



Dear Newsagent,

I am writing on behalf of Lottoland Australia to update you on our productive negotiations with state-based associations regarding an offer **we believe will be good news for your business.**

As you would be aware, the Government recently announced its intention to effectively ban online betting on lotteries and keno, a move supposedly designed to protect newsagents.

The reality is that the proposed legislation could make life even more difficult for newsagents whilst reducing choice for hundreds of thousands of customers.

To be clear: Lottoland Australia does not offer betting services on Australian lotteries. We sell no products that newsagents sell. We do not compete directly with you and we have no intention of doing so in future.

In fact, no one has come up with credible evidence that actually proves that Lottoland Australia has taken sales away from newsagents.

We want to partner with newsagents to provide our customers with greater choice, in a way that will be fair and profitable for your business.

In the past few days, we have been in close discussions with state-based associations, such as the Newsagents Association of NSW & ACT (NANA), who oppose the Government's proposed legislation, to find a mutually beneficial agreement that will see newsagents receive a share in the sales generated through Lottoland.

I can inform you that these negotiations are on-going but advanced.

This offer will benefit the roughly 460 members of NANA and happens to be significantly more generous than what Tatts offers newsagents for onsite sales only. And as you would be aware, Tatts does not share any revenue from their digital sales on products like Powerball and Oz Lotto, which they continue to promote aggressively.



According to Tatts' own figures, their digital sales increased by a massive 30 per cent in the half year to December 31 - money Tatts has diverted away from newsagents and other small businesses.

If passed, the legislation proposed by Canberra will cement Tatts' monopoly, which is not good news for newsagents - or for customers.

We believe in giving our customers more rather than fewer choices.

We believe in a level-playing field that encourages rather than restricts competition and innovation.

That is why we want to work with you as a true business partner. I have included an opinion piece I wrote for the Daily Telegraph that was published a few days ago, which reiterates this position.

It's time to talk.

A handwritten signature in black ink, appearing to read "Luke Brill".

Luke Brill
Chief Executive Officer
Lottoland Australia

PS: You can contact me at newsagents@lottoland.com.au

It's a sure bet legislation means Aussies lose out



If you believe the politicians and bureaucrats in Canberra, Australians should not be allowed to bet on what the federal government describes as “synthetic” lotteries, such as those offered by Lottoland, where you can bet on the outcome of overseas lotteries.

And yet, if you are 18 or over, you can go into your local TAB and bet big dollars on an animated racing game offered by Tabcorp.

The recent announcement by the government of plans to ban “synthetic” lotteries means that Australians won't be able to wager on overseas lotteries like the US Powerball or EuroMillions through Lottoland — but having a punt on cartoon horses running imaginary races on fictionalised tracks is somehow perfectly fine.

Nothing “synthetic” about that!

As our American friends would say, what baloney.

Let's face it.

The government's proposal looks like a hamfisted and totally unnecessary move designed to protect and entrench the monopoly currently enjoyed by Tabcorp-Tatts, which by their own admission spent some \$5 million of shareholders' money last year trying to run us out of town.

If the legislation is passed by Parliament, Tabcorp-Tatts will end up controlling the entire lottery market — online and offline.

This will mean reduced choice for hundreds of thousands of Australian customers who enjoy a flutter on the results of overseas lotteries via Lottoland.

And it means the little guys — the newsagents — will be at the mercy of this huge monopoly.

Ironically, the government claimed it was acting in the interests of newsagents when justifying the legislation, even though there is not a shred of evidence to suggest Lottoland harms newsagents.

Lottoland does not offer products sold by newsagents.

In fact, we want to partner with newsagents and pay them for promoting our products and referring customers to our services.

To that end, we are offering newsagents an 11 per cent revenue share on

all bets that are referred to us.

This is significantly higher than what Tabcorp-Tatts offers newsagents for in-store purchases only, and is a whole lot more than what newsagents get from Tabcorp-Tatts' burgeoning online revenue, which is, well, nothing.

We believe in giving our customers more rather than fewer choices. We believe in a level-playing field that encourages rather than restricts competition and innovation. This is an important fight for our customers, for competition, and for newsagents, that we have to win.

Luke Brill is CEO of Lottoland Australia.