

Euromat Meeting 7th May 2004 Report from Austria

Internal

Mrs. Herta Lagler stepped down as managing director and Mr. Wilhelm Kny took over.

Market News

Unfortunately Automatenverband.at can not report any changes in the tough legislation of AWP's in Austria. No further state is showing understanding for the difficult situation operators are in. You might gamble on the internet 1000 € per mousclick, but you can not apply for a license to operate a machine taking 1 Euro per game and paying out 20 Euro as highest stake. Not surprisingly, that more and more operators are going bankrupt or are running illicit gambling machines.

Some weeks ago Mr. Stronach opened his horse racing stadium, called Racino in Niederösterreich, close to Vienna. He announced, he will also open a casino for 150 slotmachines. Unfortunately the government of the state does not know of his desire. Nobody has applied, nobody is willing to grant such a licence. The operators are waiting for things to happen. If Mr. Stronach receives a licence, the state would be open for business.

In Vienna amusement games are almost extinct. The monthly city tax of 218 Euro and countless games offered for home use, in the media and phoneservices takes its toll. In March 786 machines have been registered, down from 1300 in January 2002. Less than 800 pieces in a city of 1,7 millions!

Gambling on the net

The last 6 months we had heavy advertising in all papers, on TV and even in the mail and as leaflets. Our Vienna Chamber of Commerce is a member of the association against unfair competition. Our complaint brought the avalanche of unfair campaigns to a standstill. A small victory in a harsh business.

Wilhelm Kny, President Automatenverband.at

Vienna, April 19. 2004