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Australian Government
Productivity Commission – Gambling Inquiry

Submission by PlayUp Interactive Entertainment (Aust) Pty Ltd

Table of contents

Introduction	3
Company background	3
Licensing	4
Products	5
Harm minimization	6
Welcoming the Productivity Commission Inquiry	7
Terms of reference	9
1. The nature and range of gambling and the range 6 of activities incorporated within this definition	9
2. The participation profile of gambling, including problem gamblers and those at risk of problem gambling	11
PlayUp Play Profile – United Kingdom	13
3. The economic impacts of the gambling industries, including Industry size, growth, employment and interrelationships with other industries such as tourism, leisure, other entertainment and retailing	14
4. The social impacts of the gambling industries, the incidence of gambling abuse and the cost and nature of welfare support services necessary to address it	15
5. The contribution of gambling revenue on community development activity and employment	17
6. The effects of regulatory structures – including licensing arrangements, entry and advertising restrictions, application of the mutuality principle and differing taxation arrangements – governing the gambling industries, including the implications of differing approaches for industry development and consumers.	18
7. The implications of new technologies (such as the Internet), including the effect on traditional government controls on the gambling industries	19
9. The impact that the introduction of harm minimization measures at Gambling venues has had on the prevalence of problem gambling and on those at risk	21
Correspondence and contact details for PlayUp (Aust) Pty Ltd	22

Appendices

Appendix A – PlayUp Code of Conduct

INTRODUCTION

Company background

PlayUP (PlayUP Interactive Entertainment (Australia) Pty Ltd) is a new generation interactive gaming entertainment business with products that span the media, gaming, leisure and entertainment markets. It was founded by two young Australians and incorporated in April 2006.

Interactive technologies and shifting consumer behaviours are continuing to fundamentally alter the competitive landscape across these markets. PlayUP has leveraged this change to create a suite of new sports entertainment products in a socially responsible framework.

Our philosophy is to deliver low cost fixed price products, typically \$2 and capped at \$30 per day, that makes participation simple, fun and light hearted. We adhere to strong harm minimisation measures to protect consumers and prevent under 18s from playing.

PlayUP games can be played on a mobile phone via SMS (short message service), WAP (wireless access protocol), via SMS from the Internet or Online only.

A game of PlayUP sees a player pick the winning outcome of a game, such as the scorer of a football goal or the result of a cricket over, for a fixed price of \$2. This provides the player with a series of texts back to their phone that includes ongoing information about the progress of a game; the number of players they are playing against; video coverage of the section of the match in which they are playing; and the results of the game. If a player does pick the correct outcome of the game, they win a cash prize.

Licensing

PlayUP operates ethically and legally in jurisdictions where it offers its products. PlayUP does not accept play from jurisdictions where it is not licensed or approved by the appropriate regulatory authorities.

Overseas PlayUP holds a gaming operator's license in the United Kingdom where it operates Football and Cricket products, and also in India where PlayUP has been through the appropriate review and regulatory processes to operate its cricket products.

In Australia PlayUP is approved for a Sports Bookmaking (Corporate) License in the Northern Territory and the Australian Capital Territory, and is also considering licenses in other jurisdictions.

PlayUP has consulted with consumers, industry and sporting bodies in the development and operation of its products, including a range of sporting codes such as the Australian Football League (AFL), Board for Control of Cricket in India (BCCI), Federation Internationale de Football Association (FIFA), Football Federation Australia (FFA) and the International Cricket Council (ICC). It is also supported by prominent sporting personalities including Shane Warne and Steve Waugh.

Products

PlayUP aims to offer products across a wide array of sports which are popular in the domestic Australian market, including primarily:

- Australian Rules Football (AFL)
- Rugby League (NRL)
- Rugby Union (ARU)
- Soccer (Hyundai A-League, European and English Premier League competitions)
- Tennis (Grand Slams, Davis Cup, Hopman Cup)
- Swimming (Telstra National Swimming Series, Commonwealth and Olympic Games)
- Cricket (Twenty20, ODIs and Test Matches)
- Golf (Major professional tournaments)
- Motor Racing (V8 Supercars, Moto GP, Formula 1 GPs)
- Horse Racing (Major events/ Group 1s)
- Greyhound Racing

In addition PlayUP aims to offer products in association with major international sporting events including the Olympic and Commonwealth Games, the FIFA and Rugby World Cups, and the Tour de France, to name a few.

