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Thank you for your letter of 12th January 2016 which has been passed to me to respond.

You may be aware that the government, the ASA and gambling industry worked closely together to improve the Industry Code on Social Responsible advertising, which is attached for your information. This fully comes into effect on 22nd February 2016. It followed a review by the ASA on the impact of advertising since 2007, the results of which are also attached as further background.

Please note that the Rank Group operates Grosvenor Casinos, Mecca bingo clubs and their related on-line websites. We do not operate sports betting, High Street betting shops or the FOBT machines found within them. Therefore, I cannot comment on the way these products are advertised and would advise you to contact the major bookmakers (Ladbrokes, William Hill etc) if you require views on their services.

The majority of TV advertising is confined to being shown after the 9pm watershed. The only exceptions are bingo and sports betting in live sporting events. Only Bingo (and the lottery) was permitted to advertise before the law relaxed in 2007, since which time all other forms of gambling have been able to advertise.

As a result, the wider gambling industry obviously started from a pre 2007 position of next to no advertising towards where it is today. Therefore, figures showing "huge" increases since 2007, which are often quoted in the media in an emotive way, can often be misleading.

Equally, Ofcom reports that, during the same period (i.e. post 2007), there has been a significantly increase in the number of digital TV stations, doubling the amount of available airtime (and thus the amount of TV advertising in general) from 17m to 34m spots. Over that period, the proportion of gambling advertising increased from 0.5% (again, when there was little or no ability to advertise) to 4.1%. It is not to say that your members' concerns are necessarily unjustified, but should be placed into context.

The ASA review and research did not itself conclude that there was too much advertising as such. The voluntary measures that have been put forward in the Industry Code have been welcomed by Government as a means to refine the approach. Obviously, these issues are always monitored and kept under constant review.

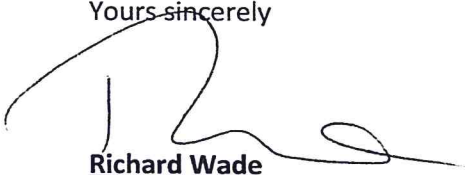
Where under 18's are concerned, in 2015 our casinos achieved a 100% pass rate in the independent, third party "secret shopper" testing scheme of UK casino premises. The wider casino industry achieved a 97% pass rate. I hope this illustrates that the specific gambling services Rank offers are not targeted or made available to under 18's. Again, in terms of High Street exposure, I suspect you are more concerned about bookmakers in that context and I cannot comment on their approach.

In terms of free bets and offers (principally an on-line tool), it is, of course, an extremely competitive market place. Gambling operators, as any other business, are entitled to offer incentives to attract customers to play on their site rather than with a competitor. One could say it is the nature of advertising in general to try and make a particular product or operator more attractive than the opposition. What is important is that customers are then looked after if they engage in gambling with a particular operator, the overwhelming majority of whom do so purely for leisure without encountering any difficulties. The revised industry code requires that introductory free bets and offers are not advertised before the watershed, which may go some way to reassure your members.

As an operator, Rank has no desire to target or exploit the young and the vulnerable and goes to great lengths to ensure that a high level of protection is afforded to all of our customers. I attach the leaflet made available in our clubs relating to our award winning "Keep it Fun" brand. Your members can also see our approach on the related website www.keepitfun.rank.com.

I hope this offers your members some reassurance that whilst Rank, as an operator, does not engage in a high level of external advertising ourselves, we do go to great lengths to ensure that customers use our facilities for the right reasons and in a responsible fashion. It is an area that is constantly being reviewed and improved upon but, as you can see from my job title, the subject of player protection is taken very seriously by this company, as it is with the industry in general.

Yours sincerely



Richard Wade

Director of Compliance and Responsible Gambling