



interactive gaming **NEWS**

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Q & A: Juan Barrachina, AEDAPI

by Rob van der Gaast

Juan Barrachina, a 39-year economist and Unibet's manager in Spain, is the founder and president of Española de Apostadores Deportivos por Internet (AEDAPI), the new Spanish Internet sports betting association.

He began learning about the gambling business in 1999 in Venezuela through his experience with several U.S.-facing offshore betting companies located in the Caribbean Basin. From 2001 to June 2004, he consulted betting services in Spain, and in May 2004 he joined Austrian Interwetten. He's been with Unibet since June 2005. He has a MBA and a degree in economics.

IGN: When and how did you start up AEDAPI?

Juan Barrachina: I presented the first draft of the AEDAPI constitution in September 2004, and after six months of "fighting" with the Spanish State Association Bureau, I got the final approval in March 2005.

IGN: What are the goals of AEDAPI? **JB:** We want a free betting market in Spain without a state monopoly. We want to develop a reliable, secure and safe betting sector. We want to let all Spaniards decide where and with which company they want to gamble/bet.

IGN: Who are members?

JB: AEDAPI members are betting companies like Unibet, Betfair, Globet and Interwetten, and we are still talking to other betting companies in order to convince them to join the club. The second-category members are betting forum sites like Forobet and Todoapuestas (with 3,000 Spanish bettors). The last category is the Internet and mobile development companies, such as Mobile Premium.

IGN: How is it possible that there is no Internet gambling legislation in Spain?

JB: Internet betting is still a baby sector in Spain. It started two years ago, in August 2004, when media companies allowed betting companies to develop market activities as print ads. We can work

freely in Spain; we can advertise in all media channels (radio, newspapers, the Internet, magazines, local TV Stations and sponsorships.). One thing we are not allowed to do is open shops.

IGN: Who are the "home" Spanish sports betting operators? Do they have licenses?

JB: We do not have home sports betting operators; we just have the state monopoly gaming company (Loterias y Apuestas del Estado) offering La Quiniela (a toto game). Private gaming companies have casinos, bingo halls and slot machines licenses, but they cannot offer sports betting services. Private gaming companies right now want to open the market and get a sports betting license. The monopoly wants to stop us, but they do not know how to do this.

IGN: Who are the foreign sports operators?

JB: Betandwin, Miapuesta (Sportingbet), Interapuestas (Interwetten), Expekt, Unibet, Globet, Ladbrokes, Eurobet, Gamebookers, 10bet, Bet365, Betathome, Pinnacle, Vcbet and Betfair. Betfair is special.

IGN: What do you mean?

JB: Betfair is P2P, not B2C. Betfair is an exchange, and we are business-to-consumer. They move more money but with a smaller margins. They do not need to promote their activities; they just need to fish into the other companies databases.

IGN: How big Spain's sports betting market?

JB: In 2005, La Quiniela had a turnover of 550 million euro. Turnover for Internet sports betting in the same year was 255 million euro. The forecast for 2006, including World Cup (betting) for La Quiniela is 540 million euro, and Internet sports betting will generate a turnover of 500 euro.

IGN: What portion of sports betting turnover comes from online as opposed to over the counter?

JB: Thirty-five percent is Internet sports betting. In Spain, gaming turnover online and offline, private and public, is over 28 billion euro (including monopoly lotteries, casino, bingo, slot machines, La Quiniela and Internet European sports betting). Private (casino, bingo and slot machines) is good for 18 billion euro; Public (lotteries and La Quiniela) accounts for 10 billion euro.

IGN: Do soccer clubs have their own betting operations?

JB: No, but they have deals with several betting companies: Barcelona with BAW, Betis with Globet, Atletico Madrid with Ladbrokes and Espanyol and Valencia with Interwetten. I think, within two years, football clubs will enter into the betting business themselves. Media companies will enter after the World Cup and

before the end of year 2006.

IGN: Do Spain's autonomous communities and the two autonomous cities have their own gambling legislation? Could you explain a little how this is organized pertaining gambling and sports betting?

JB: Comunidades Autonomas (the autonomous communities) can offer gaming licenses, and right now they want to offer betting licenses (offline and online), but first of all, they have to regulate and decide how many licenses and what kind of service they will allow (offline betting shops or offline and online activities). They have to talk with the Spanish gaming monopoly and with private operators. They do not know what to do; they know that they have to regulate, but they do not have enough experience and information.

IGN: What will be your first activities?

JB: We will start lobbying in the Comunidades Autónomas Cortes (Pais Vasco, Madrid, Valencia, Andalucia, etc.). And at the same time, we will talk with private gaming companies.

IGN: What is your favorite hobby/pastime?

JB: Playing golf and poker.

IGN: What irritates you most in the gambling industry?

JB: Nothing in particular, however, I hate the stupid war between two big media companies and paying enormous amounts of money to these media companies in order to book the best media places.

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About the Author

Rob van der Gaast has a background in sports journalism. He worked for over seven years as the head of sports for Dutch National Radio and has developed new concepts for the TV and the gambling industry. Now he operates from Istanbul as an independent gambling research analyst. He specializes in European gambling matters and in privatizations of gambling operators. Rob has contributed to IGN since Jul 09, 2001.