



**Tuesday, December 4, 2018**

**Keynote Address: Integrity in the World of Commercial Sport**

**Presenter:**

**Jack Anderson:** Professor of Sports Law, Melbourne Law School

**Ms. Wendy Davis:** If you recall last year, the notion of sports wagering across the country was really fresh in everyone's mind. We had speakers in our Wednesday session that had just been where they were hearing oral arguments for the Supreme Court, talked about the odds of the idea of sports wagering becoming legal in this country and now look at where we are.

One year later, many of our topics center around these dramatic changes that are predicted for the environment in which racing lives. What we'd like to do with this year's symposium is explore that environment, see what our world might look like, and find ways that racing cannot just survive, but thrive in the new era.

Let's get started. Our first speaker this morning comes to us from the University of Melbourne, where he is a professor and a director of sports law at the University of Melbourne, and that's in Australia.

He's gonna speak to us about integrity in this expanding world of commercial sport. He's certainly well-versed to do so.

He's written quite a bit in the area of sports law, including work on the additions of landmark cases in sports law, EU sports law, and was editor in chief of *International Sports Law Journal*.

One of the most, I think, interesting things for us, he's Irish, so we know horse racing is in his blood. With that, please welcome Jack Anderson up to the podium.

**Mr. Jack Anderson:** Thanks, Wendy.

All right. Good morning all, and thanks to the organizers for the opportunity to speak here today. Especially thanks to Wendy and her team for getting me here.

I'm currently based in Melbourne, in the State of Victoria, in Australia, and which has an annual public holiday for a horse race, the Melbourne Cup. However, being Irish, I don't really need the public authorities' permission to go to a horse race. It's my constitutional right to go whenever I please.

I suppose in terms of geography, in terms of landscape, you couldn't get two more different places than Arizona and Ireland. I knew when I woke up this morning and I looked out the window and there was a 10-foot cactus staring back at me, I knew that I was a long way from home.

Having said that, we all are here because we're all interested in horseracing. We're interested in the sport, we're interested in the industry, we're interested in the participants, human and animal.

My goal here today, it's pretty straight-forward. It's to give you an international perspective on how unregulated, poorly-regulated and sometimes regulated betting can have significant integrity impact for a sport.

Those integrity threats include match fixing — which is fixing the outcome or part of the game, race-rigging — which you're well aware of, but other forms of corruption as well.

I suppose my key job is to identify, what are the lessons that we can learn and usefully apply? The interesting thing for me is, when you teach sports law, and I practice it, I'm a member of the Court of Arbitration for Sport, which is essentially the world Supreme Court for sport — one of the things that you find out is, in most things, the U.S. is ahead with the commercialization of sport, the marketing of sport, et cetera.

But you're behind when it comes to integrity in sport issues. You're in this transitional phase, post the Murphy and NCAA case. That's an important point that I want to reiterate as we go along, this transitional phase that you're in, and how we can manage that phase in terms of integrity in sport, and what impact it'll have, and for horseracing.

Now when I talk about international perspectives, I'm going to talk very much, enrooted very much in horseracing, because when you think about it, it's our oldest professional sport.

Where I come from in Ireland, about 30 minutes south in an area in North Cork was the first steeple chase, 1752, between two gentlemen, and was done for a bet. You've been at this for a very long time, all right, and that's one thing that I want to pick up on in those terms.

To be very much rooted back to what other industries can learn from the mistakes, and good things that have happened in horseracing.

Also, what I'm going to do today is very much driven by my own personal interest in horseracing, which goes back to, as a 12-year-old the 13th of March, 1986, when I mitched off school early — illegal — and I bet on this horse — also illegal — at Nine to

Four, the favorite in the Cheltenham Gold Cup, Dawn Run. Dawn Run was the first horse and Irish mare to win the Cheltenham Gold Cup, which is kind of a big deal in the U.K. and Ireland.

First mare to win both the Cheltenham Gold Cup and the Champion Hurdle. I was absolutely enthralled after that, not just with horseracing, but with winning my bet as well.

I still remember the race commentary, the radio race commentary from Irish radio, where it was quite clear that the commentator himself had a massive bet on the horse.

