



**MECN**  
Media & Entertainment Consulting Network

## **The Spanish Gambling Market – 2<sup>nd</sup> edition**

Liberalisation ahead – will it change the game?

**London/Munich, December 2011**

In legal/regulatory cooperation with:

**ASENSI**  
A S E N S I

## Summary

In May the Spanish government published a law (Ley 13/2011) that will transform and liberalise most sectors of the Spanish online gambling market from beginning of 2012. Therefore Spain is currently on the top of the strategic agenda of most industry executives. While other jurisdictions (e.g., Germany) are still figuring out the details of their likely liberalisation, Spain is ready to start right now.

### Liberalisation in Spain - likely to be a success story

Liberalisation always sounds good, but the question is whether it will turn into a success story in Spain - according to industry insiders, the hopes are high:

- **High future relevance** - For most of the global market (over 90% of the experts surveyed) the future relevance of the Spanish online gambling market is high or even very high.
- **Obtaining a license will pay off financially** - More and more operators are wondering whether a license will pay off financially - at least since the partly negative experiences in France. But Spain seems to be a different story, and nearly all of the experts surveyed believe that a Spanish license will pay off financially.
- **Size matters** - The market figures alone are impressive - total market size in 2010 of ca. EUR 28 billion in turnover/wagers and EUR 9.5 billion in gross revenues. The online gambling market (gross revenues) is estimated at EUR 465 million in 2010 and expected to grow to over EUR 680 million in 2015.

### Increased complexity calls for more sophisticated analyses

In previous years, announcements of a coming market liberalisation were always met with great enthusiasm, but now things are more complex, and more questions emerge: What are the tax rates? What other regulations will be imposed (e.g., authentication, IT systems, ...)? What is the size of the market? How much will it still grow, or is it perhaps already saturated?

The increased complexity of the market has also led to increased demands on market research and analyses - simple and short answers just do not work. Therefore, MECN spent several months compiling the most comprehensive and detailed report (ca. 120 pages) on the Spanish gambling market.

### Content of report

The report includes detailed analyses of all relevant topics:

- **Analyses of all sectors** - The report analyses all sectors of the gambling market: focus on interactive/online gambling, betting, lottery, bingo, casinos, and gambling machines.
- **Liberalisation process** - Up-to-date information about the ongoing liberalisation, including detailed explanations of regulations (e.g., taxes, ...) - produced in cooperation with the leading legal experts of Asensi Abogados.
- **Current market figures** - Comprehensive market data up to 2010, such as market size and development of sales/turnover as well as gross revenues.
- **Forecasts to 2015** - Detailed forecasts (2011 to 2015) for all sectors with a special focus on the interactive/online market.
- **Analyses of operators' strategies** - Analyses of operators' strategic plans for Spain, relevant players today and in the future, ...
- **Unique insights through a survey of market insiders** - Many analyses are based on the results and unique insights we gathered from our survey of Spanish market insiders and operators.

The report has ca. **120 pages** and **81 graphs/exhibits**.

