

Ladbrokes says to appeal Dutch gaming block

London (Reuters) – Bookmaker Ladbrokes said on Tuesday it would issue a complaint to the European Union after losing an appeal case in the Netherlands preventing it from accepting bids from Dutch citizens.

Ladbrokes said the Dutch court's decision meant its Internet site, Ladbrokes.com, must block Dutch gamblers and the state operator had instigated the legal proceedings to protect its monopoly position.

„This is protectionism in the extreme ... The state operator has instigated legal proceedings to protect their monopoly position and the national courts are supporting them. This is a clear breach of EU law,“ Ladbrokes Managing Director eGaming John O'Reilly said.

Ladbrokes said it would attempt to reverse the decision in the Dutch Supreme Court as well as complaining to EU Commissioner for the Internal Market, Charlie McCreevy.

Several European states have taken action against gaming companies in a bid to protect their own gambling operations, but the tactic looks likely to accelerate the demise of their own monopolies.

McCreevy said in September eight EU countries might be added to a list of seven, including Sweden, Finland and the Netherlands, already facing legal action for refusing to open their betting markets.

Although European law allows cross-border trade by gambling companies under the Treaty of Rome many individual states prevent it, claiming they are protecting the public from gambling addiction.

However, the European Court of Justice has said in a ruling that a member state cannot restrict citizens access to betting services if it also encourages them to participate in, for example, state lotteries.

Following this summer's arrests in the United States of several executives from Sportingbet and BETonSPORTS, and with Asia seen as risky and too fragmented, gaming companies were pinning their hopes on Europe.

Shares in Ladbrokes were down 1.2 percent at 385-3/4 pence by 11:55 a.m. British time, valuing the group at around 2.4 billion pounds.