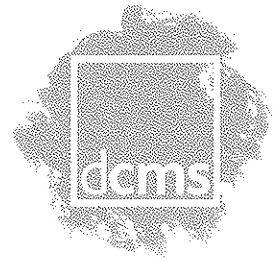


CMS 100310/DC

Brian Pomeroy
Chairman
Gambling Commission
Victoria Square House
Victoria Square
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department for
culture, media
and sport

6 August 2008

Dear Mr Pomeroy

IMPACT OF HIGH-STAKE, HIGH-PRIZE GAMING MACHINES ON PROBLEM GAMBLERS

Thank you for your letter of 31 July reporting in outline terms on the desk exercise which the Gambling Commission has carried out in response to my letter of 14 March. I look forward to reading the report in its entirety when it is published later this summer, but in the meantime I would like to thank Commission staff for addressing this matter so comprehensively, in particular by identifying relevant research findings from foreign jurisdictions.

I recognise the difficulties inherent in the exercise that you describe. I will therefore not comment here on the desk study's findings in any detail, except to note its key conclusion that there is a broad consensus that while high-stake, high-prize gaming machines are attractive to ordinary gamblers, they are particularly attractive to those at risk of problem gambling and those with a gambling problem. I welcome the Commission's commitment to explore this association in greater detail in the UK context through a programme of further research, comprising among other things some immediate qualitative work, a re-analysis of current data in the light of recent research findings, and the establishment of an international panel of experts.

I am content for the Commission to proceed with its further research along the lines you have identified, and I look forward to learning the results next year.

Yours

GERRY SUTCLIFFE