Typically products take the form of:

- 1Up – pick the first goal scorer in a match or in a racing format the winner of a given event
- 2Up – pick the first goal scorer and the person who provides the assist in a given event
- 3Up – pick three competitors in a race in the order in which they finish (i.e. A floating trifecta)

Some products are unique to a particular sport such as:

- 4Up – pick the four round scores for a professional golfer in a given tournament
- 6Up – pick the ball by ball sequence of runs scored in a given over of cricket

A more familiar product set is also offered for appropriate sports such as NRL, AFL, Hyundai A-League and F1 which include round by round tipping competitions, knockout tipping competitions and selections for the winners of medals like the Brownlow, Daly M, NAB Rising Star Award and the F1 Drivers and Constructors Championship.

Harm Minimization

PlayUP is committed to responsible gambling and takes all necessary precautions to ensure that it does not entice problem gamblers and persons who are not over the age of 18 years.

Some of the measures that PlayUP employs are:

- A **low \$2 stake** for entries via mobile phone ensuring consumers are not wagering large amounts of money and therefore the likelihood of them getting into financial difficulty is low.
- Game play is **capped at \$30 per day**, as an added protection to ensure that problem gamblers are discouraged from playing and those consumers who are enthralled by the contest and unwittingly keep playing are protected from accumulating a large debt in a single session of play. Game play capping may be initiated by the consumer or by PlayUP.
- Consumers also have the opportunity to nominate a daily or monthly cap at their discretion.
- Consumers can be self excluded via mobile phone and/or the Internet. Additionally player exclusion may be initiated by PlayUP.
- PlayUP ensures that its products are not overtly marketed towards people it knows to be under the age of 18 years.
- In addition all PlayUP advertising collateral carries the necessary consumer cautions including 18+ age requirements and gamblers help advice as required and appropriate.
- PlayUP advertising complies with the requirements of the law in each jurisdiction and in so doing does not willfully mislead or entice consumers to play where it is not lawful to do so or in compliance with normal standards of advertising conduct.
- PlayUP adheres to its own 'Code of conduct' which is in line with the requirements of the Australian Interactive Media Industry Association (AIMA) and the Mobile Marketing Association (MMA). (see Appendix A – PlayUP Code of Conduct)
- PlayUP completes age and identity verification to ensure that consumers are over the age of 18 years and to satisfy Anti-Money Laundering and Know Your Customer requirements.

Welcoming the Productivity Commission Inquiry

PlayUP welcomes the Productivity Commission's public inquiry into Gambling as an opportunity to:

- address some of the anomalies that exist as a result of emerging technologies;
- establish a national framework to overcome the inconsistencies across State and Commonwealth legislation; and
- strengthen harm minimization measures in high risk areas of gambling.

For regulatory and legislative purposes, the PlayUP suite of games fall within the wagering and gaming framework. In our recent experience applying for licenses within Australia we have observed that there are inconsistencies between state and federal regulations, the interpretation of legislation and taxation levels. There are also anomalies in state and territory licensing that contradict the intention of the Interactive Gambling Act 2001.

Rapid changes in technology and consumer behaviour, in particular with regard to the Internet, digital television and mobile telecommunications, mean that current legislation is fast becoming out dated. Current regulations often refer to specific technologies however this is an increasingly irrelevant way of legislating as changes in technology are allowing consumers to engage with the same content, in the same way, via different devices (or technologies).

Some examples of this include:

- Television or video content which can be published on a digital or analogue television, on the Internet (via Internet Protocol Television or IPTV) or in some instances via a 3G mobile telephone handset. Regardless, it is the same content being consumed by the end consumer and it elicits the same response.
- Internet or web content can be accessed on a mobile handset via WAP (wireless access protocol) or on a television, again via a set top box or IPTV.
- A voice telephone call can be conducted via a fixed line telephone, on a mobile telephone or over an internet connection via VOIP (Voice Over Internet Protocol), or
- A text based telephone message can originate from the key pad of a fixed line telephone (equivalent to a standard IVR service), from a keyboard sent over the Internet or from a mobile telephone handset.