## Table of contents

<b>1</b>	<b>INTRODUCTION</b>	<b>4</b>
<b>2</b>	<b>KEY DEMOGRAPHIC AND ECONOMIC FIGURES</b>	<b>5</b>
<b>3</b>	<b>OVERVIEW OF SPAIN'S GAMBLING MARKET</b>	<b>6</b>
<b>4</b>	<b>TOTAL SIZE OF THE SPANISH GAMBLING MARKET</b>	<b>8</b>
<b>5</b>	<b>FORECASTS FOR ALL GAMBLING SEGMENTS IN SPAIN – 2011 TO 2015</b>	<b>10</b>
<b>6</b>	<b>LIBERALISATION OF THE SPANISH GAMBLING MARKET</b>	<b>12</b>
6.1	The long road to liberalisation	12
6.2	The new Spanish federal gambling law (in cooperation with Asensi Abogados)	13
6.2.1	General aspects	13
6.2.2	Licensing process	14
6.2.3	Taxation regime	15
6.2.4	Dealing with nonlicensed offers	16
6.2.5	Responsible gambling	16
6.2.6	IT and technical requirements	17
6.3	Reactions and next steps	17
6.4	Strategic plans of the operators	18
6.5	Liberalisation in selected regions	20
6.5.1	Madrid	20
6.5.2	Basque Country	21
6.5.3	Catalonia	21
6.5.4	Andalusia	22
6.5.5	Aragon	22
6.5.6	Navarra	24
6.5.7	Balearic Islands	25
6.5.8	Other regions	26
6.6	Effects of a market liberalisation – lessons learned in France	27
<b>7</b>	<b>THE POTENTIAL PRIVATISATION OF LAE – REVIEW AND OUTLOOK</b>	<b>33</b>
<b>8</b>	<b>THE INTERACTIVE GAMBLING MARKET</b>	<b>36</b>
8.1	Internet gambling - much potential for further growth	36
8.2	Market size and key figures	36
8.2.1	Licensed Internet gambling market	36
8.2.2	Total market size incl. grey/unlicensed market	37
8.2.3	Online betting – market size, key players, growth, ...	39
8.2.4	Online poker – market size, key players, growth, ...	40
8.2.5	Online bingo – market size, key players, growth, ...	41
8.2.6	Online lottery – market size, key players, growth, ...	41
8.2.7	Market shares of key operators	42
8.3	Forecast and recent developments	44
8.4	Increasing advertising activity of online gambling operators	48
8.5	Mobile gambling	49
8.6	Relevant market players in the Spanish online gambling market	50
<b>9</b>	<b>THE BETTING MARKET</b>	<b>61</b>
9.1	History and development	61
9.2	Market structure, size, and key figures	61
9.3	Key betting operators in Spain	64
9.4	Forecast and recent developments	68

<b>10 THE LOTTERY MARKET</b>	<b>70</b>
10.1 History and development	70
10.2 Market structure, size, and key figures	70
10.3 Spain on top in worldwide lottery sales per capita	74
10.4 Forecast and recent developments	76
<b>11 THE CASINO MARKET</b>	<b>77</b>
11.1 History and development	77
11.2 Market size and key figures	77
11.3 Poker in Spain	82
11.4 Forecast and recent developments	83
<b>12 THE BINGO MARKET</b>	<b>85</b>
12.1 Introduction	85
12.2 The legislative framework for the bingo market	85
12.3 Market size and key figures	88
12.4 Forecast and recent developments	92
<b>13 THE GAMBLING MACHINE MARKET</b>	<b>94</b>
13.1 History and development	94
13.2 Market structure, size, and key figures	95
13.3 Forecast and recent developments	99
<b>14 CASE STUDIES OF KEY PLAYERS IN THE SPANISH GAMBLING MARKET</b>	<b>101</b>
14.1 LAE - Loterías y Apuestas del Estado	101
14.2 ONCE	104
14.3 Loto Catalunya	107
14.4 Cirsa	109
14.5 Codere	111
14.6 Comar	114
14.7 Orenes	115
14.8 Peralada	116
<b>15 METHODOLOGY</b>	<b>117</b>
<b>16 LIST OF EXHIBITS</b>	<b>118</b>
<b>17 ABOUT THE AUTHORS AND CONTACT</b>	<b>120</b>

