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Independent operators are gathering the evidence in the wake of a pre-consultation process proposed by the Gambling Commission that could effectively drive certain legacy machines and the popular older technology products out of the marketplace.

Information from independent venues across the country is being gathered by all the trade associations with Bacta, the Gambling Business Group, the Bingo Association and the BGC each assembling data on the numbers and import of legacy and older technology machines to the industry.

At Bacta, work continued this week on its rebuttal to the regulator's latest scheme, the association issuing a survey to all its members requesting information.

"[The proposals] could have a significant negative impact on operators - especially independents - as many gaming machines currently being operated could be declared illegal, as you will need to make software updates to introduce things like enhanced limit setting and time outs which will include staff alerts," wrote Bacta president John Bolton in his email to members.

Analysts have suggested that the proposed changes would not affect Category C and D machines, but certain legacy Cat Bs may be unable to carry the software necessary.

**So what happened to the customer first principle?**

Peter Hannibal, Chief Executive of the Gambling Business Group, has been engaged in intense talks with the Commission and DCMS on the issue and his current position hinges firmly on two key areas: 'Proportionality' and 'Consumer First'.

"We welcome this pre-consultation initiative from the Gambling Commission," he told Coinslot. "But it is only of any value if the Commission is prepared to listen to those with whom they are pre-consulting."

## In the firing line: Independent operators consult as Commission sets its sights on legacy and older technology machines

TECHNICAL STANDARDS

In a move that threatens the viability of **legacy machines, older technology equipment** and the future of independent operators, the Gambling Commission has proposed to amend the Gaming Machine Technical Standards to include limit settings and time outs. But that's not so easy on the analogues, something really the regulator should know.

Echoes there of a simmering divide between regulator and industry? Coinslot has fielded a number of calls from senior stakeholders enraged at the regulator's dismissive attitude to views expressed on the technical standards pre-consultation, particularly concerning legacy machines and the highly popular older machines amongst the playing community.

Hannibal, obviously, is sympathetic to those sentiments but remains keen to keep a focus on the analysis that brought the Commission to this point on Technical Standards: "What we have not seen from the Gambling Commission is any evidence that supports their proposed changes, especially when the GC claims to be an 'evidence led regulator'."

It's a valid question and does require attention from the regulator, not least as Hannibal noted: "Once everyone understands what 'problem' the Commission are trying to fix here, we can then begin to understand whether their proposals are proportionate or not."

And therein lay the crux: it's extremely perplexing that the Commission doesn't understand the important role that legacy machines and the older technology products play in the industry. The fact that it seems unable to grasp the problems that its proposals will have on so many small businesses and medium sized operations is even more worrying.



To remove any doubts or misunderstanding, Hannibal made the point very clear: "Legacy machines and the older technology products are still being operated across the UK for one reason only - that reason is that they are popular with many machine players, long standing machine players who are not by definition problem gamblers."

"We are not aware that the legacy and older machines are more harmful than any other type of gaming machine - and the GC have not yet said that they are, so why are they not putting the 'consumer first'? Which ironically is another of the GC's mantras."

It's a very useful reference point: the Commission does place a great deal of emphasis on the Know Your Customer principle. It seems the industry actually does - it's just the Gambling Commission that doesn't.

Hannibal reinforced the customer view.

"Players, in vast numbers, enjoy and prefer their analogue options - and there is major growth in the retro arcades market where the old favourites continue to have a huge appeal. Legacy machines and the older technology products are one of the most popular offerings as far as our customers are concerned - it's frustrating that the Gambling Commission have not grasped this fact."

But it seems that the current direction of travel for the Gaming Machines Technical Standards is heading for a full-on collision with legacy and older technology machines - and that is bad news for the consumer and the industry.

"We need to acknowledge that this is a major threat to the viability of legacy machines and the future of independent operators, many of whom rely on older, classic machines," said Hannibal.

And to many in the

Hannibal stresses that a rethink is urgently needed at the Commission. "Using GMTS to outlaw legacy and older technology machines is going to have two major impacts," he warned.

"Consumers will lose a popular range of products that gives them entertainment and pleasure. And many small businesses will have to close their doors as they simply can't afford to replace all of their legacy products and older equipment-taking jobs and social interaction with them."

"If the regulator wants to see the end of small AGC operators, then this measure is probably going to do the trick!"

It's a strong sign-off from the GBG chief - and a pretty accurate one too. So, are we talking about hundreds of businesses at threat?

"The number is going to be sizeable, but the

industry's own research will evaluate that shortly," answered Hannibal. "However, we cannot escape the reality that this could be, to many, an existential threat. And the losers will be the vast number of customers who enjoy the legacy and older technology machines, many small businesses on our high streets, and the several thousands of people they employ."

"Tradition still plays a huge role in our industry. Whilst we pride ourselves on pioneering technology and innovation - which is something our industry excels at - we also have a deep appreciation and place huge value on the traditional games and the customers who want to play them."

And destroying that is not a legacy the Gambling Commission should be proud of.