These are merely a handful of examples where technology is evolving at such a rate that the same consumer behavior can exist across a range of communications mediums or devices, however current legislation seeks to regulate on the basis of the technology or device being employed by the consumer. We contend that this approach undermines the principles upon which the current legislation was founded. We discuss this further in our response to the first term of reference.

Another example of legislation focusing on the method or tool rather than the principle is where in some states credit betting is prohibited however the vast majority of consumer accounts are funded using consumer credit cards. This makes a mockery of the very principles that underpin the legislation.

These changes in consumer behavior and technology are rapidly and exponentially changing the landscape in which we operate. PlayUP proposes that legislation should be revised on the basis of the principles upon which it is based and not with regard to the technology, medium or methodology with which the behavior is occurring.

In the following sections, PlayUP addresses the relevant terms of reference and would seek to make a presentation to the Productivity Commission.

TERMS OF REFERENCE

1.

The nature and range of gambling and the range of activities incorporated within this definition.

PlayUP believes that the legislation through its reliance on regulation in naming specific communications technologies (devices) has resulted in anomalies within the current application of gaming products and should instead focus on a national framework based on principles rather than technology.

New devices and technologies are emerging at an increasing rate, often overlapping or merging, providing new avenues to distribute games. Mobile handsets, smart phones, Personal Digital Assistants (PDA), Personal Computers (PC)s, digital set top boxes (STBs), IPTV, Free-to-air TV, digital spectrum TV, VOIP, 3G services, the breadth and sophistication of hardware and software and the capacity to access and interact with content on almost any device means the ability of legislation to anticipate and govern this landscape is increasingly problematic.

PlayUP offers products that are played primarily via the Internet or using a mobile phone via SMS or WAP. For a fixed price, typically \$2, consumers attempt to pick the outcome of a game to win. They receive a text message to confirm their entry, how many people are playing and what they'll win. In addition they receive numerous text messages throughout the course of the game providing commentary and score updates relating to the progress of the sporting match.

In the current legislative framework of the Interactive Gambling Act 2001, PlayUP's products meet several of the criteria that exempt the product (as exclusions) under the Act namely being conducted via telephone and based around sport.

However, PlayUP believes the interpretation of telephone betting is ambiguous and the evolution and socialization of technology means that this legislation is becoming redundant. Section 4 of the Interactive Gaming Act defines a telephone betting service as being:

A gambling service provided on the basis that dealings with customers are wholly by way of voice calls made using a standard telephone service.

Mobile telephones and SMS text messaging are fast replacing the traditional fixed line telephone. In fact, there are more mobile phones than fixed lines in Australia, with some consumers even electing to simply have a mobile phone and to disconnect any fixed line services. This can be primarily attributed to cheaper contracts, portability and individual identity.

Furthermore, mobile phones are more attributable to an individual than a fixed line telephone which is typically associated to a household or premises. Also, mobile phone agreements and contracts are between an individual and the telecommunications service provider and based on social research a mobile phone is more likely to be for the exclusive use of an individual than for use by a number of people as with a fixed line service within a household or business.

Conversely there is less stringency placed around the use of a fixed line telephone within a household and the onus of monitoring the usage of the phone lies solely on the individual registered within the household. Finally, for ultimate control a mobile telephone is typically protected by a personal PIN code similar to a credit card and is for the explicit and sole use of the individual responsible for that PIN code. As an extension of this move towards mobile phones and away from fixed line telephones, for reasons of convenience, affordability and privacy, increasingly consumers are opting for SMS text messaging ahead of voice calls.

In summary, the use of mobile phones and SMS text messaging is superseding the use of fixed line telephones for voice calls. Further, mobile phones and SMS text messages can be attributed directly to an individual, are easier to safeguard and are more affordable than voice calls using a fixed line telephone.

However, legislation in this area is ambiguous and is either silent on the matter of SMS text messaging or it has a prejudice towards fixed line telephones and voice calls.

A 'standard telephone service' is now more typically either an SMS text message or a voice call using a mobile telephone. Particularly when some legal interpretations of this definition allow for the use of automated recorded voice services such as IVR over a fixed line telephone.

PlayUP contends that the definition of a 'standard telephone service' should be extended to include any communications facilitated by a mobile or fixed line telephone, or in the case of VOIP (voice over internet protocol), any simulated telephone voice call or text messaging services.

