



Betting on the Ball Game: International Perspectives on Integrity in US Sport, post *Murphy v NCAA*

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March 13, 1986:

The day I was
compromised....





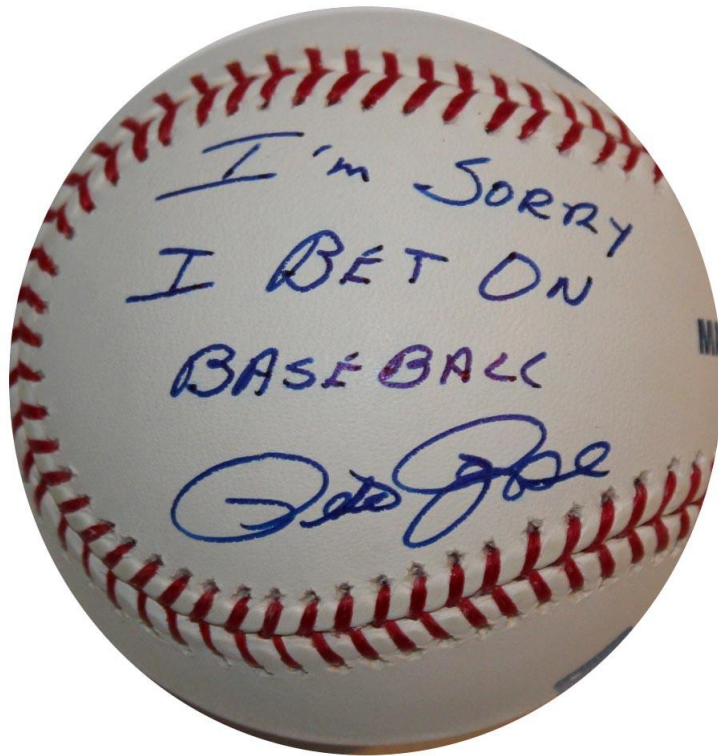
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"Oh no, Scobie hasn't had a bet since he stopped riding."



“I bet on the game of baseball and I bet on my team...I have to take a different look at someone betting against their own team ... that's throwing the game.”



- Controlled unpredictability of sport
- Commercial stability of sport



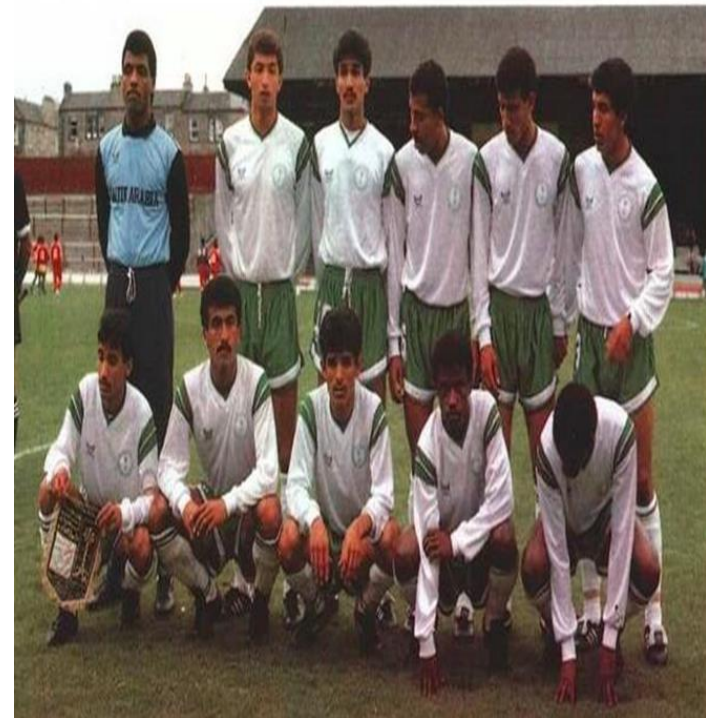
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Cheating in...