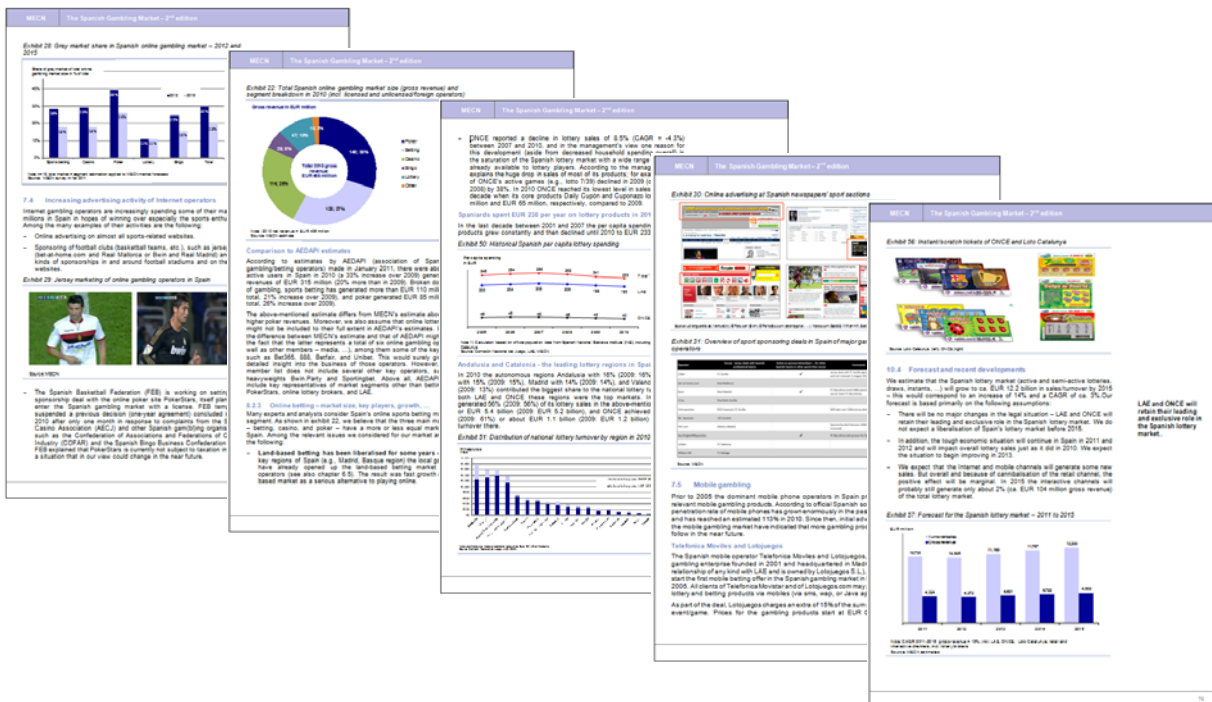
## Exhibits

- Exhibit 1: Future relevance of the Spanish gambling market – Results of MECN survey
- Exhibit 2: Will a Spanish online license pay off financially for private operators – Results of MECN survey
- Exhibit 3: Core sectors of the Spanish gambling market
- Exhibit 4: Development of size and breakdown of licensed Spanish gambling market (sales/turnover) – 2005 to 2010
- Exhibit 5: Development of size and breakdown of licensed Spanish gambling market (gross revenue) – 2005 to 2010
- Exhibit 6: Per capita sales/turnover and gross revenue – 2005 to 2010
- Exhibit 7: Size and breakdown of the total Spanish gambling market (gross revenue) in 2010
- Exhibit 8: Development of size and breakdown of Spanish gambling market (gross revenue) – 2011 to 2015
- Exhibit 9: Revenue breakdown of Spanish gambling market into sales channels (retail/land-based and interactive/Internet) – 2011 to 2015
- Exhibit 10: Overview of liberalised/regulated gambling offers
- Exhibit 11: New tax scheme for all gambling offers in Spain
- Exhibit 12: Can the planned liberalisation prevent unlicensed/foreign offerings in Spain – Results of MECN survey