2.

The participation profile of gambling, including problem gamblers and those at risk of problem gambling

PlayUP has been operating in the United Kingdom for the past 18 months. Its products employ a range of harm minimization measures including;

- A low £2 stake for entries via mobile phone ensuring consumers are not wagering large amounts of money and therefore the likelihood of them getting into financial difficulty is low.
- Game play is capped at £30 per day as an added protection to ensure that problem gamblers are discouraged from playing and those consumers who are enthralled by the contest and unwittingly keep playing are protected from accumulating a large debt in a single session of play. Game play capping may be initiated by the consumer or by PlayUP.
- Consumers can be self excluded via mobile phone and/or the Internet. Additionally player exclusion may be initiated by PlayUP.
- PlayUP ensures that its products are not overtly marketed towards people it knows to be under the age of 18 years.
- In addition all PlayUP advertising collateral carries the necessary consumer cautions including 18+ age requirements and gamblers help advice as required and appropriate.
- PlayUP advertising complies with the requirements of the law in each jurisdiction and in so doing does not willfully mislead or entice consumers to play where it is not lawful to do so or in compliance with normal standards of advertising conduct.
- PlayUP adheres to its own 'Code of conduct' which is in line with the requirements of AIMIA and the MMA.
- PlayUP completes age and identity verification to ensure that consumers are over the age of 18 years and to satisfy all appropriate regulatory requirements

On the following page is a snapshot of customer data for PlayUP's United Kingdom operations.

Consumers are wagering £2 per play for winnings > £1,000. The products are pool based sports betting games relating to Cricket and Football. Entries are placed primarily with mobile phone SMS messages although a percentage are also placed via the Internet and WAP. Entries can be placed pre-game or in-game up until the outcome is determined, for example in a first goal scorer Premier League Football

game up until the moment that the goal is scored. The data demonstrates a win rate in the vicinity of 2 in 100 players, or ~2% and amongst other things shows the proportion of players who have self excluded or hit their spending cap.

This data suggests that 'in game' or 'in the run' betting is not increasing the incidence of problem gambling when accompanied by a range of appropriate harm minimization measures such as a small (or low) £2 stake, self exclusion and moderate spend caps. In actual fact 'in game' or 'in the run' betting only serves to advantage consumers as it increases the likelihood of winning since they can leverage their knowledge of what is happening in a game.

Currently 'in the run' or 'in game' betting is generally prohibited in Australia although there are exceptions such as the allowance of 'in the run' betting where an entry is placed via a 'standard telephone service' for sports betting and also exceptions relating to horse racing. For instance, during the 2008 Spring Racing Carnival in Victoria, BetFair offered 'in the run' betting.

These anomalies are illogical. A legislative review should seek to bring regulation in line across all Australian states and territories.

PlayUP Play Profile – United Kingdom (as at 16 Feb 09)

Demographics

Gender:

Male	88.49%
Female	11.51%

Age distribution:

Average	33 yrs
Oldest	83 yrs
Youngest	19 yrs

Customer base

Average plays per customer per week	2.08
Average plays per customer per month	8.31
Active customers	27.22%
Average monthly txn growth (Football 08/09)	73.83%

Distribution of winners

Winning txns per week	1.92%
Games with winners	30.38%
Largest winning amount (per individual)	£1142
Average winnings per week (all players)	£1942

Harm minimization

Self-excluded players	12.25%
Players that have hit spend caps (on one occasion)	6.21%
Players that have hit spend caps (more than once)	2.72%
Inquiries per txn (typical reason: payment queries)	0.29%

3.

The economic impacts of the gambling industries, including industry size, growth, employment and interrelationships with other industries such as tourism, leisure, entertainment and retailing

PlayUP is in the final stages of its patent applications (with priority date granted) for intellectual property rights relating to interactive sports entertainment and gaming products. These properties are being actively developed by investors and partners in overseas markets including Europe and the United Kingdom, throughout the Middle East, Central and Northern Asia, and in parts of Africa. PlayUP partners range from telecommunications companies to media and gaming businesses, with examples including Virgin Media and is currently in discussions with Setanta in the United Kingdom, Aircel Telecommunications in India and Index in Japan. PlayUP is progressing towards deep partnerships with some of the world's leading sporting bodies including the AFL and FFA in Australia, FIFA and the English Premier League in the UK and Europe, and the BCCI (India) and ICC (Global) in cricket.