In fact, I thought at one stage he was going to fall out of the radio on top of the counter in front of me, he got so excited. But that's where I'm coming from, in terms of an interest in racing. But I'm also coming in terms of a professional interest.

When I first started going racing, you can still see people doing the old tic-tac signs. Even look outside now, the tic-tac is replaced by the algorithm. The bookie is replaced by the computer program. You know, that's the technology that we're dealing with, and there are integrity threats built into that.

Throughout these two days, you're going to hear a lot about integrity in sport, a lot. You're gonna hear a lot about sophisticated regulatory techniques to identify and help integrity in sport. But I want to make one point, okay? One point: The threat comes always from within.

Now I do a lot of work with international bodies. They get very worried about criminal syndicates based on Southeast Asia, betting online and fixing matches in European football, in America — wherever.

Most of the threat comes from inside your sport, okay, and the integrity platforms you have arranged within your sport.

I always loved this quote from a leading Australian jockey, Scobie Breasley. He retired, went into training, won a few races, and his wife was interviewed after one of the races, and asked, did the trainer, Scobie, have a bet on the horse? She replied, "Oh, no. Scobie hasn't bet since he stopped riding."

There's something in that we'll come back to, when it comes to integrity in sport. Okay.

In a general sense, and I'm going to focus on the international aspects. There is a very real threat of transnational economic crime, when it comes to gambling. We see it later when it comes to money laundering, and stuff like this, all right?

There is, no doubt, a threat from unregulated markets in Asia, and that threat will come here as well. There is no doubt about that. But it is the threat from within that is the key issue.

I just have to put up this slide for Americans to know where that threat comes from, all right?

But I suppose when we talk about threats to the integrity of sport, we, first of all, have to identify, well, what is this issue of integrity in sport?

It's a very trendy phrase now. Lots of consultants make lots of money about talking about integrity in sport. But integrity in sports is actually very simple. It's rooted in the competitive nature of sport. When you go to see a race, when you go to see a football game, you go to see skill, the jockey's skill or the football player's skill. But you go to see your horse or your team win. That's what you really go for.

You realize that on many occasions, the odds will be against your team. But there is a controlled unpredictability. The idea that someday your team will win. I'm a New York Jets fan — stop sniggering — and someday, I hope that they'll get back to a Super Bowl. Okay, scrap that — someday, I hope they'll win again. All right?

But that's the idea. That's the controlled unpredictability of it. It's the old Vince Lombardi quote, "If it doesn't matter who wins or loses, then why keep the score?"

Well, if the score is already predetermined, if the game is already fixed, then why keep the score? That's not sport. That's just entertainment. That's just WWE. We know the result. That is the important point with integrity.

It goes on for the commercial point then, very, very simply. If the game is fixed, why sponsor it? Why spend your dollar sporting that team? Will you attract TV money?

No, you will not. Nothing corrodes the commercial base of sport quicker than corruption, and that's really what we talk about when we talk about integrity in sport. We're talking about the integrity of the commercial and brand.

We've seen it, you know, apart from the really big sports — NFL and baseball maybe, as well — but apart from the really big sports, most other sports are not able to withstand significant integrity threats.

It seems difficult for people in horseracing — and I love to say it — but you could easily slip from the mainstream, if there are integrity threats around you. You can see it other sports.

Look at Track and Field and Cycling post-Lance and the doping corruption. Look at — and we'll hear later in an entirely different sense — but look at Greyhound Racing, which is one of my favorite sports, and how it slipped away. There is one track left in the greater London area, the heartland of the sport. I work now in Australia.

Two or three years ago, New South Wales attempted to ban the sport. In Ireland, where I come from, it's virtually just a TV gambling-only sport.

We hear about Florida later on, you can slip very quickly. Even 50 years ago, if we were here — I know it's back to 1974 — but if we were here 50 years ago, each and every one of you in this room would know who the heavyweight champion of the world was.

When I was sitting out in the bar, sorry, lobby the other night, I thought that the heavyweight championship fight between Wilder and Fury would come on the TV — no, it didn't. College football.

Did you even know it was occurring in L.A.? How many world champions are there now? You can see how a sport can slip away, and very, very quickly. That's what integrity is all about. These threats from doping and gambling, from organizational integrity.

