

December 17, 2021

Mr. Tom Mungham  
Chief Executive Officer and Registrar  
Alcohol and Gaming Commission of Ontario  
90 Sheppard Avenue East, Suite 200-300  
Toronto, Ontario M2N 0A4

Dear Mr. Mungham:

On behalf of iDEA Growth and its members I am writing to express our concern about developments in the process for establishing a regulatory regime for iGaming and mobile sports betting in Ontario. iDEA's members have eagerly anticipated the advent of the regulated market; however, recent developments have introduced a level of uncertainty that has made the market less attractive to top-tier operators and suppliers in ways that could threaten the success of the initiative.

As you know, iDEA serves as the voice of the online gaming and betting industry in the U.S., and our more than 30 members represent nearly every segment of that industry and are licensed in every jurisdiction in the world that authorizes remote gaming and betting. You can learn more about iDEA and its members at [www.ideagrowth.org](http://www.ideagrowth.org).

Our first concern involves the secrecy surrounding the proposed iGaming Ontario (iGO) contract. iDEA's members that have seen it have alluded to having concerns about it, but because of the Non-Disclosure Agreements they are required to sign, they are not able to discuss them with each other or work collectively to propose solutions. The iGO should release the remaining iGO contract policies and then allow for immediate non-NDA group discussions between the iGO and industry participants before these policies are finalized. This could be accomplished quickly and effectively through webinars and virtual meetings that would allow all involved to air their questions and concerns to the iGO without the opacity of single one-on-one discussions.

Our second concern has been the lack of a firm date for the launch of the Ontario market. We urge the agencies to commit to such a date, but to be clear, iDEA's priority is for certainty rather than speed. Potential market participants need to be able to plan, well in advance, for the launch of the regulated market. Naturally, everyone is eager for the regulated market to be in place,

but iDEA's members feel it is more important to complete the regulations properly than to complete them quickly.

In a similar vein, we are concerned about the lack of specific guidelines for licensed operators to transition from the unlicensed market to the licensed market, including the duration of the transition. We call on the regulators to provide some clarity in this area.

Finally, while we often talk about a licensed market and an unlicensed market, in the absence of some action by the government, there will only be one market with both licensed and unlicensed operators in it. The latter group will not be subject to licensing fees, taxes or other requirements of the IGO contract and their products will benefit from national and international liquidity – all distinct advantages over their licensed competitors. We urge your agencies to develop and publish a plan to minimize the ability of grey market operators to access Ontario players in order to ensure that the licensed operators succeed.

In short, we believe the regulatory process needs two things right now: certainty and transparency. Potential market participants need certainty about a launch date, a transition for the unlicensed to the licensed market, and government action to thwart unlicensed illegal operators once the licensed market launches. We believe the process would benefit from transparency about the terms of the proposed IGO contract.

We are eager to work with you to ensure that the licensing regime in Ontario is successful.

Sincerely,



Jeff Ifrah  
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Cc: Will Bouma, Parliamentary Assistant to the Minister of Finance  
Martha Otton, Executive Director, iGaming Ontario  
Birgitte Sand, Commercial Project Lead for iGaming