Unfortunately this enthusiasm for an innovative new Australian business idea is not being leveraged to its full extent to benefit the Australian economy. To a large degree this is a result of uncertainty and complexities in the Australian legislative and regulatory environment at a State and Federal level. A small (relative) population combined with an uncertain market opportunity means the appetite of local commercial partners and investors and therefore the willingness of the business to deploy human resources, technology and operations in Australia is severely diminished, limiting the opportunity for local employment, investment and the development at home of Australian intellectual property.

PlayUP is hopeful the Productivity Commission review will result in a National licensing framework and set of legislation which eliminates much of the ambiguity that exists in current legislation and reduces the duplication in regulation across the numerous State, Territory & Commonwealth governments.

The social impacts of the gambling industries, the incidence of gambling abuse and the cost and nature of welfare support services necessary to address it.

One of the key consumer issues that PlayUP would like clarified by the Productivity Commission review is with regard to continuous wagering and 'in the run' betting which is allowed via the excluded wagering services clause in Section 8A of the Interactive Gambling Act. Some exclusions include the ability to accept 'in the run' betting on horse racing and the acceptance of 'in the run' bets on sporting events where the entry is placed by means of a 'standard telephone service'.

On principle there would appear to be no logical explanation for these exemptions in isolation other than to advantage certain elements of the gaming industry. On this basis PlayUP believes that these exemptions should be extended to the wider industry not on the basis of the method of entry or the nature of the event but subject to satisfaction of other harm minimization measures such as the amount at stake by the consumer in a single wager or cumulatively throughout the course of a day.

Furthermore there are differing interpretations of 'in the run'. Some operators interpret the legislation to allow bets to be placed during a game as in the case of test cricket where a bet can be placed before the start of a day's play but after the commencement of the match. Other operators interpret the legislation to allow play within that day's play within an arbitrary time of an over or sets in a game of tennis. This operates with the regulator's knowledge in each jurisdiction but would appear to be in contradiction to the legislation.

Some of the products that PlayUP offers in the United Kingdom and India would be considered continuous wagering and therefore illegal in Australia. A clear example of continuous wagering would be participation in a PlayUP 6Up Cricket game whereby the consumer picks the sequence of runs scored from each ball in an over of cricket up until the start of that over (for example 0,1,1,0,0,4)

In the July 2004 Report of the Review of the operation of the Interactive Gambling Act 2001 produced by the Department of Communications, Information Technology and the Arts it was noted:

A sufficient case has not been made for either the partial or full removal of the prohibition on continuous wagering which demonstrates features associated with a higher risk of problem gambling.

Ball-by-ball betting (betting on a contingency after the commencement of a sporting event) has been found to demonstrate the repetitive, addictive qualities of gaming most likely to engender the risk of exacerbating problem gambling.

While the potential harmful effects of in-the-run betting are less clearly demonstrated (betting on the outcome of a sporting event after it has commenced), the provision of such services in Australian homes may potentially normalize aberrant gambling behavior and exacerbate the social harm.

The experience of PlayUP in the UK has not demonstrated the addictive qualities alluded to in theory by the Review.

In the UK, the customer base for these products ranges from 19-83 yrs of age, with consumers playing on average 2.08 times per week in a season of English Premier League Football or Cricket.

Importantly for harm minimization reasons PlayUP limits the cost of entry to a nominal level of £2 per play, with the added protections of spend capping (at £30 per day) and self exclusion. Combined, these have proven successful tools for the prevention of problem gambling.

Examples of the reliance upon such harm minimization measures in the UK are as follows:

Self-excluded players	12.25%
Players that have hit spend caps (on one occasion)	6.21%
Players that have hit spend caps (more than once)	2.72%
Inquiries per txn (typical reason: payment queries)	0.29%

PlayUP would like exemptions for continuous wagering and 'in the run' betting extended to the wider industry not on the basis of the method of entry or the nature of the event but subject to satisfying other harm minimization measures.

5.

The contribution of gambling revenue on community development activity and employment.

