

Companies Rush To Develop Devices For Online Betting

Some Introduce Technology
in Europe Before U.S. Launch

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A growing number of companies are racing to develop new gambling technologies, betting that online wagering will soon be legalized in the U.S. Some are launching their devices first in Europe, where online gambling already has taken hold.

Las Vegas entrepreneur Fabrizio Boccardi has hired Seattle game-developer Littech to help him develop a hand-held online gambling device. The idea is to build up his King Midas World gambling brand globally prior to developing a casino in his hometown. He boasts that his device, which he hopes to begin marketing in two years, will allow gamblers to "bet on anything - you can bet if bin Laden is still in Tora Bora."

Harry Mindes, chairman of Interactive Systems Worldwide Inc., is also working on a hand-held gambling device. His New Jersey company hopes to introduce an online contest concept in the U.S. based on a system for interactive-television betting that the company has designed for German media company Kirch Group.

Interactive Systems has licensed software that Kirch is launching to allow European sports fans to bet via interactive television from their own living rooms. The system is designed to handle 5,000 wagers a second, made by 50 million users in 32 regions around the world, and Mr. Mindes expects it will be available for this year's soccer World Cup.

Under current U.S. laws, American television viewers couldn't bet money, but they could play in contests, winning prizes such as kitchenware or a car. Mr. Mindes envisions people playing with credits that they would earn by answering online questions from advertisers, creating advertising revenue for his enterprise. Interactive television isn't as big in the U.S. as in Europe, so he plans to offer the U.S. version via the Internet, hand-held devices or mobile phones.

It isn't at all clear that online gambling will be legalized in the U.S. anytime soon, or that such a device would be approved, even within the narrow confines of Las Vegas. Currently, U.S. laws are interpreted to ban the passing of wagers on telephone lines over state borders. Congress has tossed annually over proposals to legalize some forms of Internet gambling, but the controversial approvals haven't passed.

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contributed to this article.

WALL STREET
JOURNAL

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