Also, another factor for you guys is animal welfare as well, which the general public is very, very sensitive about.

The combination, then, is not just this controlled and commercial issue. We go back to first basics. We were talking about integrity in sport. That which I am talking about is two-fold.

It's good old-fashioned cheating, allied to trying to make a quick buck on the gambling markets — that's what it is. Never underestimate in sport, worldwide, how people cheat.

If you ever have the privilege of going to the ancient Olympic site in Greece, on your way in, there will be 16 statues. Actually, there's just stubbled statues that's left, 16, erected by 16 match fixers who were fined for rigging events. It goes back right to the beginning of sports.

We've always cheated in sports. I can give you thousands of examples.

Two of my favorite examples from sport is, the team on my left there is a Spanish team. They're at the Paralympics in 2000. It's a basketball competition. The classification is for people with an IQ of 75 or under, intellectual disability.

They cheated. Some of them were professional basketball players in Spain. They cheated to win a gold medal. The minute that picture was published back in Spain, people picked out who they were.

Look at this team here on my right — this is a Saudi Arabian team from an under 16 World Cup tournament — have a look. Some of them are married, with children. I work with the IAAF, the International [Association] of Athletic[s] Federations, and one of the big problems we have is with age cheating in sport.

Even at the weekend in China, there was a major half marathon in one of the major cities, sixteen thousand. Two hundred and sixty athletes were caught cheating — shortcuts, swapping bibs, impersonating others, joining late. Why?

It's been going on for a very long time. Then you add in gambling, and this is where we bring it right up to what you're dealing with here in the U.S. This is just a kind of a —

most of this you'll know, but this just kind of an international perspective, I suppose, on it.

Last year, U.S. onshore regulated betting market by gross win is relatively small, 200 million. In fact, it's very small. It equates to what happened in Sweden, and Sweden has only about 10 million people.

In Sweden, they think lottery is gambling, so it's a very, very small market. You're way behind what the U.K. is at over 3 billion.

But now, look at the projections for 2023. You will be the global leader. Five billion in gross win revenue, half of it generated by mobile. The landscape, the gambling landscape of the U.S. is going to change, as you know, rapidly. Where is your place within that?

If we focus, again, in 2017, the estimates from American Gaming and also H/2 Capital is that illegal gambling sports wagering in the U.S., mainly the offshore stuff, is anywhere between 150 and 190 billion, and 75 percent of that online, a quarter of it in New York and California. That's 97 percent of the total handle on gambling in the U.S. in 2017. Ninety-seven percent was illegal.

Then you look ahead to 2030, and half of U.S. states will have some sort of regulated betting market, and the growth win will be up to 7.5 billion.

Now the question I have to ask, and the question you have to ask is, half of the States will be participating, half won't. Where does all of that 150 to 190 billion go?

Where does that illegal betting pool — where does it fester? There are still significant integrity issues there in this transitional phase, and that's something that we have to be very, very much aware of, going forward, because we marry both of these together, cheating and gambling.

Okay, now the best we can do is, for this point, is to learn from what happens elsewhere. Go back to the area of point that said, U.S. is usually ahead when it comes to all of sports law things — on integrity, slightly behind, for various reasons.

I just want to bring you up to date with one comparator, which is the European Union. The European Union has a vaguely — if there's any British in the room, close your ears — it's a vaguely federal structure which has 28-member states.

We're about to lose one, the British are worried that they don't have enough control over their own affairs. They really don't do historical irony in Britain, but anyway, I'll just leave that for a second.

This is an EU-sponsored commissioned review of match fixing and integrity threats. In that, it correlates nicely to what we will do. It focuses on the main sport, which is football, soccer — proper football, soccer — and it surveyed 600 athletes throughout the European Union about match fixing.

Now it would be an interesting survey to do here in parts of the U.S. We got about 600, I was one of the people involved in this. We got about 600, 12 percent, one in eight, said they had participated in a fixed event. That's a huge figure.

Fifteen percent were asked within the last year, and there is the inside threat — 40 percent had said that they were approached from inside by club officials.