In a global climate of economic crisis, sporting bodies and the broader corporate community are struggling to maintain an appropriate level of funding, be it from government, corporate sponsorship or consumers purchasing merchandise, memberships and the like.

PlayUP seeks to revenue share with sporting bodies. PlayUP is progressing towards deep partnerships with some of the world's leading sporting bodies including the AFL and FFA in Australia, FIFA and the English Premier League in the UK and Europe, and the BCCI (India) and ICC (Global) in cricket. Off moderate levels of play (similar to those indicated in the United Kingdom experience) PlayUP and the broader gaming and entertainment industry can contribute back to sporting bodies hundreds of thousands, if not millions of dollars per annum. These funds can be attributed towards the further development and promotion of the associated sports from elite to a grass roots level.

PlayUP adopts a similar approach to the standard practice in horse racing where by taxation and product fees the horse racing industry is perpetuated. Similarly, given that PlayUP games relate to sports, a percentage of the funds generated are contributed back to support those sports both in elite competition and at an amateur community level. Amongst others, the cultural, economic and health value enjoyed as a result of sports in Australia is well documented.

PlayUP is hopeful that the Productivity Commission review will create a national framework for the governance of gaming operators that will eliminate state and territory bias and enable businesses to operate equally in whichever jurisdiction they choose. Irrespective, the funds generated by those entities will then be shared equally with either a central fund in the form of the Australian Sports Commission (or similar) or directly with peak sporting bodies. These funds would then support Olympic and Commonwealth Games athletes, professional sporting codes and in particular grass roots amateur competitions and participation in sports.

6.

The effects of regulatory structures - including licensing arrangements, entry and advertising restrictions, application of the mutuality principle and differing taxation arrangements – governing the gambling industries, including the implications of differing approaches for industry development and consumers.

PlayUP has engaged directly with regulators in five different states and territories in 2008, as well as federal representatives. In so doing PlayUP has experienced numerous systems of taxation, regulation and interpretations of federal and state legislation, as well as a sizeable amount of uncertainty.

This uncertainty exists for operators and regulators alike, largely as a result of:

- Ambiguous and contradictory state and federal legislation,
- Legislation which does not anticipate new technologies, and
- Case law that supersedes legislation.

To further complicate matters, with the advent of new technologies in our experience often our products can operate under a number of different gaming licenses within the same jurisdiction. In these instances the only determining factor is taxation irrespective of the products profitability and risk profile.

Such an environment invites operators to seek loopholes in the form of taxation and operating jurisdictions however ultimately these products are available to all Australian consumers.

PlayUP is optimistic that the Productivity Commission review will recommend a national framework which allows operators to conduct business anywhere within Australia without financial or operational prejudice. Furthermore, PlayUP is optimistic that the taxation structure will be uniform nationally and rather than differentiating on the grounds of product features and geographic factors, that taxation will simply be a function of the amount at stake by the consumer in a single play or in a single day (i.e. the consumer risk), the amount that the consumer stands to win (and the probability of winning) and the operators turnover (or profitability).

7.

The implications of new technologies (such as the Internet), including the effect on traditional government controls on the gambling industries

New technologies such as the Internet and mobile telephone have no regard for state and territory boundaries. In the same way that telecommunication companies operate in a national framework, so too should gaming and entertainment companies.

PlayUP believes the rapid changes occurring in technology mean that gambling should be regulated on the basis of the underlying principles rather than upon the specific technology platforms or mediums employed. The way technology has developed and been socialized means that a voice call can be made via an internet connection, a fixed line telephone, a mobile telephone or via a myriad of other devices. It is our view that voice calls, text messages and e-mail all serve the same purpose in modern communications and should therefore be treated equally in legislation.

Therefore it is our recommendation that regulations regarding different technological platforms should be based on the purpose of the use, rather than the mechanism or technology that transmits the data or voice.

Similarly the loopholes and lack of clarity around certain gambling and wagering practices that vary from State to Territory often result in watered down harm minimization measures for the consumer.

In our experience dealing with new products which have an innovative approach to technology, gaming regulators in several different states and territories have advised that our products can fit within a number of licenses subject to small modifications.