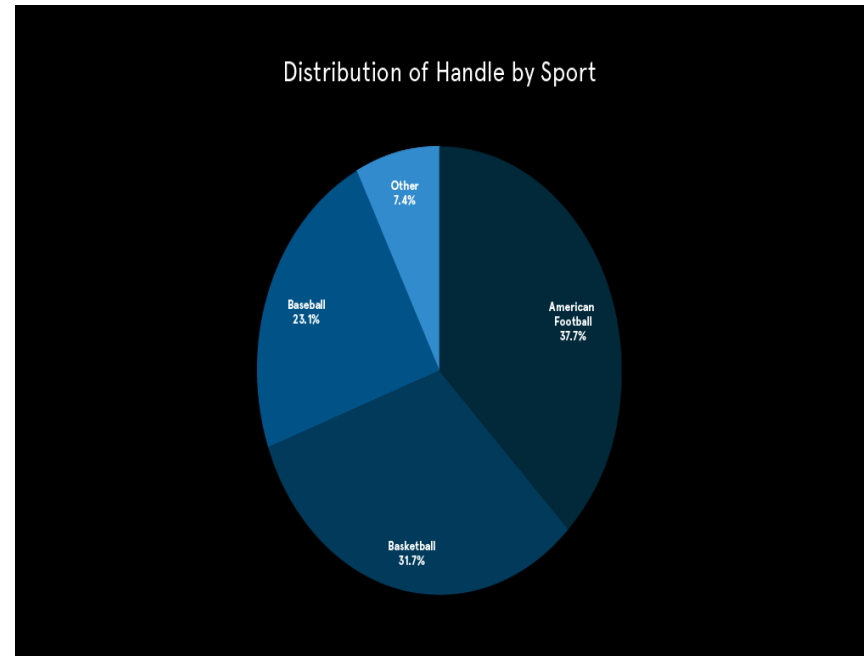
sport



Gambling on sport

- 2017, US onshore regulated betting market (gross win revenue) \$200m (same as Sweden) – global leader was UK at \$3.05bn
- US to be global leader & reach c\$5.0bn by 2023, (half generated by mobile).

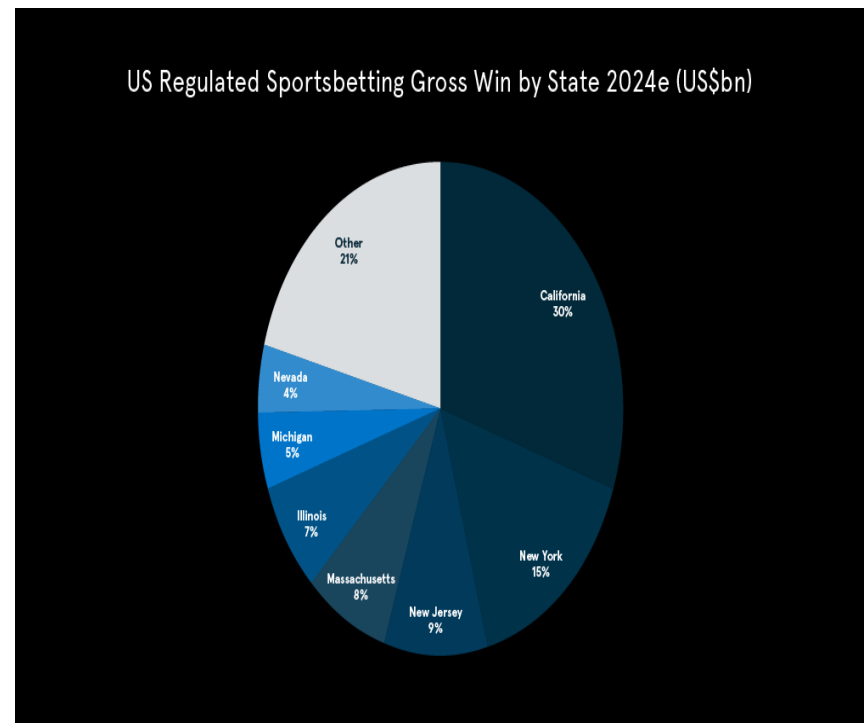
H2 Gambling fig.



