

EUROPEAN INDUSTRY REACHES NEW MARKETS



In recent years we have been privileged to witness the seemingly unstoppable advance of the Casino industry in markets formerly unknown to us, or at least beyond the scope of the sector, breaking away from the settings where most sector business had traditionally been done. The gaming sector is one of the best examples of the phenomenon of globalisation and the breaking down of borders.

Asia has become the most important emerging market of the early 21st century, and forecasts predict that it will stay this way for a good number of years to come.

The prime example is Macau, now a serious contender to the world leadership held by Las Vegas, in investment in new gaming establishments, in the size of these establishments and, above all, in the massive amounts of money being generated by the gaming industry in that particular corner of Asia.

Singapore is also experiencing intensive progress, thanks to a big influx of foreign capital.

Other Asian countries such as Japan are also waking up and, by all signs, will shortly have Casinos. This would be the opening of a market with unlimited potential, bearing in mind the populations of these countries.

Paradoxically, to date, none of the gaming exhibitions held in Asia figure among the most important of the international calendar.

In Eastern Europe the birth of new nations and independent republics has brought about a flourishing of the gaming industry. New markets have been created, where new gaming establishments slot in with the habitual landscape of streets and shopping centres.

Croatia, Russia, Slovakia, Romania, Lithuania, Estonia and Belarus are just a few examples. Unfortunately, in some of these countries the development of a Casino industry has not always followed the desired pattern, and the authorities are taking the necessary measures to stave off uncontrollable growth.

Another booming market can be found in Latin America, where countries such as Argentina, Chile, Peru and Ecuador are experiencing massive growth.

Right now in Argentina, several large Casinos, beneficiaries of large investments and equipped with all the latest technology are being opened monthly.

Chile has just awarded 10 new gaming licences, with 5 more forthcoming before the end of the year. The licensees include several European companies, including Casinos Austria, slated to open Casino Gran Los Angeles in 2007, and Spanish firm Egasa-Nervi6n. Spanish company CIRSA and French group IGGR are also opting to a Casino each.

The scene is fairly similar in Central America and the Caribbean.

The Dominican Republic, where European companies such as CIRSA and French group Tranchant have been operating Casinos successfully for years, plans to open several Casinos in the final quarter of the year.

Nicaragua and Venezuela also have similar projects. The exception is probably Panama, where the gaming authorities have no short-term plans to grant new Casino licences, even though most are held by Spanish companies.

And what can we say about Las Vegas? A town built in the middle of nowhere, living, eating and breathing gambling 24 hours a day. A place where we can see how every so often one of the "smaller" Casinos is knocked down to make way for a Mega-Casinos with thousands of slots and hundreds of tables and which, in turn, soon becomes insufficient for the demand of millions of players.

European companies, whether gaming equipment manufacturers or Casino operators, are rubbing their hands at these changes on the gaming map, at the new business opportunities constantly arising. In fact, most of these European multinationals have specialised divisions for each of these new markets.

In a certain way we could say that these European companies are the main beneficiaries of this opening up of markets, as it is very rare to find a Casino in any of the countries mentioned here that does not have gaming material provided by a European firm.

This world development of the Casino industry has the approval and implicit support of national gaming authorities, who have seen the growth of the sector as an excellent opportunity to increase revenues though the corresponding taxes.