We believe the Commonwealth should establish a national framework for gambling and entertainment products based on a common set of principles where new products are assessed by regulators in accordance with their capacity to satisfy a set criteria such as 'Is the product transparent for consumers?', 'Is it auditable?' or 'Is the spend on the product likely to cause financial hardship?' Rather than seeking to pigeon hole gaming operators in the traditional sense as sports bookmakers, lotteries, totalizators and trade promoters, to name but a few license types. In this environment commercial opportunism simply demands that operators structure their products in such a way as to fit with the least cumbersome license and jurisdiction.

PlayUP would prefer a National licensing structure which considers the economic benefits of the business and the social impacts of the products.

9.

The impact that the introduction of harm minimization measures at gambling venues has had on the prevalence of problem gambling and on those at risk

A fundamental harm minimization measure in relation to gambling is the prevention of persons under 18 years of age from accessing gambling products.

Several government and private databases are available to gaming operators (financial institutions and the like) which allow compliance with this minimum age requirement, in addition to Anti-Money Laundering and Commonwealth 'Know Your Customer' legislation. Without breaching consumer privacy laws a database combining name, date of birth and address information could be established to enable consumers and operators to verify personal details in satisfying associated legislative requirements.

Accessing similar databases to this is currently available to varying degrees at an expense to operators. These databases are extremely valuable for harm minimisation of internet and telephone based gambling services.

The Commonwealth should establish a central database which is not for publication (i.e. personal details of consumers are never divulged) however operators (and consumers) can send personal details to be verified, thereby satisfying legislative requirements.

Added benefits of such a service would be:

- **Operators can reliably and consistently satisfy age, KYC and AML requirements,**
- **Any associated fees can be contributed to either problem gambling services or to sporting bodies,**
- **An additional flag can be attached to these records to denote self excluded problem gamblers.**

Please direct any correspondence or enquiries in relation to this submission to the attention of:

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APPENDIX A

PlayUP – Code of conduct

PlayUP is all about 'Richer Fans'. Our games are geared towards participation and entertainment which comes from you winning more, more often. We believe that your enjoyment and willingness to play with friends is directly linked to your ability to win, so that's what we aim for.

Our philosophy is to deliver low cost fixed price products, typically \$2, that make participation simple, fun and light hearted. We aim to add to your enjoyment of sport and to provide every opportunity for you to win.

We respect your right to privacy and we value your custom. Your mobile phone is a very personal communications device and we won't abuse your confidence and trust in us.

At all times PlayUP will comply with the licenses, laws, rules and regulations applicable to the jurisdictions in which we operate. Furthermore we adhere to industry codes of conduct including AIMIA (Australian Interactive Media Industry Association) and MMA (Mobile Marketing Association).

Unsolicited messages

We believe in your right to privacy. We will obtain your approval before sending you SMS text and MMS messages or other content.

In the event that you would like to cease receiving a specific product or service from PlayUP simply reply with a message reading 'STOP, CANCEL, UNSUBSCRIBE or QUIT' and you will receive a confirmation SMS TXT message from us to confirm that you have been removed from our database.

Low cost of entry

A low entry fee, typically only \$2 per play, ensures that our products are accessible and affordable for all consumers. This low entry fee is designed to ensure that your participation is always light-hearted and fun.

Capped game play

To ensure that you don't unwittingly engage in game play beyond your means PlayUP utilizes play capping. Caps may be either self-imposed by you or nominated by PlayUP to avoid gaming of various outcomes by professionals which inevitably erodes returns to you.

Over 18

Despite our low entry fees and unlike other mobile content providers, PlayUP products only target consumers over 18 years of age. This is clearly communicated in all marketing collateral. Further, PlayUP utilizes available partner and third party databases independently to verify the identity of consumers and to ensure that they are over 18 years of age.

No recurring charges

PlayUP players will only be charged when they submit a valid entry into one of our games. We may provide additional news and entertainment services however we will not charge a consumer without their prior consent.

Added security that comes with a Mobile phone

To provide even greater consumer protection our games are primarily developed to interact with a mobile phone. For instance, even when a consumer plays via the Internet on many occasions their confirmation is required via a mobile phone.

We believe that the mobile phone integrates additional security into game play over and above other channels. Unlike a fixed line telephone or the Internet, a mobile phone is generally speaking within the control or proximity of its owner and therefore is not prone to being accessed by unknown users or minors. Furthermore a mobile phone can typically be locked from use either with a 'fast key' or with the use of a password or access code.

