

EUROMAT General Assembly Meeting

Danish Annual Report for 2008

Members

DAB Denmark is an association that represents AWP operators, manufacturers and importers. DAB Denmark represents 86% of the Danish AWP industry and is the only association that represents the entire industry towards public authorities and the public. With approximately 84 different members, DAB Denmark represents all types of operators within the Danish AWP industry. Among its members, DAB Denmark has 9 out of 10 of the most important AWP operators in Denmark but the association also represents small operators with less than 100 AWP's.

Danish Gaming Board

There is still good co-operation between the Danish Gaming Board and DAB Denmark.

Main points in the present regulation

AWPs are only permitted in alcohol licensed restaurants and approved arcades.

All sites must have a license to operate AWPs.

Each single machine must be approved by an authorised testinstitution.

All machines in operation must be linked to a central monitoring system controlled by the Gaming Board.

Machines per site

Licensed restaurants: 1 to 3 AWPs

Arcades: individual

Gaming license

From 1 to 5 years. In restaurants limited to the remaining time of the alcohol license.

Gaming license fee

750 DKr. (100 Euro) per machine per year.

Taxation

The tax must be paid at a monthly basis.

In restaurants: 40% of Cash-box up to 30.000 DKr. (4.027 Euro) per month, plus 70% of Cash-box over 30.000 DKr. (4.027 Euro) per month. Further 1% has to be paid for gaming addiction treatment and research.

In arcades: 40% of Cash-box up to 250.000 DKr. (33.557 Euro) per month, plus 70% of Cash-box over 250.000 DKr. (33.557 Euro) per month. Further 1% has to be paid for gaming addiction treatment and research.

Deposits

A deposit to guarantee the tax must be paid before a site starts to operate. The deposit is 7.500

DKr. (1.006 Euro) for a restaurant and 95.000 DKr. (12.751 Euro) for an arcade.

The games

Cash-in and Cash-out.

Insert: 50 øre (7 cent)

Prize: max. 300 DKr. per game. (40 Euro)

General information

No VAT because of cash gaming.

1 EURO = 7,45 DKr.

Development the last years

	2006	2007	2008
AWPs	24.500	26.700	27.500

DAB since the last country report:

In 2008 the Danish AWP's had a cash box of 298 million EUR (which is a decline of 6.3 % compared with 2007) of which the Danish state received 108 million EUR as taxes. 21 million EUR were given to local charity (mainly sport clubs and youth clubs). Furthermore, 2.9 million EUR went to research and treatment of problem gambling. The remaining amount was typically split between AWP operators and site owners.

As the rest of the world, Denmark and thus also the Danish AWP industry have been hit by the financial recession. October and November 2008 saw a decline of the income from AWP's (i.e. the cash box) of approx. 20 %. The annual accounts from the operators show that mainly the large operators have difficulties keeping up their turnover. It is easier for the small local operator to adjust business to the turnover decline.

During the winter 2009 DAB expects the Danish Ministry of Taxation to put forward a new legislation on all types of gambling in Denmark. DAB expects that AWP laws will form part of the new legislation and has proposed a number of changes to the bill in case it is to be revised. DAB would e.g. like both stake and pay-out to be increase by 100 % in order to try to maintain market shares compared with internet gambling.

Currently DAB is working on a project that will enable all 27,000 AWP's in Denmark to be updated via the internet. Software distributors keep releasing updates for the AWP programs but today it is difficult to implement these updates due to mechanical seals on the AWP's. Besides re-sealing the AWP's after software update constitutes a large cost. DAB proposes a new system so the programs can be updated without breaking the mechanical seal.

DAB will continue to demonstrate responsibility towards compulsive gamblers and has e.g. participated in a congress about problem gambling in Finland. Besides the industry has opted to place signs with the phone number of a treatment hot line on all AWP's.

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