- Exhibit 13: Interest in obtaining a Spanish license among online gambling operators – Results of MECN survey
- Exhibit 14: Will a Spanish online license pay off financially for private operators – Results of MECN survey
- Exhibit 15: Investment plans of online gambling operators in Spain – Results of MECN survey
- Exhibit 16: Overview of French online licenses vs. French offers
- Exhibit 17: Development of visitors of key French gambling sites since liberalisation
- Exhibit 18: Growth potential for the most likely market players in the French online gambling market – Results of MECN survey
- Exhibit 19: Will LAE be privatised within the next 1-3 years – Results of MECN survey
- Exhibit 20: Internet users in Spain – 2005 to 2010
- Exhibit 21: Size and breakdown of licensed online gambling market in Spain – 2005 to 2010
- Exhibit 22: Total Spanish online gambling market size (gross revenue) and segment breakdown in 2010 (incl. licensed and unlicensed/foreign operators)
- Exhibit 23: Will the lottery segment in Spain be liberalised soon – Results of MECN survey
- Exhibit 24: Market share of licensed online operators vs. unlicensed/foreign ones – 2010
- Exhibit 25: Market shares of key online gambling operators in Spain
- Exhibit 26: 2006 forecast for 2010 vs. 2010 “real” estimates
- Exhibit 27: Annual growth rates for various online gambling segments for 2012 to 2015 – MECN survey results/estimates
- Exhibit 28: Forecast for total (licensed and unlicensed) Spanish online gambling market – 2011 to 2015
- Exhibit 29: Segment breakdown of Spanish online gambling market – 2010 vs. 2015
- Exhibit 30: Grey market share in Spanish online gambling market (incl. segment breakdown) – 2012 and 2015
- Exhibit 31: Jersey marketing of online gambling operators in Spain
- Exhibit 32: Online advertising in Spanish newspapers’ sport sections
- Exhibit 33: Overview of sport sponsoring deals in Spain of major gambling operators
- Exhibit 34: Overview of key online gambling operators in Spain
- Exhibit 35: Groups of market players in the Spanish online gambling market and their future market relevance – Results of MECN survey
- Exhibit 36: Operators in the Spanish online gambling market and their future market relevance – Results of MECN survey
- Exhibit 37: Internet offer of LAE
- Exhibit 38: LAE Internet sales breakdown – 2005 to 2010
- Exhibit 39: Share of Internet sales of total of LAE – 2005 to 2010
- Exhibit 40: LAE registered user and Internet sales per user – 2008 to 2010
- Exhibit 41: Internet offer of ONCE
- Exhibit 42: Development and breakdown of turnover/handle in the Spanish betting market – 2005 to 2010
- Exhibit 43: Distribution (%) of La Quiniela sales to sports sector in 2010
- Exhibit 44: Turnover/handle of LAE’s main betting product La Quiniela by region in 2010
- Exhibit 45: Turnover/handle for La Quiniela in 2010 per capita, by region
- Exhibit 46: Forecast for the Spanish betting market – 2011 to 2015
- Exhibit 47: Revenue breakdown of Spanish betting market into sales channels (retail and interactive) – 2011 to 2015
- Exhibit 48: Examples of lottery points of sale
- Exhibit 49: Examples of lottery tickets of LAE and ONCE
- Exhibit 50: Size and breakdown of Spanish lottery market in 2010
- Exhibit 51: Development of size and breakdown of Spanish lottery market – 2005 to 2010
- Exhibit 52: Historical Spanish per capita lottery spending
- Exhibit 53: Distribution of national lottery turnover by region in 2010
- Exhibit 54: Per-capita lottery sales per Spanish region in 2010
- Exhibit 55: EuroMillions concept
- Exhibit 56: Instant/scratch tickets of ONCE and Loto Catalunya
- Exhibit 57: Forecast for the Spanish lottery market – 2011 to 2015
- Exhibit 58: Example of Spanish casino and bingo hall

- Exhibit 59: Development and breakdown of amount wagered in the Spanish casino market – 2001 to 2010
- Exhibit 60: Development and breakdown of gross revenue in the Spanish casino market – 2001 to 2010
- Exhibit 61: Per capita spending (gross revenue) in Spanish casinos – 2001 to 2010
- Exhibit 62: Amount wagered (turnover/drop) in Spanish casinos per capita by region in 2010
- Exhibit 63: Overview of Spanish casinos in 2010
- Exhibit 64: Forecast for the Spanish casino market (incl. breakdown into online and land-based) – 2011 to 2015
- Exhibit 65: Development of turnover and gross revenue in the Spanish bingo market – 2005 to 2010
- Exhibit 66: Bingo turnover by region 2010
- Exhibit 67: Per capita bingo turnover by region 2010
- Exhibit 68: Development of bingo halls in Spain – 2005 to 2010
- Exhibit 69: Bingo turnover per capita development – 2005 to 2010
- Exhibit 70: Forecast for the Spanish bingo market – 2011 to 2015
- Exhibit 71: Revenue breakdown of Spanish bingo market into sales channels (retail and interactive) – 2011 to 2015
- Exhibit 72: Gambling machines in the Spanish gambling market
- Exhibit 73: Development of gambling machine turnover and gross revenue in Spain – 2005 to 2010
- Exhibit 74: Development of number of gambling machines in Spain – 2005 to 2010
- Exhibit 75: Development of gambling machine turnover and gross revenue per capita in Spain – 2005 to 2010
- Exhibit 76: Regional breakdown of gambling machine turnover in 2010
- Exhibit 77: Cirsa – development of gambling machine turnover – 2005 to 2010
- Exhibit 78: Forecast for the Spanish gambling machine market – 2011 to 2015
- Exhibit 79: Development of turnover/wagers of LAE's betting products – 2005 to 2010
- Exhibit 80: Bingo Canoe hall
- Exhibit 81: Industry background of survey participants