Gambling on sport

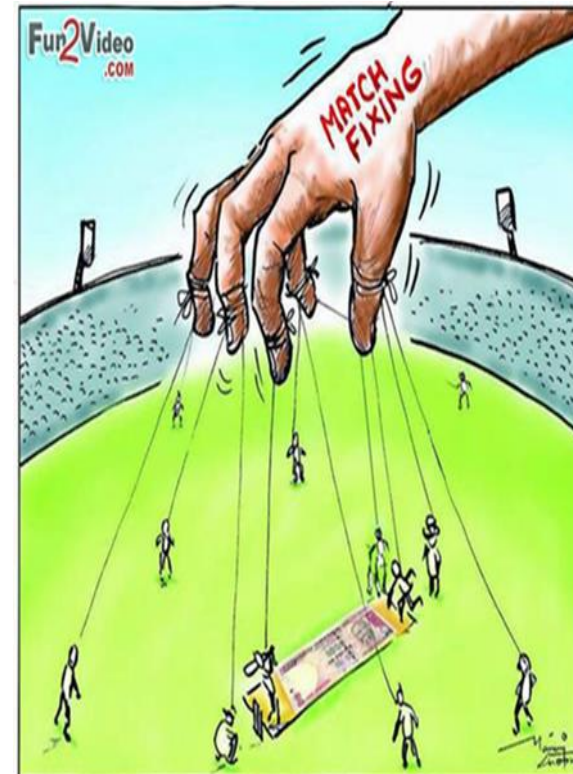
- 2017 – illegal gambling sports wagering in US = \$150-190bn in total (75% online, 25% NY & Calf);
- By 2030 half of US States to be participating in the sportsbetting market of c\$7.6bn (gross win)

H2 Gambling fig



Betting Integrity: the basics

- Money to bet/lay;
- Someone who will accept your bet;
- **Someone to effect the fix (demand and supply);**
- Collect the winnings.



Fixing the Fix

- 600 athletes;
- 12% participated in a fixed event;
- 15% asked to fix a match within last year;
- 40%, club officials were most likely to instigate contact on match-fixing;
- A third said they would not report fixing, mainly due to lack of trust, confidentiality

Proper, ahem, Football



Tennis Integrity Review

- 3,200 professionals surveyed;
- 15% first hand knowledge of fixed event;
- Problems at non-elite level;
- Sale of betting data;
- Jurisdiction and powers of integrity unit;
- Lessons from horse racing?

Oliver Anderson



Typology/Taxonomy

- Inside information: privileged info, spot fixing;
- Player profiling: exploitation of problems and education;
- Third party influence: (grooming, consorting and image [laundering](#));
- Racing, participants, animal welfare

Dan Tan/Tan Seet Eng



Mazhar Majeed



Mervyn Westfield



Typology/Taxonomy

- Episodic games;
- Off-field technology (betting data) to on-field tanking (player data);
- Beyond the player;

Tim Donaghy



Aggravating Factors

- Regulatory environment – sport, poor governance;
- **Regulatory environment – gambling, online & offshore;**
- Domestic – gambling fixes as consumer fraud;
- **International – transnational economic crime (money laundering)**

Sepp Blatter, FIFA



UIGEA Act 2006

- In-play, exchanges;
- Liquidity issues;
- Cryptocurrencies;
- Offshore regulatory issues e.g., tax etc.