The threat is from within. Club officials asking them to throw a match for gambling purposes.

The last point is that one third of them said they would not report fixing, mainly due to their lack of trust and confidentiality.

It's an important integrity point for you in racing as well. We are trying all the time to gain intelligence from the racing community about what's really going on.

One of the key things to do is this whistle-blowing factor. Sport does whistle-blowing very, very poorly. Very, very poorly, indeed. Because the community is quite small, it's difficult in that sense to promote whistle-blowing.

I'll give you two examples, not just from racing, but from elsewhere. One of the most famous fixes, of course, of all time, its 100th anniversary is next year, is the Black Sox in 1919, and Shoeless Joe Jackson.

Say it ain't so — well, it was. Jackson went to the owners of the White Sox, Charles Comiskey, to admit what he did. Comiskey sent him away. You don't dob in on your teammates. But then when it affected Comiskey's brand, the players were vulnerable.

One of the things that I'm involved in is an anti-doping policy in the world, in athletics. We've had problems with Russia.

If Mr. Putin is listening — hello. We have had problems, and one of the reasons is because the Russian anti-doping agency became the Russian doping agency for two or three years, and a whistle-blower gave it away.

That whistle-blower is currently under witness protection here in the U.S. We don't do whistle-blowing very well, okay, and it's an important integrity point that I want to kind of flag up as we go along.

The last point just to learn from football as well is, this is one of the more famous footballers globally, he's since moved on from this club. But this is Renaldo playing for a club called Real Madrid in Spain — look at the sponsor on the t-shirt — that's a gambling company.

One of the things that I do quite regularly was to, when I was based in the U.K., was to give education seminars to players, football players, warning them about match fixing. I'd come in, and they'd be a bit like you, slightly bored, looking at their laptop, on social media, and I'd give them the usual lecture. They'd hold up their jersey, sponsored by a

betting company. Surely there's a conflict of interest there, taking bets on a team that you sponsor. Fair enough. There may be. Okay. But that's something that's going to feature here in the U.S. as we go along, how gambling companies sponsor as well as take bets in sports. It's just something to think of as we go along.

All right. The next example that I just want to give you is, one of the sports that has a significant problem with match fixing is tennis, globally, and has a huge problem with match fixing.

It recently surveyed about 3000 of its professionals, and at high-level tennis, 15 percent of them had first-hand knowledge of a fixed event, which is a huge issue. The problems weren't at the Grand Tour events, but at the lower events, regional events. Why was that?

There are 15,000 registered professional tennis players globally. About 350 of them actually make a living from tennis. You have a huge percentage who are vulnerable to match fixing approaches, and that's what's happened. The knock on the door before the event, the bag of money, throw the first set — after that, it's open to you.

This has happened time and time and time again in tennis. They've actually had to set up their own tennis integrity review.

One of the problems they have found is that in 2012, they sold betting data on all various levels of tennis, through a company. That opened the betting markets. They think the problems have come from the liberalization of the tennis betting market. Will similar problems come to the U.S.?

Okay, and just two or three points about it, we might play the video if it's at all possible. The guy here is a young Australian, he's no relation — Oliver Anderson.

Oliver Anderson is an up and coming Australian junior champion, which is quite a big deal. He's about to break onto the professional stage. He has a local sponsor, so he's starting out. He gets injured. He becomes very worried that he won't be able to pay back his sponsor, and he agrees to fix a game. I'm not sure — do I have to press it? No? If you see it here, he fixes the game. This is a young boy throwing away his professional career. Okay.

### **[Video]**

Okay, that's it. You see him throwing away his career. He is convicted of a crime in Queensland, match fixing, and it's likely he's going to be banned for life from tennis itself.

But you can see how he was approached, and was vulnerable, and was groomed, and threw away his career.

If we just return to the slides, the last point I just want to make about tennis is that they reviewed their integrity unit itself, the Tennis Integrity Unit. They have a Tennis Integrity Unit. You'll see these kinds of units being set up in all sports across the various different States. One of the tendencies you have is — and if there are any police officers, ex-police

officers here, I apologize — but the tendency is to hire ex-police officers for these integrity units, on the grounds that they're good at enforcement intelligence gathering as well.

