

Bwin says not in talks with PartyGaming about sale

Vienna (Reuters) – Austrian online betting firm bwin denied on Monday reports it was in talks with PartyGaming to sell part of the firm to its rival, trimming gains the stock had made in early trading.

„We are talking to PartyGaming, like with all other big firms, about lobbying together to show a united stance for the industry in the European Union,“ said Karin Klein, spokeswoman for bwin. „But we are not talking to PartyGaming about a sale.“

A source close to the situation had told Reuters on Saturday that talks were underway.

The report had helped lift bwin shares by some 15 percent in early Monday morning trade.

The pressure for consolidation in the sector has increased as online gaming companies are searching for synergies to improve margins in the wake of the United States effectively banning online gaming last month.

Bwin is currently fighting a ban imposed by three German federal states on commercial betting in its key market and is also revising its marketing and sponsorship strategy. In October, the company stopped accepting customers from the U.S. after the country passed a ban on internet gambling.

Bwin shares have lost more than 80 percent of their value since the start of the year.