Global issue



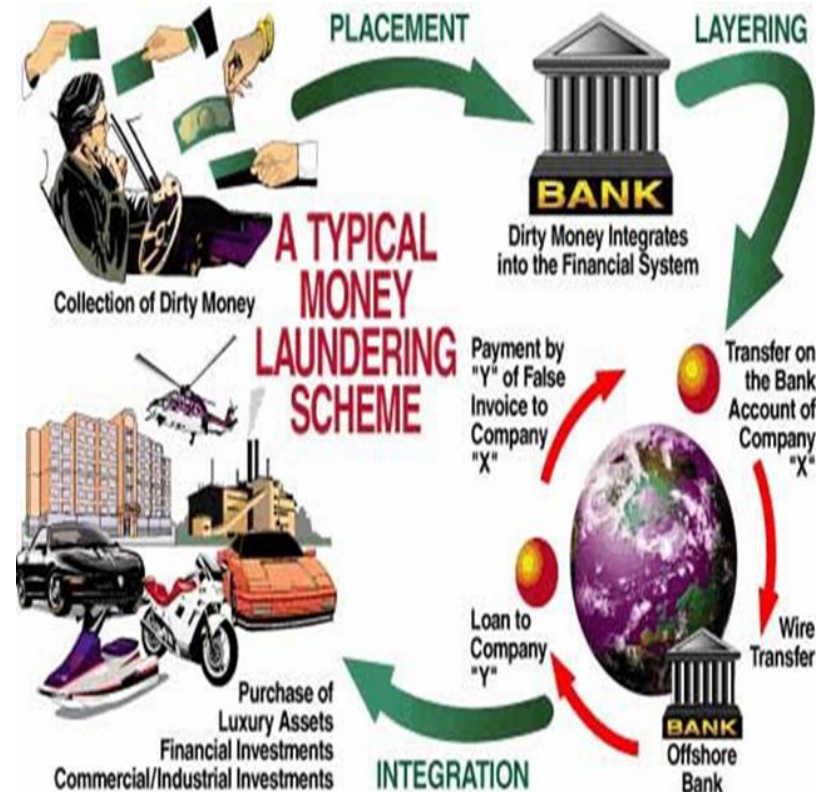


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- Amounts laundered through international financial system is the equivalent to 2.7% of global GDP or US\$1.6 trillion yearly;
- “interception rate” for anti-money-laundering efforts is 0.2%



- Winnings of fixed matches = US\$7.8bn or 6 times more than the total global trade in illegal small arms (SportAccord, 2013)
- Organised crime launders around US\$114.5bn pa through sport (Sorbonne, 2014)



Lessons from the EU

- Patchwork quilt of regulation (cultural, moral and economic views of states);
- National platforms (UK, France);
- Australia

