



Written submission to the green paper on online
gambling in the Internal Market

Malta, July 31, 2011

Mr Green LTD and Green Gaming Group LTD (“Mr Green”) is hereby submitting its contribution to the consultation on online gambling in the Internal Market. Mr Green would like to thank the EU Commission for providing the opportunity to give comments.

Mr Green is in some terms a relatively new player in this area. The company was founded in 2007 and started marketing towards clients in August 2008 under the domain <https://www.mrgreen.com/>. It is a pure-play online casino, meaning that we do not offer poker, sportsbetting or bingo or similar. We only offer casino games targeted towards mass-market. We are not the best choice for major gamblers, since we have among the strongest player-protection functionality in the market “Green Gaming” whereas players must set limits upon registration and we also have low coin denominations on our games, making it less fruitful to use our site should you want to take major risks. We aim for the big market and volume rather than to gain a lot from a few people. We consider ourselves offering entertainment rather than gambling. Furthermore, we have integrated several casino suppliers in our offering in a quite unique way, and also spent a lot of time on the user experience and look and feel. The work has paid off and we have been awarded best online casino by magazine Internetworld in three consecutive years: 2008, 2009 and 2010. Mr Green was founded by Mikael Pawlo, Henrik Bergquist and Fredrik Sidfalk. The two latter was two out of three founders of competitor Betsson, whilst the gaming experience in the company must be considered major from any point of view. The company is based in Malta and hosts in total 67 employees. Mr Green has two gaming licenses approved by the LGA in Malta.

We strongly believe the Green Paper will be useful but we are concerned over some of the fine-print in the consultation. Our main concerns are how cross-border operators are regarded and how online gaming is described.

Regarding questions not dealt with, the remaining specific questions we refer to the submission made by the European Gaming & Betting Association (EGBA). We adhere to its position on matters not dealt with in this reply.

The definition of and references to EU based operators as grey operators, and monopoly operators as legal operators (as set out in the Introduction and throughout the paper)

In general, the rules of the European Union protect the right of businesses operating legally in one EU country to do businesses in the others, without having to establish companies in each respective Member State (Article 43/52 (EC Treaty): Freedom of establishment Article 49/59: Freedom to provide services). The freedom to provide services is directly effective, meaning that member states must ensure that national laws do not conflict with the provisions (see cases: Gambelli: C-243/01, Zenatti: C-67/98, Schindler: C-275/92, Läära: C-124/97) A 2010). We are certain this is no news to the EU commission, but this is not reflected properly in the Green Paper. The EU Commission must take into consideration the pillars of the EU and the relevant case law, otherwise the predictability for stakeholders would be very low. The EU Commission must place safeguards to avoid breaking basic Treaty rights.

Furthermore, it is important the Commission recognizes that State laws unjustly try to limit the single market for gambling. This is putting major restraints on the growth of a legit business in the EU. The unjust regulation is caused by Member States trying to make any competition with State monopolies illegal whilst heavily marketing its own monopoly. Among the worst in this category we find our native Sweden with its Svenska Spel AB.

It is in our opinion evident that a vast majority of the monopolies in the different Member States are protected by legislation that are breaking clear and present basic EU Law principles.

Any Member State doing this will disagree, but the EU Commission must look into this matter more thoroughly in the Green Paper should it reach a fair and balanced conclusion.

Mr Green, as well as any other Malta-licensed operator, is not a “grey” operator and is not acting in a “grey” market. We are acting in a white and legal market. This must be recognized by the EU Commission.

The overriding objective of player protection in relation to market control and the creation of a well-functioning market

Mr Green believes that operators are best suited to set player-protection by themselves, but are willing to support and adhere to any consumer-protection regulation which follows ordinary consumer-protection principles. Areas we think could work the best for consumer-protection legislation and policy are underage-protection, self-exclusion, anti-money laundering provisions and know your client-provisions. Having said that, the gaming market is hyper-competitive and any operator trying to fool its customers will soon be punished by consumers taking their business elsewhere.

The suggestion that online gambling has increased problem gambling and that online gambling is more harmful than other kinds of gambling (as set out in relation to question 15 and 18)

We would like to point to the Swedish study presented in 2009 by the Swedish Institute of Public Health in fact outlines an overall decrease of involvement in gambling by 17% when compared with 1997.

Furthermore, in our case, we do spend a lot of time, money and effort in restricting problem gambling through our Green Gaming system (as described above).

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