



AGCO

Alcohol and Gaming
Commission of Ontario

Restricting Athlete and Celebrity Participation in Advertising for Internet Gaming

April 13, 2023

Background

Since the introduction in April 2022 of a new internet gaming (igaming) market in Ontario, a key objective has been to create a safe, competitive, and well-regulated igaming environment for the people of Ontario.

As a result, the Alcohol and Gaming Commission of Ontario (AGCO) established a comprehensive, outcome based regulatory framework for gaming operators and gaming-related suppliers (“GRSs”) to follow. As part of its mandate, AGCO monitors and identifies emerging risks and, where necessary, the Registrar updates the Registrar’s Standards to mitigate risk. From the outset, the AGCO has indicated that it would assess and update the regulatory framework as the market evolves. Through the AGCO Go-Live compliance guide, the AGCO communicated that, if necessary, additional measures for advertising and marketing would be considered. (For further information see: <https://www.agco.ca/lottery-and-gaming/guides/internet-gaming-go-live-compliance-guide>).

At the time of launch, the AGCO chose to not prescribe specific regulatory limits or restrictions on advertising and marketing around overall volume, types of channels, or timing. AGCO did establish igaming standard 2.03 which includes additional advertising and marketing requirements to protect vulnerable populations, including underage individuals.

Since the launch, AGCO has continued to monitor the rollout of the igaming market carefully and proactively. This includes reviewing the advertising and marketing practices of registered operators, given the competitiveness within a new and highly competitive market.

As a result of this monitoring, the AGCO has identified advertising and marketing approaches that strongly appeal to persons who are under the legal gaming age through the use of celebrities and/or athletes. Public concern regarding the potential harmful impact on the most vulnerable population, underage persons, remains high. There are concerns that gambling behaviour among these underage persons is being encouraged due to the appeal of celebrities and/or athletes who are associating themselves with promoting gambling activities.

The AGCO is seeking stakeholder input on amended requirements within Standard 2.03, related to advertising and marketing to address this risk, along with a proposed implementation approach that would support the amendments coming into effect.

Proposal Overview

The AGCO is committed to regulating in the public interest.

Under the *Gaming Control Act, 1992* (GCA) the Registrar is authorized to establish standards to regulate Ontario's gaming sector. As such, the AGCO has determined that an amended standard will help to mitigate the harm and risks associated with these advertising and marketing activities.

The proposed amended standard will:

1. Create an obligation for operators and suppliers to cease any advertising and marketing activities that use athletes, whether active or retired, in gaming marketing and advertising; and,
2. Prohibit the use of cartoon figures, symbols, role models, social media influencers, celebrities or entertainers who are reasonably expected to appeal to minors. This proposed amendment differs from the previous standard, which was applicable to persons that *primarily appealed* to minors. Advertising remains a permitted activity, provided other Standards are met.

In order to provide affected operators and suppliers with sufficient time to comply with the proposed new and amended Standard, the AGCO is considering delaying the implementation of the amended Standards for three months following the publication of the final standard on the AGCO website.

Proposed Amendments to the Registrar's Standards for Internet Gaming

The AGCO is seeking stakeholder comments on the following proposed amendments to the Registrar's Standards. Existing requirements are in black, draft amendments and new requirements are in red. These Registrar's Standards would apply to igaming operators and GRSs with respect to any advertising and marketing activities.

[Registrar's Standards for Internet Gaming: Section 2 – Responsible Gambling](#)

[...]

2.03 – Advertising, marketing materials and communications shall not target high-risk, underage or self-excluded persons to participate in lottery schemes, shall not include underage individuals, and shall not knowingly be communicated or sent to high-risk players. (Also applicable to Gaming-Related Suppliers)

Requirements – At a minimum, materials and communications shall not:

1. Be based on themes, or use language, intended to appeal primarily to minors.
2. Appear on billboards or other outdoor displays that are directly adjacent to schools or other primarily youth-oriented locations.
3. Contain cartoon figures, symbols, role models, **social media influencers, celebrities, or entertainers** ~~/or celebrity/entertainer endorsers whose primary appeal is who would reasonably be expected to appeal~~ to minors. [This requirement has been changed]
4. **Use athletes, whether active or retired, who have an agreement or arrangement made directly or indirectly between an athlete and an operator or gaming-related supplier, in advertising and marketing.** [This requirement is new]
5. Use individuals who are, or appear to be, minors to promote gaming.
6. Appear in media and venues, including on websites, and in digital or online media, directed primarily to minors, or where most of the audience is reasonably expected to be minors.
7. Exploit the susceptibilities, aspirations, credulity, inexperience or lack of knowledge of all potentially high-risk persons, or otherwise extoll the virtues of gaming.
8. Entice or attract potentially high-risk players. Instead, **precautions measures** shall be in place to limit marketing communications to all known high-risk players. [This requirement has been changed]

~~**Guidance:** Where cartoons are used, they may not primarily appeal to minors.~~ [This section on guidance has been removed]

Discussion Questions

- What feedback do you have on the draft amendments to the Registrar's Standards for Internet Gaming?
- Are there additional implementation considerations the AGCO should be aware of related to the proposed standard amendments?
- Is there anything else you would like to highlight for the AGCO to consider when developing a regulatory response for this issue? Are there other concerns, factors, data, or comments you wish to share related to this matter?

Next Steps

Please submit comments, by **May 8, 2023**, for the AGCO's consideration. In formulating your response, please consider how the proposed changes might impact your suppliers and/or partners that you engage with on advertising and marketing materials and communications. You may wish to incorporate feedback from them in formulating your response.

The AGCO will be reviewing all submissions as part of ongoing work to ensure that igaming gaming in Ontario is conducted with honesty, integrity and in the public interest.

Thank you for taking the time to review and respond to this engagement.