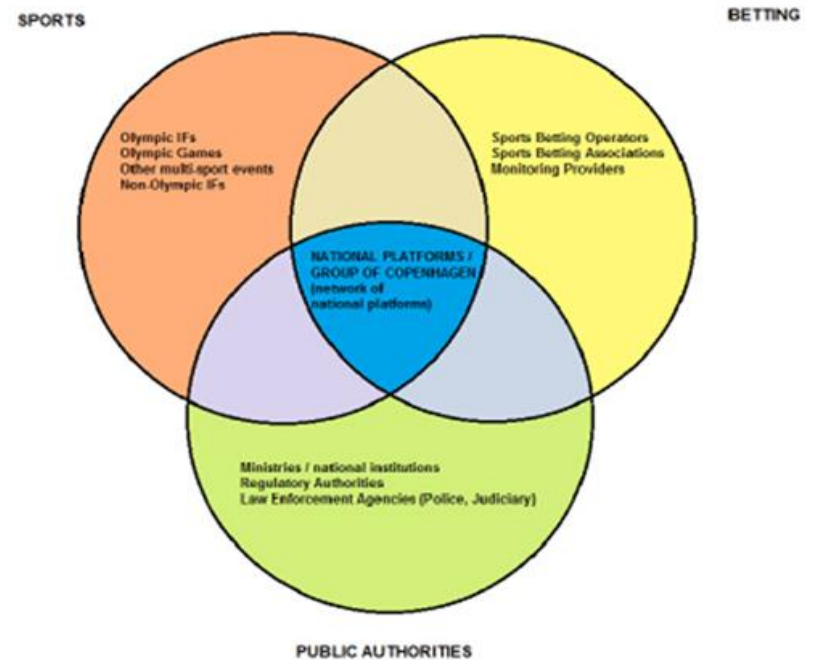
Council of Europe



Solutions

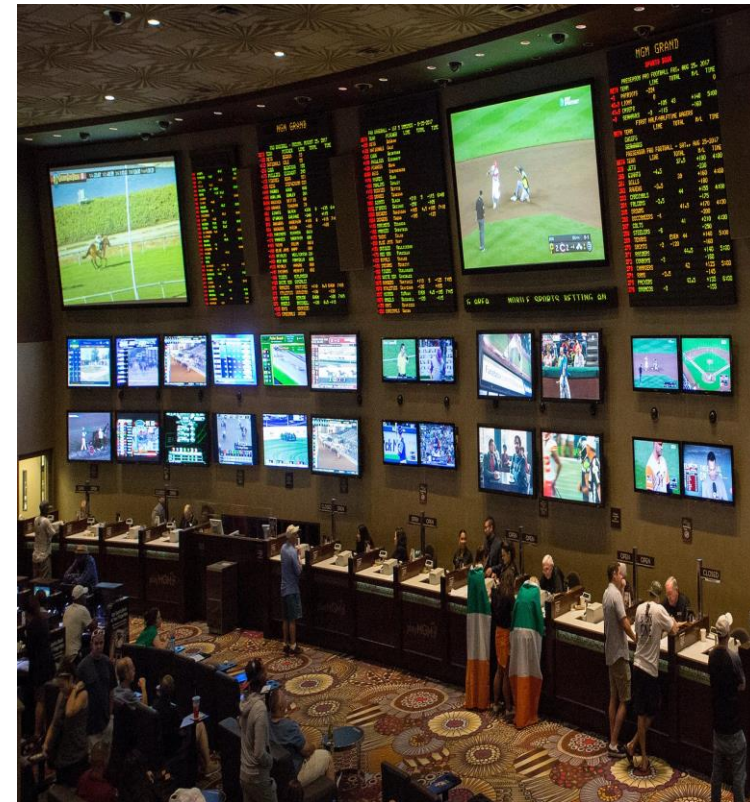
- Education;
- Players, privacy
- Intelligence capacity;
- MoUs gambling industry;
- Analysis capacity;
- Enforcement, sporting;
- Enforcement, legal.

Network of state platforms



Murphy, Governor of New Jersey et al v NCAA et al (May 14, 2018)

- a) Commodification of gambling;
- b) Federalization of betting integrity in sport;
- c) Gamblification of US sport;





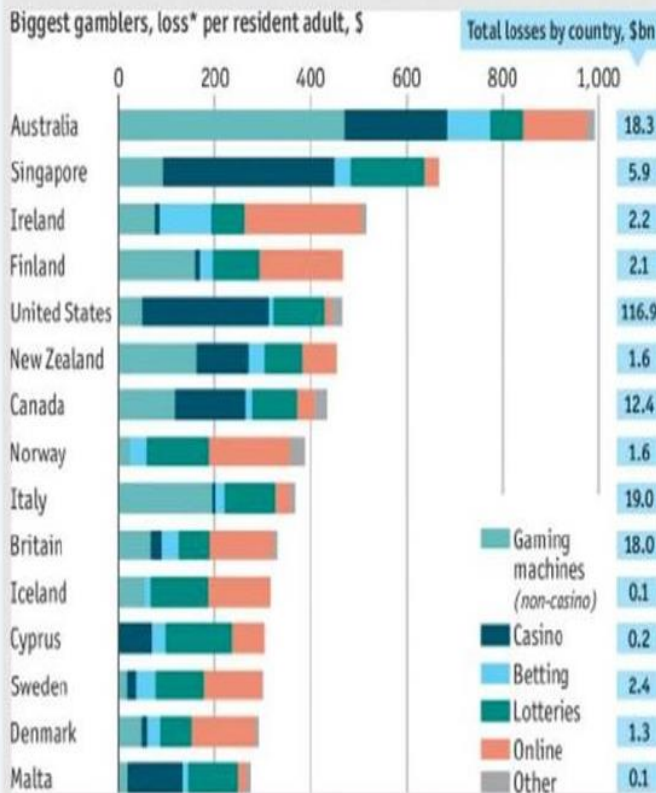
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Losing streak

