

French betting industry in higher acceleration

Article by Rob van der Gaast

All eyes are focused on the French betting industry. A complete new gaming law will see the light in a couple of weeks, and will bring in 2010 a first sports betting liberalization/privatization in France, with its 64 million inhabitants.

All involved operators are already in their starting blocks. They are the following interested contenders, such as Intralot, OPAP, Stanleybet, Ladbrokes, Österreichische Lotterien, Lottomatica, Unibet, Paf, BetClic, bwin Interactive Entertainment, Betfair, Everest Poker and its subsidiary of GigaMedia etc.

Furthermore there are two French home grown mega companies, the Bouygues group and Vivendi, whom in different combination might look for gold.

In the past bwin worked closely together with Eurosport, which is partly owned by the Bouygues Group.

Bouygues, on the Paris stock exchange with EN.PA / ISIN FR0000120503, with a workforce of 145,150 people and consisting of Construction, Property Development, Telecom, TV (TF1 and Eurosport), etc).

Vivendi, on the Euronext Paris ISIN FR0000127771 Mnemo VIV, is a world leader in communications and entertainment with a staff of 43.208, owning a.o. Universal Music Group, Canal+ Group, SFR, Maroc Telecom, Activision Blizzard, etc. will try to get a part of the good tasting exquisite French pie, as well.

□□The betting arena in France is a very interesting market. On the one hand there is a “closed” monopoly (Francaise des Jeux) and on the other hand a huge cross border market (PMU).

Sales in € million			
	2007	2008	Change
FDJ total	9,306	9,203	- 1.1%

In 2007 PMU had a turnover of 8,841,555,741 euro, and Francaise des Jeux scored 9,306 million euro in 2007 ! And 126.634.900 bets were coming from Monaco, Switzerland, Germany and others, including the UK and Spain. How about cross border sports betting!

PMU - Financial information & betting products per region in euros							
						31 December 2007	31 December 2006
	France	Monaco	Switzerland	Germany	Others*	Total	Total
Total	8,419,920,841	8,660,815	72,592,490	22,010,953	23,370,642	8,841,555,741	8,106,217,162

* including the UK and Spain

Management consulting firm Arthur D. Little predicts the French online betting to be worth 3,4 billion at the beginning of 2015 and this is without taking into account the online betting of „Francaise des Jeux“.

It is estimated that 680 million Euro is the ‘Illegal’ amount of online betting in France in the beginning 2009.

All the very latest information and in-debt know how on the French privatization/liberalization, can be found in the 69 pages report: “All you have to know – and need – for the privatization of the two French monopolies – PMU for horse racing and Francaise des Jeux for the lotteries”.