

The Netherlands Country Report 2007

Size of industry

In March 2007 KPMG Business Advisory Services published the report “Kengetallen speelautomatenbranche (Key-figures AWP market) 2003-2005”. This report was carried out for the VAN Dutch Gaming Machine Association. The report was an update of the KPMG report “Key-figures AWP market 2002-2004, published in December 2005.

AWP market The Netherlands				
	2002	2003	2004	2005
Total number of pay out machines single sites	26.891	25.637	25.489	24.317
Total number of single sites for pay-out machines		16.434	15.832	14.524
Total number of non-pay out machines single sites	12.549	11.474	10.140	8.822
Total number of pay out machines in arcades (<i>single player</i>)	13.134	13.873	14.600	13.917
Total number of pay out machines in arcades (<i>multi player</i>)	585	639	694	816
Total number of non-pay out machines in arcades	1.631	1.368	1.217	1.104
Total number of arcades		279	282	279
Total number of gaming arcades (permanent)	-	-	257	250
Total number of gaming arcades (season)	-	-	3	7
Total number of amusement arcades (permanent)	-	-	3	5
Total number of amusement arcades (season)	-	-	17	10
Turnover, single sites (AWP operators), mln. Euro	143	135	139	118
Turnover, single sites (site operators: pubs, etc.), mln. Euro	156	144	153	126
Turnover, arcades, mln. Euro	389	429	426	370
Turnover, total AWP market, mln. Euro	688	708	718	611

In the Netherlands are besides the AWP-market also private and public operators of betting, bingo, casino, media gambling and lottery services:

- 14 state casino's (Holland Casino) in the Netherlands.
- 6 licensed lotteries (State Lottery, Postcode Lottery, Toto/Lotto, Instant Lottery, Sponsor Lottery, BankgiroLottery)
- Horse race betting (Scientific Games)

Gambling market The Netherlands (other)				
<i>Amount wagered, in mln. Euro</i>				
	2002	2003	2004	2005
e-gaming (illegal)	105	134	144	120
Horse race betting	140	148	146	147
Holland Casino (state monopoly)	673	699	681	681
Lotteries	603	653	692	673
Total	1.521	1.635	1.663	1.621

New legislation

In The Netherlands Country Report 2006 was mentioned that the long expected new gambling legislation was foreseen for mid 2007. With a new cabinet (starting February 22, 2007) it appears that the new legislation will be delayed again. It now could take years before a new gambling law will be operational.

In the meantime, the VAN is still lobbying for a clearer law in relation to the question whether a license for single site operation should be given. The delay in law change still makes it very difficult for single site operators to do good business. The above mentioned figures clearly underwrite this development.

Though several MP's in 2006 repeated their promise that our industry would also get a license for internet gambling, the parliament approved a proposal for a three-year trial-license for internet gambling for the state owned Holland Casino. Before this legislation will be operational, the First Chamber (Senate) also has to approve it. Currently (April 2007) the legislative proposal is in discussion in the Senate. A decision is expected within a few months.

Taxation and financial contribution to the society

For the first time, KPMG calculated the total financial contribution of the AWP market to the society in 2005. The amounts mentioned are estimations, based on an average.

- Taxes, paid to the government in 2005: € 159 mln.
- Taxes, paid to local authorities: € 1 mln.
- VAT-taxes, paid by co-operators (of bars, cafes, restaurants) in 2005: € 26 mln.

KPMG also calculated some other financial contributions to the society:

- Direct labour: € 103 mln.
- Indirect labour: € 15 mln.
- Sponsoring & gifts: € 5 mln.

The total financial contribution of the AWP market to the society in 2005 was: € 309 mln.

Industry News

In 2005 the VAN presented together with the Dutch Mental Health Care Association (GGZ Nederland) the Actionplan Gambling. A part of the plan is the introduction of a new prevention website for gambling in bars, restaurants, etc. This website went live in mid 2006. In 2007 a campaign will be launched to promote the website www.speelbewustindehoreca.nl.

Another part of the plan is the introduction of a National Knowledge Center for Gaming and Gambling. The introduction of the website of this Institute is foreseen for the second half of 2007.

The VAN did have 228 members on December 31 2006, of which 43 were member of the Section Arcades (with over 200 arcades), 165 of the Section Operators Single Sites and 20 of the Section Trade & Industry. On January 1, 2007 the VAN had 214 members. The VAN gets every year less members, mainly because of mergers. Some members retired or sold their business. Still an estimated 90 percent of all AWP's are operated by VAN members. The number of arcades within the VAN network is growing every year.