## Sample pages of report



## Mentioned companies

888	Cirsa Interactive	Intralot Iberia
12Bet	CMC Cresmatic	Joypazar
Acordwin	Codere	JP Morgan Chase
AEDAPI	Comar	Jugandovoy
Apuesta Oé	Consorci del Joc Hipic de Mallorca	Kiroljoka
Apuestas de Navarra	Costa Melonera	La Bruixa d'Or
Apuestas del Pais Vasco	Credit Suisse	Ladbrokes
Automáticos Canarias	DigiDis	LAE
Azartia	Distribución Integral Logista	Lbapuestas
Bahía de Cádiz Casino Parque	EBGA	Loto Catalunya
Banco Santander	Egasa	Lotojuegos
Basquesport	Egurspor	Lottomatica
BBVA	Ekasa	Lycos
Bet3000	El Cartonazo	Marca
Bet365	El Corte Inglés	MediaTech Solutions
Bet770	EIBingo	Movilazar
Bet-at-Home	Electra Rioja Gran Casino	Mr. Apuestas
Betbull Bwin Espana	Entitat Autònoma de Jocs i Apostes	MSN
Betclic Everest	Euroapuestas	MyBet
Betfair	Eurosport	National Gaming Commission
Betfred	Everest Group	Nuevo Gran Casino de San Sebastián
BetPlus	Expekt	Oasis Gran Casino
Betpoint	Facomare	ONCE
Betting Terminals	Fluxx	Orenes
Betymovil	Garaipen Victoria Apustuak	Paddy Power
BetVictor	Global Bingo Corporation	Paf
Bingo Gratis	Globet	PartyPoker
Botemania	Godó	Peralada
Bricellis Investments	Goldman Sachs	Planeta
Bwin.Party	Gran Casino Aljarafe	Playtech
Cabaiste	Gran Casino Cartagena	PokerStars
Canoe Bingo	Gran Casino Castellón	PriceWaterhouseCoopers
Cashcade	Gran Casino Costa Brava	Primescratchcards
Casino Barcelona	Gran Casino de Aranjuez	Prisa
Casino Castillo de Perelada	Gran Casino de Barcelona	RCS MediaGroup
Casino Conde Luna	Gran Casino de Ceuta	Regama
Casino de Asturias	Gran Casino de Extremadura	RETA
Casino de Castilla-León	Gran Casino de Melilla	Rothschild Bank
Casino de Gran Canaria	Gran Casino de Murcia	Salpadok
Casino de Ibiza	Gran Casino del Sardinero	Serviapuestas
Casino de Juego de Torrequebrada	Gran Casino Nervión	Spanish Casino Association
Casino de Juego Gran Madrid	Gran Scala	Sporting Club Sol de Mallorca
Casino de La Toja	Group Pefaco	Sportingbet (Miapuesta)
Casino de Santa Cruz	Grupo Alfredo Garcia	Sportium
Casino de Taoro	Grupo Ballesteros	Sportium Euskadi
Casino de Zaragoza	Grupo Conei	Sportsman Media Group
Casino del Atlántico	Grupo Gran Madrid	Teleapostuak
Casino del Tormes	Grupo Nervion	Trojoc
Casino Gran Madrid Torrelodones	Grupo Rank	Unibet
Casino Marítimo	Grupo Recoletos	Unidad
Casino Mediterráneo	Grupo Vicente Carrasco	Unidesa
Casino Monte Picayo	GTech Global Lottery	Ventura24
Casino Nueva Andalucía Marbella	Iberapuestas	Victor Chandler
Casino Playa de las Américas	Institut de l'Esport Hipic de Mallorca	Victoria Apuestas
Casino Tamarindos	Interapuestas	Vivendi Universal
Casino Tarragona	Interwetten/Interapuestas	William Hill
Casinos de Tenerife	Intralot	Winner Apuestas
Cirsa	Intralot Euskadi	WinZingo

## About authors and contact information

### MECN - Media & Entertainment Consulting Network

MECN is a network of experts on issues concerning the media and entertainment industry. Together we provide in-depth knowledge, analysis, and advice to global clients. For the gambling industry, we provide market insights and strategic support to various clients ranging from bookmakers to state lotteries. For more information see [www.mecn.net](http://www.mecn.net).

