



Caity Marsh
Gambling (Triennial Review)
Department for Culture, Media and Sport
2-4 Cockspur Street
London
SW1Y 5DH

5 April 2013

Dear Caity Marsh

As Chief Executive of Satellite Information Services Ltd (SIS) I am submitting a response to the triennial review to support the Government's position on Maximum Stake and Prize Limits for Category B2 Gaming Machines (no change).

SIS is a global media services company, employing 850 people, with customers across the world and comprises of two main divisions – SIS Betting and SIS LIVE; headquartered at MediaCityUK, Salford and Milton Keynes, with a commercial office in central London, and a facility in Langley, West London.

SIS Betting gathers and delivers live video, audio and data from sports events to the bookmaking industry. Working with SIS LIVE, it produces generic and bespoke programming and content and delivers multiple finished TV channels to bookmakers worldwide. We supply television and audio coverage from 50 UK and Irish racecourses and 17 greyhound racing tracks and have also provided sports production for the Olympics 2012, Wimbledon etc.

Despite the recent growth in online gaming, the retail market is still the most important TV distribution channel in the sports betting industry. SIS supplies all major and independent bookmakers based in the United Kingdom and Ireland from the leading chains such as Ladbrokes and William Hill to smaller independent chains and single shop operators – numbering more than 10,000 retail outlets on the high street.

Our business is central to and heavily dependent on the retail betting market in the UK and we wish to add our support to the Association of British Bookmakers' (ABB) "Back your local bookie" campaign to protect betting shops, their employees and the communities in which they operate.

If the stakes and prizes on B2 machines are reduced and shops are restricted in what they can offer via gaming machines, we support the view of the Association of British Bookmakers that such a move could force shop closures, which would ultimately have a disastrous knock-on effect on employment and local economies in the widest sense.



Additionally, the closure of shops and consequent termination of television services contracts would have a detrimental effect on our business, putting hundreds of SIS jobs at risk.

All of our employees involved in television production across our four locations would be affected by any loss of betting shops. The communities that surround these locations would suffer following any loss of jobs and empty premises on the high street, resulting in a possible downturn in their respective economies.

Furthermore, the consequent reduction in demand for content from horse and greyhound racing, and other sports in thousands of retail outlets, would seriously undermine these sports industries which face their own economic challenges.

SIS believes the ABB's arguments are evidence-based and very valid. We therefore urge the Government not to change its position on B2 gaming machines' stakes and prizes.

Yours sincerely

A handwritten signature in black ink that reads 'Gary F. Smith'. The signature is written in a cursive, flowing style with a large initial 'G'.

Gary Smith
SIS Chief Executive



SIS company background & information

Satellite Information Services Ltd (SIS) is a wholly owned subsidiary of Satellite Information Services (Holdings) Ltd. SIS has an independent executive board, whose CEO Gary Smith is also a director of the parent company board. It is a privately held company whose shareholders include bookmakers and media including Catalyst Media, Caledonian Investment Group, Ladbrokes, William Hill and Betfred.

SIS is a global company with customers across the world and comprises of two divisions – SIS Betting and SIS LIVE, headquartered at Milton Keynes and MediaCityUK, Salford, with a warehousing centre at Langley, West London, and a commercial office in central London.

SIS Betting gathers and delivers live video, audio and data from sports to the bookmaking industry. Working with SIS LIVE, it produces generic and bespoke programming and content and delivers multiple finished TV channels to bookmakers worldwide.

SIS' formation in the 1980s revolutionised the retail betting industry - for the first time High Street bookmakers and their customers were able to see live pictures direct from the racecourse. In the 25 years since, SIS - with its reputation for reliability and integrity - has continued to provide pictures, data and finished products and programming from a range of sports into the betting market, responding to the changing requirements of bookmakers and their customers.

Despite the growth in online gaming, the retail market is still the most important distribution channel in the sports betting industry. SIS supplies all major and independent bookmakers based in the United Kingdom and Ireland from the leading chains such as Ladbrokes and William Hill to single shop operators – numbering more than 10,000 outlets.

However, just as SIS' output has adapted to meet the changing needs of retail bookmakers, so has the product on offer in Licensed Betting Offices (LBOs). Given the growth in Internet gambling, a gradually decreasing interest in betting on horse racing, and a betting public with far more choice, gaming machines have become crucial to those shops, alongside the video and data supplied by SIS.

SIS' workforce understands the requirements and challenges of LBOs better than most. Shops around the country are in daily contact with SIS either via our Customer Services staff or regional account managers, who visit and talk to customers regularly. Additionally, SIS holds regular Customer Forums for shop owners to provide feedback on our services and to outline the challenges they face in these tough economic times. Our executive team has close commercial and strategic relationships with decision-makers in all of the leading bookmaking firms.



Using that market intelligence, SIS has launched a range of initiatives, including providing more varied content, to help shops compete in a changing and economically challenging market place.

However, we recognise that shops depend just as much on gaming machines as live content from SIS in order to keep their businesses going.

SIS financial performance for the financial year 2011-2012 was revenue of £268million and EBITDA of £50.2m.