2016 estimate



HOW MUCH DO LEAGUES STAND TO GAIN FROM LEGAL SPORTS BETTING?

The four major leagues are projected to generate combined revenues of over **\$4.2 billion per year** through TV advertising, sponsorship, data / product revenue, media rights, merchandise, and ticket sales - all as a result of a legal, regulated sports betting market.

\$4.23B

Direct and Indirect Revenues Impact

\$596M

Direct TV Advertising Revenue from Gaming Services



\$267M

Direct Sponsorship Revenue from Gaming Services



\$89M

Data and Video Revenue



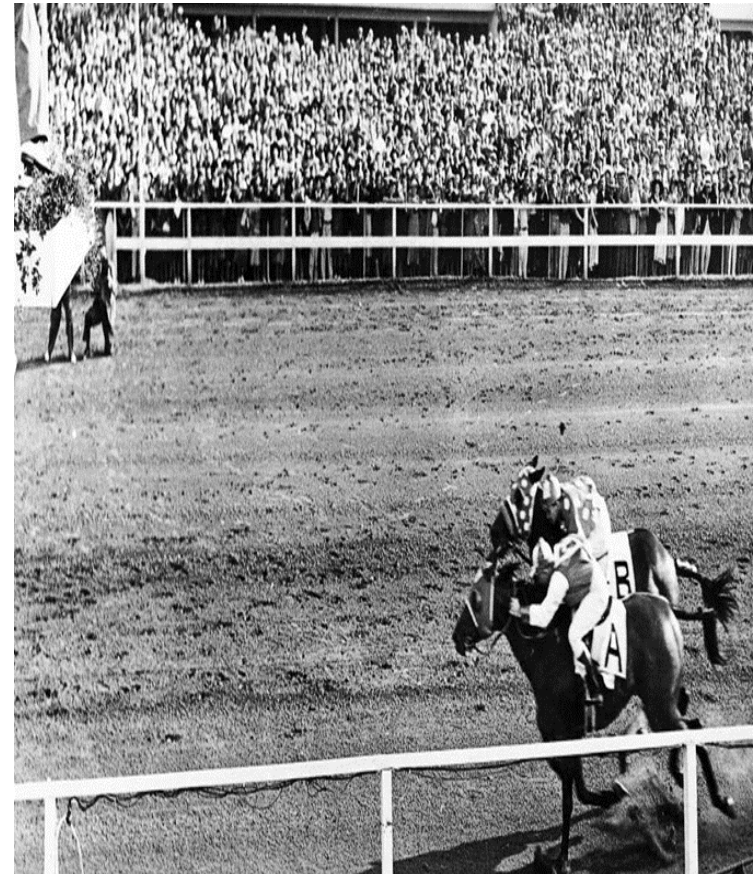
\$3.28B

Indirect Revenue from Media Rights, Sponsorships, Merchandise and Ticket Sales



Horse Racing

- Domestic: Informal, resource-saving information-sharing with other regulators within/out sports & state;
- International - UK, Australia;
- (Red) flag of convenience.





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