MECN U.K.  
207 Regent Street  
3rd Floor  
London W1B 3HH  
United Kingdom

MECN Germany  
Fürstenrieder Str. 279a  
81377 Munich  
Germany

E-mail: [info@mecn.net](mailto:info@mecn.net)  
[www.mecn.net](http://www.mecn.net)



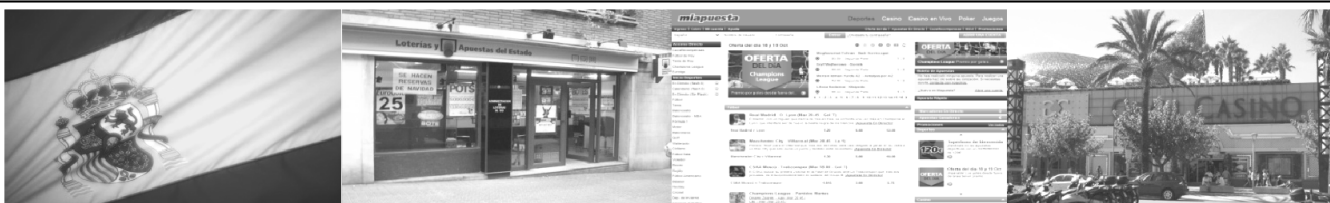
Santiago Asensi is partner of Asensi Abogados, an expertise law firm in the gambling sector with offices in Madrid and Mallorca. The firm provides legal advice to a large number of bookmakers, poker, casino, bingo, and skill games operators (online and offline), software providers, slot suppliers and gaming jurisdictions with interests located in Spain, Europe, and Latin America.

Asensi Abogados  
Mr. Santiago Asensi - Partner

Madrid - C/ Conde de Aranda 20, 2 Izq. 28001 Madrid, Spain  
Mallorca - C/ Gran Vía Puig del Castellet, 1, Bloque 2, Piso 1º, 07180 Santa Ponsa, Spain

Telephone: 34 971 90 92 19  
E-mail: [santiago@asensi.es](mailto:santiago@asensi.es)  
[www.asensi.es](http://www.asensi.es)





**Fax order form for the report:**  
***The Spanish Gambling Market – 2nd edition***  
*Liberalisation ahead – will it change the game*

**Fax to +49 (0) 89 3835 6786 or +44 (0) 207 692 4089**



- Please send me an electronic version (pdf) of the report (24-hour delivery): *The Spanish Gambling Market – 2nd edition*
- Single user license**  
Euro 685.00 (excl. VAT)
  - Company license**  
Euro 1,370.00 (excl. VAT)

**Personal Information**

Mr/Mrs/Dr: \_\_\_\_\_ First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_

Company Name: \_\_\_\_\_ City: \_\_\_\_\_

Address: \_\_\_\_\_ Country: \_\_\_\_\_

Post Code: \_\_\_\_\_ Telephone: \_\_\_\_\_

Email: \_\_\_\_\_ Company VAT/TVA/MOMS/IVA number: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

Enter company tax no. to avoid VAT, **EU countries only**.  
 Non-EU countries are always exempted from VAT/sales tax.

**Payment Details**

Please invoice my company  
 or  
 Please debit my  Visa  Mastercard  Amex

Card No.:

Expiration Date:   /

Card Holder Name: \_\_\_\_\_

Signature: \_\_\_\_\_

**Contact us:**

For questions, please contact [reports@meccn.net](mailto:reports@meccn.net)

<p><b>London / UK</b>          207 Regent Street          3rd Floor          London W1B 3HH          United Kingdom</p> <p>Tel.: +44 (0) 207 692 4088          Fax.: +44 (0) 207 692 4089  <a href="mailto:info-uk@meccn.net">info-uk@meccn.net</a></p>	<p><b>Munich / Germany</b>          MECN Germany          Fürstenrieder Str. 279a          81377 Munich          Germany</p> <p>Tel.: +49 (0) 89 7412 0235          Fax.: +49 (0) 89 7412 0102  <a href="mailto:info-germany@meccn.net">info-germany@meccn.net</a></p>
---	--