

The Swiss Gambling Market – Potential role model for other non-EU markets (e.g., US) or just „business as usual“?

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London/Munich/Zurich, January 5, 2010 – Currently, the French liberalisation plans are probably getting most of the industry's attention. But in the background, at times almost neglected, several other countries, such as Switzerland, are setting about liberalising parts of their gambling market. Switzerland heads for market liberalisation even though there is no pressure from external parties, such as the European Commission or the WTO. This is a unique situation and makes Switzerland a potential role model for other non-EU markets (e.g., US). The consulting firm MECN and the Swiss law firm MME Partners have joined forces to compile a new report that offers an unprecedented in-depth analysis of the Swiss gambling market.

Why pay attention to a gambling market like Switzerland; after all, with ca. 7.6 million inhabitants it is no bigger than Greater London? According to MECN, the answer is easy:

– **Switzerland is liberalising without legal pressure** – Most EU countries, such as Denmark, France, Italy, ... are under pressure from the European Commission and the European Court of Justice to review their gambling legislation in order to comply with EU law. As Switzerland is not a member of the EU, it is under no such pressure but is still considering opening up key parts of its online gambling market. Martin Oelbermann,

partner at MECN and co-author of the study explains: „*The Swiss liberalisation plans show how the pressure of foreign online offers on state operators and income forces some states to rethink the existing regulations.*“

– **Focus on the online casino segment** – While most EU countries focus their liberalisation plans on the online betting and poker segments (e.g., France), Switzerland focuses on opening up the online casino segment. Therefore, all casino operators (online and offline), usually neglected in liberalisation plans, should pay close attention to the developments in Switzerland. Also Switzerland has a rather liberal approach to poker, a reason to hope that the online poker segment will also be included in the planned liberalisation.

Switzerland – a potential role model for the US and other non-EU markets?

As described above, Switzerland is one of the first western countries liberalising parts of its gambling market solely as a result of the pressure from foreign online offerings and without experiencing legal pressure on the part of the EU. This fact has led many experts to suggest that non-EU markets, above all the US, could benefit from a closer examination of the developments in Switzerland.

The similarities between the Swiss and the US gambling market are obvious. Aside from the WTO dispute, both countries can freely discuss a potential liberalisation without being pressured by third parties (e.g., European Commission) in reviewing and drafting their regulations. Moreover, both countries have a strong federal system that allows each state/canton to draft its own gambling regulations. Finding a binding and nationwide regulation for all states/cantons will be a key challenge for both. Last but not least, the gambling markets of the US and Switzerland are structured in similar ways.

MECN's new report

The report includes detailed analyses of many relevant topics, including up-to-date information about the ongoing liberalisation process, analyses of all market sectors, current market figures, and legal/regulatory and tax information supported by the Swiss law firm MME Partners. In total, the report has 41 pages and 19 graphics/exhibits – for more information visit www.swiss-gambling.mecn.net