What tennis has found is, you need a more blended skilled approach. Accountants, yes, police officers, but also people who know the sport, and know the type of scams that can come on.

It's like in racing. Your first step in integrity are the stewards, those who can read the race. That's a fundamental point when we come to talking about integrity and these sophisticated points. It's a point that I can't make any stronger than that, okay? People who know the sport.

Okay, drawing all this together then, in a kind of a general overview, just a few things to look at, and we can kind of bring them back then to the States, on the right here is a Singaporean called Dan Tan.

Dan Tan is one of the biggest match fixers in the world, has fixed football events in countries around the world. In fact, bought a club in Finland for match fixing and gambling purposes, and these gambling crimes know no borders, and the U.S. will find this out very quickly.

But the key to all of this is inside information. This is the key. These gamblers are looking for any benefit, the state of the pitch, and player's injury status, the formation that the team is going to play — anything.

Do existing players, do jockeys, know how sensitive this inside information is? Remember — and I was looking at Sportech there just a few minutes ago — remember the markets that are now available.

When I bet on U.K. football — badly — there are 150 different markets on one single soccer game. The markets on football now, American football, up to 90 different markets. In other words, there are 90 different ways that the Jets can lose. But there are vulnerabilities in terms of sport fixing. We have to be aware of that. That's what we're looking for, this insider trading stock exchange.

Also, these gamblers like Dan Tan, they're profiling players. They're looking for people who have gambling problems. They will exploit those problems to repay gambling debts, okay?

One of the biggest sports that has a problem with this is Cricket. Cricket is very much like baseball.

It's quite easy, it can be quite easy to spot fix, okay? On the left was one of the biggest spot fixes in Cricket, where three Pakistan bowlers agreed to spot fix, which is deliberately throw no balls during a test. The odds of them doing it was half a million to one, in the series they did. It was a newspaper sting that revealed them, okay, which is interesting. Not Cricket itself, but a newspaper sting. That's something to be worried about. Also, who is approaching these players?

One thing we have had internationally are agents, outside the U.S., agents in many sports, tennis and football are largely unregulated. We've had problems there. We have problems with players from a particular socioeconomic background being approached by former friends.

As you will know in many sports, many criminals like to image launder through sport. They like to be associated with sport. Then, of course, are tempted to exploit and groom players for match fixing purposes, that's what we've seen. We've seen it in many ways.

The sports that are very vulnerable are these episodic games, and tennis has a particular problem, as we've said. I'll give an example in tennis.

Let's take a fictional Russian player, let's called Nikoli Devidenko, just for fictional purposes, who is well-known on the Master's tour for throwing the first set, letting gamblers back accordingly, and then the second and third sets were open.

We've had other games, cricket, baseball will have a problem as well. Even smaller sports, like snooker, are riven by these problems, because the individual player can control the flow of the game, because the experienced jockey may be able to get that horse in trouble. You know the story with this.

We're going to have problems with data, is obviously a big issue, both on-field and off-field — we might come back to that. But also, you're never quite sure where the threat comes from. The threat can often come from beyond the player. I'll give you two examples.

Obviously, in the folder there is Tim Donaghy, the NBA Basketball referee — have the Phoenix Suns forgiven him yet? No, I don't think so, but he's an example. He had gambling problems. Okay?

We've had examples in tennis, and I was going to run the video, but I won't run the video. But the example we have in tennis is tennis umpires — each point has to be registered on their iPad over in their little chair. Some of them had a habit of delaying that, allowing the betting markets to have been manipulated, and then entering the score. You never know where the threat comes from.

The last example I will give you is one of the more recent British Horseracing Authority cases on insider — alleged — insider information involved an Irish vet, who was involved with a very famous horse trainer in Ireland called Willie Mullins, who had a leading hurdles horse, who was favored for the English Champion Hurdle, but was injured in the weeks building up to the English Champion Hurdle.

Laid bets of significant amounts were recorded in the days before the official announcement of injury. Who gave that information?

The investigation focused on the vet in question, and whether he advertently or inadvertently gave information. Now he was cleared, but one of the things the British

Horseracing Authority said — which is interesting from an integrity point of view — is, well, in Willie Mullins' yard, there are 60 employees. Each of them could possibly have done this. But it just shows you the integrity threat, that the British Horseracing Authority had to face, and that the threat is often beyond the immediate.

