

## Up Close with Gavin Isaacs, Chairman of SBTech



*Gavin Isaacs' prolific career in gaming has spanned over 20 years. Prior to joining sports betting provider SBTech, he spent four years as CEO of Scientific Games where he was responsible for growing the company from \$1.3 billion to \$2.9 billion in revenues in just two years. Prior to that, he was CEO of SHFL Entertainment, where he grew the company to record revenues. Isaacs also spent five years as COO and EVP at Bally Entertainment, and prior to that seven years with Aristocrat Technologies in several roles, including President.*

*Indian Gaming magazine caught up with him at ICE London. Here is what he had to say...*

### **Where is sports betting headed in the U.S. and how can tribes get involved in this new market?**

Sports betting is something young people love to do. In America, we've been held back from an innovation perspective by not being allowed to utilize mobile in gaming. Everywhere else in the world with regulated licensed gaming, mobile and kiosks are available. This technology attracts young people. This is an essential part of the future, and I think eventually, America will evolve from a regulatory perspective, because regulated online gaming gives operators and regulators the ability to track every dollar, in every way. Eventually, there will be an opportunity for everyone, including the tribes, to take advantage of sports betting. It's a great way to bring people into your property. Should the tribes get involved, and will they? Yes. They'll build environments where young people want to come and hang out and sports bet. This is a no-brainer for operators.

### **Recognizing there are a lot of regulatory hoops to be considered, what advice would you give to tribes thinking sports betting might be for them?**

Every market is going to be very different. Tribes need to understand what their strengths are and what they aren't. Tribes can do it all themselves, relatively, from a marketing perspective, or can use managed services from people who know what they're doing and utilize some of their expertise. I would say that it's one of those things where maybe you start off by doing managed services, learn and then determine what works best for you as a tribe. Build your own areas of expertise, your own uniqueness and grow from that. At the end of the day, sports betting is a great product and needs to be marketed properly. There are people who've been doing it for years, and I would recommend tribes consider using their expertise.

### **What are your thoughts on the recent memorandum opinion issued by the DOJ regarding the applicability of the Wire Act to non-sports gambling?**

It's very unusual, obviously, but it's just an opinion. Also, it doesn't apply to sports betting because that is already excluded.

Over time, this will come to a head and be clarified. It does seem ridiculous for companies that are acting in a regulated way to have more burdens imposed on them, while at the same time, how many billions are being bet offshore and gambled offshore with illegal companies? I would have thought the Justice Department would be better off going after them than the companies operating in a regulated way. That is just my opinion. As I said, over time it will come to a head.

### **In addition to sports betting, are there certain trends that you forecast in the next three to five years in the gaming industry?**

Nothing happens quickly in gaming. Casinos, as we know and love today aren't going away. Slots and table games aren't going away. The industry is innovating in all of these spaces. Everyone now lives on their phones – everyone is mobile orientated. We have to bring the casino experience to the mobile experience and make it ubiquitous in many ways. Sports betting is the start, and if that works, and the regulators and everyone can get comfortable, by definition it will evolve into that. But it may not be three to five years. It may take longer. But it will happen. That's why I'm here at SBTech. Because this is what interests me. I like to be in on the next wave.

### **Can you talk a little bit about SBTech and what drew you to this company in particular?**

My philosophy is that technology driven gaming is the future for young people. Step one is sports. I wanted to see who the key players in sports were, and frankly, they're European. I wanted to go to a company where I thought culturally and architecturally they had the right fit and the right philosophy. To me, SBTech stood out. I met the people and they are all focused, innovative and passionate. They believe in the right things. They want to be fully regulated, so the areas they were operating in the past that weren't, are gone. They are very focused on the regulated markets. And, they want to be the best at everything they do. I love that, and I think that is very important. ♣