



Inter Milan win Serie A: Stanleybet is attempting to tap into the lucrative Italian betting shops market

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Italy faces €1.5bn claim from Stanleybet

TRAVEL & LEISURE

By Roger Blitz, Leisure Industries Correspondent

Stanleybet, the Liverpool-based international bookmaker that has won landmark legal challenges to closed betting markets in Europe, will today launch a €1.5bn (£1.3bn) compensation claim against the Italian government.

Claiming it has fought more than 2,000 cases through Italy's legal system, the bricks-and-mortar operator has for 12 years battled against the Italian authorities, but has now given up hope of reaching a negotiated settlement.

More than half of the claim, covering an eight-year period to 2006, is for

lost profits. But privately held Stanleybet is also seeking compensation for lost business opportunities, reputational damages and costs.

John Whittaker, Stanleybet chief executive, said the lawsuit was "a move of last resort".

Stanleybet, originally the international business of Stanley Leisure and now owned by its management, won the industry-changing "Gambelli" ruling in the European Court of Justice in 2003, following a series of police raids and shop closures. The ruling secured its legal right to offer cross-border betting services and forced European governments to rethink the restrictions they placed on gambling activities.

A second legal challenge by Stanleybet led to the ECJ's "Placanica" ruling, which further undermined attempts by Italy and other European states to block foreign-based operators. The ECJ has been asked by Italy's Cassazione High Court to rule on a third Stanleybet challenge.

With a desire to reap extra tax revenue, Italy has in recent years opened up its gambling markets, issuing licences for sports betting shops and passing legislation for online bingo and casinos, cash poker, video lottery terminals and scratch lotteries.

But Stanleybet, which has more than 2,000 outlets in Cyprus, Germany, Austria and Belgium, as well as parts of eastern Europe,

said Italy's restrictions on overseas land-based operators have not changed, and that its refusal to operate clandestinely has led to further harassment.

"In spite of recent legislative developments that purport to offer change, as a land-based rather than an online business we continue to be treated in Italy as an outlaw," Mr Whittaker said.

"Our staff and intermediaries face the risk of arrest and harassment, and shops continue to be seized at the hands of prosecutors and officials. Consumers cannot benefit from the choice and quality offered by a truly open sports betting market. We regret that the circumstances have left us with no alternative [but to launch a compensation claim]."