Other aggravating factors here as well, and we'll see this in sport generally, where the regulatory environment of the sport is poor, it tends to attract match fixers. We get a lot—the leading football authority is FIFA — FIFA lectures widely about match fixing and integrity, and they've had some problems themselves. We're going to have continuing problems in terms of offshore and gambling, and also the international point that I made.

I just want to focus on the offshore issue, which is still an issue for gambling here in the U.S., despite the U.S. Supreme Court decision.

It's also a problem for us in Europe.

We have a lot of offshore gambling on this rock here, otherwise known as Gibraltar, and owned by the U.K., claimed by Spain — part of the EU or not, do the offshore gamblers care?

But how do you police it? That's going to be a continuing problem. Also, with online, you're going to have problems with liquidity.

Are you going to see more and more cryptocurrency? I know we have a session on that.

The two things I want to say on cryptocurrency is, from what we've seen in Australia, the big punters are not yet attracted to cryptocurrency, because Bitcoin and them are too unstable, okay, that seems to be.

The second thing is the whole issue of Blockchain itself and security may actually be a savior when it comes to integrity — but that's a second issue. I know we have something else on that coming up. But they're just two issues.

The big threat that I mentioned at the beginning is money laundering, and how sports gambling is used for money laundering purposes. This is, in some ways, the key slide.

This is without you guys, this is without the U.S. Look at the amounts of money that is laundered through international sports betting today. The process is very simple: We have international criminal syndicates with illicit profits from narcotics, et cetera, laundering money, as they have always done, through gambling.

But if the event is fixed in their favor, their hot money is freshly laundered, and they make a profit. That profit is reinvested into their business. That's the number one integrity threat for international sport. It's not doping anymore, it's money laundering threat.

I just want to switch — and I'm conscious for time, how am I doing for time? Fifteen, okay. Just to switch to solutions — I'm not here to tell the U.S. what are solutions, but just what other countries have done.

If we look at the European Union, I was involved in a survey of the European Union, and the various different types of regulation within the European Union. One thing that we identified, and it's very, very similar to the U.S. — there is a patchwork quilt of regulation.

Some states will properly regulate. Some states, for moral and social reasons, will have no interest at all, and some states will be interested in the revenue, okay? I just read, coming over here, that right in the heart of racing in Kentucky, the state of Kentucky, there is a problem with pensions, public pensions.

The administration is becoming interested in broadening and liberalizing gambling in that state, because West Virginia seems to be doing well at it. You're going to hear a lot of that. Where does racing come into that?

There's a patchwork quilt. But what we found in the European Union, and you'll probably find it here in the U.S. is, there is absolutely no point in going for hard harmonization across the various states — that is pointless. That is just not going to happen.

The best that you can do is make sure that those states that regulate betting cooperate and share information with each other. In the European Union and the U.K. and France, and other jurisdictions do regulate betting quite well[sic.], and they share information. Not just data, but information about people as well. I think that's an important thing, okay?

If you look at it for racing here in the U.S., I know that tracks compete fiercely commercially with each other. But there should be no market and no competition in integrity. That is absolutely clear. All right?

Australia is another example of where they've tried to do the state platforms feeding into a national hub. That kind of soft harmonization is probably where we're gonna go. Okay?

Other solutions as well here, and the model that has emerged from the U.K. and from France and Australia, if we apply it to a single state, is increasingly — and we've seen this with racing and we've seen this with other sports — they will sign memorandums of understanding with regulated betting companies.

Where there are irregular betting patterns, that information will be shared back with the sport. Often that relationship is reconciled or monitored by independent commercial entities. You may be aware of Sports Radar, and those kind of bodies, where there are irregular betting patterns they flag them all.

The problem that we have found, and you will find it as well as you develop integrity mechanisms here, is that regulated betting companies want to get involved in this, because a fix and erase is a fix on their product.

But they are very wary — quite rightly — of giving raw commercial data back to sports bodies. Do sports bodies have the capacity to deal with that information, in terms of analyzing it and keeping it secure?

