an outstanding warrant issued by the Louisiana State Police Gaming Enforcement Division.

The warrant was issued in May, charging Dicks with gambling by computer, a felony punishable by up to five years in prison and a USD 25,000 fine. Louisiana authorities want to bring Dicks back to the state to stand trial.

Eight U.S. states have laws prohibiting Internet gambling: Washington, Nevada, Illinois, Indiana, Louisiana, South Dakota, Michigan and Oregon.

The arrest of Dicks marked the first time one of those states has taken action against one of thousands of big-time online gambling operations. Millions of American players bet an estimated \$ 6 billion per year online, according to industry figures.

U.S. bets account for about two-thirds of the profits at Sportingbet, which reported profit of 20.7 million pounds (USD 20.7 million) and revenue of 276.1 million pounds (USD 519.4 million) from the Americas in the nine months ended April 30.

Sportingbet shares rose 4.4 percent on the London Stock Exchange.

David Carruthers, former chief executive of BetOnSports PLC, was arrested in the United States in July. The company fired Carruthers, who remains under house arrest in the St. Louis area awaiting trial, and closed its U.S. Web sites.

Carruthers was detained at a Dallas airport July 16 on federal charges from the U.S. Attorney's office in St. Louis based on the 1961 Wire Act. The federal law bans sports bets over the phone, even if the business is overseas.

McIver said some investors had not taken account of the risks „associated with an industry mired in regulatory uncertainty.“

„Everyone knew it was a risk. Eight years ago, people came in and supported the industry and knew full well the risks,“ he was quoted as saying.

McIver said the company's competitors were overly optimistic in talking about developing the industry outside of the United States.