Mobile phone number barring

If for whatever reason you do not want our services to be available to your mobile phone handset you can advise us of your mobile number and for no charge we will bar that handset from accessing our games.

Predisposed towards winning

A key point of difference at PlayUP is that we are all about 'Richer Fans'. Our games are actually geared towards people winning more, more often. We believe that your enjoyment and willingness to play with friends is directly linked to your ability to win, so that's what we aim for.

Our products are designed to enrich sports viewing, fun and entertainment, and with value adding services like TXT chat and commentary, live scores and stats, we aim to keep you informed and up to date on the teams, players and events that you love.

With entry via mobile phone TXT we also aim to allow entry as close to the action as possible giving you the best opportunity of choosing a winner.

Fully regulated

PlayUP operates within the prevailing laws, rules, regulations and codes of conduct in the countries in which it provides its services. Further, PlayUP complies with the requirements of the licenses that govern its participation in these markets.

Full disclosure of product terms and conditions in advertising and promotional materials

- PlayUP seeks to ensure that consumers are always fully informed of the terms and conditions governing game play. Our product terms and conditions are available on our website(s), via link from mobile phone SMS text message and via our mobile phone WAP interface(s). Further, access to our product terms and conditions is communicated in a clear and conspicuous manner in all marketing material.
- All advertising and promotional material will clearly state where the fee charged is a subscription or one-time fee.
- All material terms and conditions of our products will be clearly communicated with any offer.
- If the terms and conditions materially change an offer they will be clearly communicated and highlighted up front in our advertising.

- We will not pre-check the terms and conditions associated with our products and services. Where necessary, you must indicate your acknowledgement of our terms and conditions before playing.
- Where a product or service is limited to specific mobile phone carriers we will clearly state this within our advertising and promotional material.
- Any associated product Help information will clearly outline necessary 'opt out' processes.
- Our advertising and promotions will never attempt to deceive the customer about the functionality, features and content of our products and services.
- Where a charge applies to a particular product or service we will clearly provide notice if such charge will be billed to your mobile phone bill, deducted from your prepaid balance or charged to your nominated online account.
- Pricing information will always be clearly and conspicuously displayed in all advertising and promotional material.
- Where applicable the term 'Other charges may apply' will be utilized to indicate where there is potential for additional charges to be incurred.
- Where a product or service is recurring our terms and conditions will clearly indicate the likely frequency of messages and the duration of the program or related charges.

Transaction based messages

- In most instances PlayUP will receive mobile originated messages from you when you wish to play. PlayUP will send players a thank you message which confirms your entry and advice of charges, as well as asking if you would like to receive further content from us.
- Where there is a limit to the number of times you can play we will advise players once that limit is reached.
- Where there is a time frame within which the entry must be received it will be clearly communicated to you at a minimum within our terms and conditions.

Respecting your privacy

Opt-in customer databases remain the property of PlayUP and will not be provided to third parties for the provision of other products and services.

Furthermore, PlayUP will implement practices to ensure technical, administrative and physical procedures protect player information that is collected for the purposes of marketing and game play from unauthorized use, alteration, disclosure, distribution or access.

Identity and age verification

To comply with our license requirements and with AML (Anti money laundering) legislation PlayUP will verify the identity of players prior to allowing the distribution of winnings.

Ethical advertising

- Our advertising and promotions will not be misleading or deceptive in any way.
- All advertising and promotional material from PlayUP will be clearly identified and recognised as such.
- Our advertisements will not promote or glorify violence, crime, obscenity, the use of weapons or provide instructions on how to “get away” with crimes or unlawful activity.
- Language that is offensive, or disturbing, or which is likely to cause outrage, general disapproval, or negative opinion within the community will not be used.
- Advertising that includes warranties, guarantees, or other types of assurances to players will comply with all applicable laws, regulations or guidelines.

Dispute resolution

In the event that you have a problem or concern with PlayUP products and services please contact us via e-mail at contactus@PlayUP.com or on our website(s) using the contact us link in the top right hand corner of the site. Please include your contact information so that we can respond to your query or concern.

In the event that you are not satisfied with our response we will refer any unresolved complaints to the appropriate license regulator. PlayUP will adhere to the decision of the appropriate license regulator to resolve these matters.