

NRL to take slice of the action by cutting deals with gambling giants

Contributed by Roy Masters
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RUGBY league's traditional opposition to gambling - "we get all of the pain and none of the gain" - is about to be redressed, with two major betting agencies set to sign lucrative deals with the NRL.

The NRL is on the verge of completing a long-form agreement with Tabcorp, the merged entity of the NSW and Victorian TABs, to become a sponsor, while Betfair, a joint venture between the booming London online exchange and PBL, expects to make a similar arrangement.

Under the surface of the deals lies intense competition between Tabcorp and Betfair as each seeks to prove its integrity to football codes anxious to stop players gambling on matches.

A meeting next month of NRL club chief executives will vote on a possible three-strikes drug code but, unless similar sanctions apply to NRL players caught gambling on matches, the code faces the same criticism directed at the AFL when it named four players who had placed bets, but kept the identity of drug-takers secret.

A spokeswoman for Tabcorp refused to comment on the forthcoming sponsorship, saying the giant wagering agency did not confirm deals until contracts were signed. However, a Betfair spokesman conceded an offer for use of intellectual property and allowing access to gambling records had been tabled to the NRL, but the more lucrative Tabcorp deal was expected to be announced first.

League's reluctant acceptance of the gambling dollar comes as the sport adjusts to the opposing philosophies of its two main commercial partners: the pro-gambling Packer dynasty, which is also the code's free-to-air telecaster, and the traditionally anti-gambling Murdoch empire, which owns half the NRL.

Tabcorp and Betfair already have deals with the AFL, with the Melbourne-based totalisator paying \$600,000 a year and the betting exchange \$450,000.

Tabcorp's TAB Sportsbet holds \$140 million nationally on NRL matches, while \$120m is bet across the country on AFL matches.

Although the AFL has teams in Perth, Adelaide, Melbourne, Sydney and Brisbane, the really heavy wagers are on rugby league.

Betfair concedes TAB Sportsbet is the market leader, with perhaps 80 per cent of all sports gambling, but the online exchange estimates overseas betting on NRL games will increase exponentially.

"We have 500,000 registered punters in the United Kingdom and some of them already bet on the one or two live NRL games they get per week," a spokesman said. "The first year of our operation - to February this year - we had 50,000 overseas customers betting on Australian events."

Betfair points out its anticipated payment to the NRL is not a sponsorship because advertising restrictions in NSW mean it can't promote its investment via signage, branding or hospitality. Under NSW law, only wagering operators licensed in NSW are allowed to advertise in the state.

Tabcorp's insistence that its new deal with the NRL be called a sponsorship, rather than a product fee, is consistent with its reluctance to concede sports are entitled to a fee for use of intellectual property.

However, Betfair, keen to legitimise a business in which punters can back a team to lose, seeks strong relationships with sports via the product fee, even though it can still take bets without the sport's endorsement.

Betfair points out it has no-charge information-sharing arrangements with the International Cricket Council, Premier League football and English rugby league and rugby union, yet has no commercial arrangements with these sports.

On the other hand, it has information-sharing and product-fee agreements with Cricket Australia, Tennis Australia, the PGA Tour and AFL. Both Betfair and Tabcorp are keen to promote their integrity, with Betfair being the first to name AFL player Simon Goodwin in an audit last November and Tabcorp revealing another three players three months later.

Betfair boasts that it has a staff of nine checking records to determine if athletes are gambling on their sports, while Tabcorp says: "No organisation takes integrity more seriously than Tabcorp. We have the right level of resources and

excellent processes in place to monitor betting patterns for account holders."

Tabcorp concedes it has no access to information on bets laid with TABs in Queensland, South Australia and Western Australia.

The forthcoming deals with Tabcorp and Betfair are independent of the NRL's membership of the Coalition of Major Professional Sports, which has been lobbying the states for a fixed return on betting on sporting events.

The AFL intended to join COMPS but signed with Tabcorp and Betfair. NRL chief executive David Gallop expects the Victorian Government to introduce legislation soon which would set a mandatory percentage return for all sports on money gambled on their events.