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**From:** [REDACTED]  
**Sent:** 23 May 2023 14:32  
**To:** Commerce Commission Enquiries <[contact@comcom.govt.nz](mailto:contact@comcom.govt.nz)>  
**Subject:** TABNZ/Entain deal. Variation.

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**Submission: TABNZ application seeking approval to vary takeout rates applicable to Tabcorp onto Entain**

By authorising this relatively minor change the Commerce Commission will be seen as authorizing the whole deal involving TABNZ & Entain.

There are numerous legal problems with this deal.

1. Lack of consultation and secrecy.

The Racing Act implies clearly the level of consultation required when TABNZ plan material changes. Speaking to Racing Code administrators this has not occurred.

The TAB was born out of a public referendum therefore some input at least would naturally be required particularly with groups depending on funding from the TAB. None of that has occurred. Many in the industry are frustrated at the secrecy and see no need for the strict non disclosure excuses.

The Racing Act states clearly the requirement of a published yearly business plan by the TAB. That has not occurred in respect of this or similar type of deal. It means that organizations such as the Problem Gambling Foundation are unable to make an informed assessment.

2. The deal may contravene privacy laws as it is doubtful customers would want their personal details spread out with an overseas gambling business owning numerous brands.

3. Considerable conflicts of interests exist among the persons promoting the deal.

Examples..

Management and TABNZ employees "bribed" with a promise of continued employment and possibly a bonus.

Top racing code management involved with sport conflicting with the growth of sports betting as opposed to racing betting.

4. The deal lacks logical sense.

The Racing Act states:

TAB NZ must not enter into a partnering arrangement without written approval of the Minister.

In deciding whether to grant approval under subsection (4), the Minister must take into account—

(a) the purposes of this Act; and

(b) the objectives and functions of TAB NZ.

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The objectives and functions of Entain are to return profit to shareholders. This in practice will directly conflict with the objectives of the TAB. The minister may be wrongly influenced if the Commerce Commission is seen to be indirectly approving the deal.

The Racing Act.

The Act references only the TAB as the sole wagering provider. The inclusion of Entain/Ladbrokes would require a lot of legislative changes. Until those changes occur it would not be appropriate for the Commerce Commission to make any rulings and certainly not before the Dept of Internal Affairs and Overseas Investment has had their say.

I submit that until a raft of requirements are met the Commerce Commission refrain from approving any changes.

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