Lego buys Merlin

MERLIN Entertainments, owner of Legoland and Madame Tussauds, is to be bought by Lego for £4.8bn.

The Danish billionaire family controlling much of the Lego toy company, through Kirkbi Invest, put in a bid that Merlin has agreed. Merlin also owns the London Eye, Alton Towers and Chessington Adventures. Kirkbi already has one-third of the Merlin shares.

Soren Thorup Sorensen, CEO at Kirkbi, said that the intention was for Merlin to "reach its full potential, which we believe is best pursued through private ownership."

He said that his company had a "shared understanding of the business and its culture" and that his group of investors "has the unique collective resources necessary to equip Merlin for its next phase of growth."

Merlin is number two in the world in terms of size of visitor attractions, with 130 venues in 25 countries. Recently, shareholder ValueAct Capital, with 9.3 per cent of the equity in Merlin, called for it to seek a private buyer. Merlin only listed on the London Stock Exchange six years ago. The price, at 455p per share, puts Merlin's value at £4.77bn.

500th sale for Virtual Rabbids

THE LAI Games hit, Virtual Rabbids: The Big Ride, has celebrated the 500th sale of the game.

The milestone unit involved was sold to Pizza Ranch in Casper, Wyoming, US, the second Virtual Rabbids to be installed in its Fun Zone Arcade at the restaurant chain.

Pizza Ranch director of operations Tim Mazzafero said: "After the success we experienced with Virtual Rabbids in our Billings, Montana, location, earning over $50,000 in 10 weeks, it was a 'no-brainer' to install one in our Casper location too."

Virtual Rabbids is the only VR game that needs no attendant and that has gone a long way towards achieving its success in the US. It was developed jointly by LAI and video games developer Ubisoft.

LAI debuted three new ride experiences for the game at Bowl Expo in Las Vegas.

Pictured: Lon Lack (general manager) and Suzy Lack (Fun Zone manager) in the Casper Pizza Ranch location.

COLUMN

A pressing matter

Anti-money laundering is still a critical issue for the gambling industry

RECENT news in the online gambling industry shows that anti-money laundering considerations are still alive and well. Businesses must be mindful of their obligations or face serious risks on their licence to operate.

In June it was reported that the Swedish Gambling Authority revoked the licence of an online casino citing, among other things, "consistently serious and systematic shortcomings" in anti-money laundering policies. More specifically, concerns were raised about the operator's risk management and customer due diligence measures (customer care violations, know your customer obligations). Moreover, in early July the *Financial Times* published an exposé on a system allowing users access to an operator's gambling services by enabling them to circumvent checks and controls on player identity. This also raises the possibility of breaches of anti-money laundering legislation obligations. There are no doubt similar cases out there that have not come to the attention of regulators or the media.

Anti-money laundering legislation is an issue that should be at the front of the minds of the gambling industry. It is also a topic EU regulators will be working on in the next policy cycle. European Union officials will be considering whether the five anti-money laundering directives should be consolidated into one regulation, thus limiting member state leeway in the application of the rules. This is something the gambling industry, and especially its online and land-based non-street market sections, should monitor closely. Gaming machines have, so far, been considered a low risk sector in terms of money laundering, and for good reason. We are of course keen to maintain this characterisation in the remake of the relevant legislation. However, the arguably higher risk for sectors other than the street market one has the potential to create an image problem for the entire industry.

In the eyes of the non-specialised public, stories like the ones from the past few weeks create the perception of an industry operating as a lawless jungle, and one that can be used to legalise ill-gotten gains. It is imperative that the sector works proactively to stamp out such behaviour, cooperating with regulators, but also implementing rigorous policies to ensure regulatory compliance.

In a time when our sector faces a range of additional regulatory risks, it is more important than ever that we work to maintain and improve our responsible stakeholder credentials by adhering to existing rules. Anti-money laundering will be a priority for EU regulators in the upcoming new European Commission and our sector should also treat it as such. As previous experience has shown, the alternative to unsuccessful proactive self-regulation is heavy-handed restrictions that threaten the industry's viability and licence to operate. The least we can do is ensure that we have our bases covered when it comes to current obligations and avoid raising more regulatory threats when there are already many.