What they have developed in the U.K. and in France, Australia is an independent national regulator, a betting integrity unit that has the capacity to deal with that. Where those red lines are flagged, there are two options — you send it back to the sport for a sport-specific investigation, or where relevant, you send it to the criminal authorities, to the police to investigate — usually along fraud lines. That's the basic mechanism that seems to be used, okay, on that.

In Australia, for example, many states have criminalized cheating at gambling — same in the U.K. We've had some criminal investigations. They haven't always been that successful. It's much better that a lengthy sports-specific ban is put in place.

The problem we have had with matters going through the criminal courts is that judges are not always sensitive to what's going on, and that the parties in question get light sentences. They're seen as a scapegoat for the sport as a whole. They are seen as the "easy catch."

We're not quite sure whether the criminalization process has worked. What certainly has worked are lengthy sports-specific bans, because in that way, you're denying them their livelihood.

Okay. To kind of bring it all together, then, obviously we have had the U.S. Supreme Court decision from May, and nicely Irish-ized, if you like, with Murphy and the NCAA. Just a few points on it, and I think the first point is, we are going to see the rapid — we already have — the rapid commodification of gambling.

A massive stock exchange will now surround sport, okay? This is just an example of a Las Vegas pit, if you like. I had to search this out. If you look at it very closely, you'll see two Irish guys with the Irish flags off placing a bet — it's clearly a Conor McGregor fight going on — so we'll see the massive commodification of gambling.

That is no question. Will we see federal intervention with regards to betting integrity? Not so much betting regulation, but betting integrity — if there is going to be federal intervention, that's where it's going to be.

But thirdly, as more kind of a social issue, we are going to see the gambification of U.S. sport.

When I watch football in Australia, I am surrounded by passive gambling. I am surrounded by gambling ads. That's gonna come here to the States as well, there is no doubt about that. If you look on the right here, in the red, the major league sports are already gearing up to how they commodify and commercialize legal sports betting. There is absolutely no doubt about that, okay? Whether we like it or not. It's different in racing, because racing is an adjunct of gambling, and has been for centuries. But we have to be aware of the social issues that will come with this as well.

On the left — it's more difficult to see — but on the left, we have a table of the countries who have the biggest gambling losses per head, per capita, okay? As I like telling my Australian students constantly, Australians are the biggest losers in the world when it comes to everything — no, gambling. Just gambling.

They are the biggest losers in the world. It's mainly to do with these pokie machines. Ireland is third, which is worrying, because most it is pure sports betting. But look at the U.S., okay, you're neatly tucked in there in fifth — that will rapidly change. There is no doubt about that.

We'll be asked — you will be asked as an industry — about your social license when it comes to gambling. It's just something to think of when we go forward on that.

The last few points are just a flag up, and I suppose just to reiterate the key point that I have for now. We will talk throughout this conference about very sophisticated means of regulating integrity in sport.

The best way is to share information, okay, that is the key and way to do it. You've been doing this, monitoring integrity in sport in the U.S., for a long time. The initial phrase for match fixing was not "match fixing," it was a phrase called "hippodroming," which originated here in the States in the 1870s from races held in hippodromes around the country — fixed races.

You've been dealing with it 100 years from Arnold Rothstein buying the Black Sox, the 1950s point shaving scandal. Even the Wire Act from 1961, which is an important federal act — the reason that came in by the federal government at the time was because of a massive investigation by a U.S. Senator into gambling by the mafia.

The Wire Act was a way of preventing them transferring money interstate, and denying the mafia their lifeblood, which was illegal gambling games. You've done it before, you're going to have to do it again.

In a general sense, and my last point, is this. I made the point earlier about boxing. I'm a bit of a boxing fan. Well, my students are more UFC fans now, generational thing. But I want one thing to say: This is probably one of the most iconic sports photos ever — Muhammad Ali standing over Sonny Liston. We are now almost certain that it was a fixed fight. Liston took a dive. Ali didn't know about it, but Liston took a dive because he had gambling debts. If you don't protect the integrity of your sport going forward, your bottom line, your sport, will take a dive.

Thanks very much for your attention.

**[Applause]**