



The Stacked Deck – Pro Sports & Online Gambling

by [RC Williams](#) | posted: April 27, 2018 [0 Comment](#)

One of the stranger moves by the US Government was hitting the kill switch when it came to online gambling in 2006. But when you dig deep, it wasn't really that strange at all – [when you look at who benefitted from it](#).

Last week, things suddenly became VERY interesting. Two major sports leagues seemed to have figured out how to play both sides... and groups are angling for pole position.

Keep in mind that sports betting in the U.S. is a \$150B per year business, the majority of it unregulated and illegal.

Once again, we've harnessed the power of *Sherloc™* to connect the dots.

The Skinny: Late last week, Major League Baseball (MLB) and the National Basketball Association (NBA) announced that they were [divesting their stakes in fantasy sports titans DraftKings and FanDuel](#).

Why? As usual, the devil is in the details. The Supreme Court is due to hand down a ruling by the end of June on legalizing sports betting nationwide. With FanDuel and DraftKings having expressed an interest in the niche, the leagues were in a pickle... or as MLB Lawyer Brad Seely shared, *"We're not going to be part-owner of a bookmaker."*

That makes sense, except for what both leagues are proposing.

We dug deeper and asked *Sherloc™* a series of questions.

Here's a summary of what we got back: *"Would you give away a house you overpaid for unless you knew you were going to make out like a bandit with a bigger house you didn't have to pay for?"*

How? According to [JohnWallStreet.com](#), *"the decision comes as MLB and the NBA are actively lobbying for sports betting legislation entitling them to "integrity fees" (a tax on the total wagered on league games), arguing they'll have an increased role in regulation should SCOTUS strike down the Professional and Amateur Sports Protection Act (PAPSA); a tough sale if also serving as the book, with a stake in winners/losers."*

What? Yes, you read that correctly. The leagues said they were out, except for the part where they are in. The word is that the NBA is saying that tax should be 1% of the total take. And, they are lobbying hard... which is part of the reason they needed to divest. The NFL is reserving comment and actions until SCOTUS delivers their ruling.

Sherloc™ discovered that the deck was pre-stacked.

What? Part 2. All signs point to the SCOTUS overturning PAPSA and opening the floodgates. But it gets even more interesting...

Throughout the world, online sports betting has been legal for a long time. Power players like The Stars Group (Canadian owner of PokerStars), 888 Holdings, William Hill, and Sky Betting have made a mint.

On the heels of the MLB/NBA announcement, The Stars Group announced their \$4.7B acquisition of Sky Betting in a bid to dive deeper into sports betting. **The deal makes The Stars Group the biggest publicly listed online gambling company.**

When? Look for the NBA and MLB to position themselves for billions in cashflow and feed rumors of rigging, which will result in a slap on the wrist.

More importantly, look for The Stars Group, 888 Holdings, William Hill, and others to move aggressively into the U.S. Space once the SCOTUS ruling comes down.

While U.S. gaming companies have technology and are apparently ready to take advantage of the new rules, The Stars Group is built for this, and they didn't acquire Sky Betting by accident.

The Stars Group, 888 Holdings and others present a potentially large opportunity ala the gold rush... smart investors got wealthy off of the picks and shovels, not digging for gold.

Keep in mind that we DO NOT provide investment advice. Sherloc simply connects the dots.

Julianna Ormond and RC Williams are co-founders of The Hint Group and creators of Sherloc, the intelligent system designed to maximize your growth. For more information, please visit TheHintGroup.com or call 833-456-HINT (4468).

The Stacked Deck, Part Three – Pocket Aces For Sherloc™

by [RC Williams](#) | posted: September 7, 2018 [0 Comment](#)

The Skinny: *Sherloc™* wins again.

Our forecasts related to the companies that would be the big winners, and how the leagues have pre-stacked the deck in their favor from the Supreme Court ruling on sports gambling have been proven accurate.

In parts **one** and **two** of our series “The Stacked Deck”, we utilized the power of *Sherloc™* and connected the dots on the US Supreme Court decision related to gambling, specifically the Professional and Amateur Sports Protection Act (PAPSA), and those who would benefit most.

In part three of the series, we take a look at what's happened and how *Sherloc™* has done.

The Updates

1. [William Hill announces major expansion in United States](#)

As *Sherloc™* [forecasted](#), William Hill has made aggressive moves to expand in the U.S. market, announcing deals for 11 additional casinos in Mississippi and West Virginia, and eluded to deals in 14 additional states.

Additionally, William Hill has also announced a [25-year sports betting](#) deal with casino operator Eldorado Resorts, Inc.

Utilizing *Sherloc's™* proprietary algorithms and AI, we were accurately able to forecast the needs of domestic casino operators would be intense, as they were unprepared for rapid deployment of technology necessary to handle sports betting at scale in this manner.

According to CEO Philip Bowcock, William Hill doesn't plan to just compete – they plan to dominate:

“It has been an excellent start for us since PASPA was overturned. We have built on our existing business in Nevada which is number one and growing and in Delaware where we are risk manager for the entire state,” said Bowcock.

“We are now the early market leader in New Jersey where our mobile app will launch within weeks and we expect to be market leader in Mississippi with these 11 casino agreements. The team continues to engage in discussions that cover a further 14 states and they are doing a tremendous job.”

They are not alone.

2. [Boyd Gaming, FanDuel Group Announce Strategic Partnership](#)

Boyd Gaming has wasted no time in partnering with [FanDuel, which was recently acquired by international gaming giant Paddy Power Betfair](#), to pursue sports betting and online gaming opportunities across the United States. Here's how it will work:

Boyd Gaming will establish a presence in the online gaming and sports wagering industry by leveraging FanDuel Group's technology and related services to operate Boyd Gaming-branded mobile and online sports betting and gaming services. In turn, FanDuel Group will establish and operate mobile and online sports betting and gaming services under the FanDuel brand in the states where Boyd Gaming is licensed.

Once again, a domestic operator with limited ability to scale has tapped an international partner (via a U.S. subsidiary) to move quickly.

While the press release on this (linked above) as all of the jargon you would expect, *Sherloc™* caught something very interesting in the comments from FanDuel CEO Matt King:

“With more than 40 years of experience, Boyd Gaming is a leader in the gaming and entertainment space, and a natural partner as we continue to build a leading position in the sports betting market,” said King.

“There is incredible momentum in the sports betting space and we look forward to partnering with Boyd Gaming to bring the [FanDuel Sportsbook](#) to more customers across the United States.”

You'll notice that FanDuel Sportsbook is underlined.

In part one of the series, we dug into the NBA and MLB quickly moving to divest their interests in FanDuel and competitor DraftKings. Here's why...

3. [Pro Sports Leagues Plan To Get Fat](#)

In the aforementioned part one of the series, we laid out an interesting scenario:

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Oh, did *Sherloc™* ever discover that the deck was pre stacked.

Here's what's happened since:

Two publications, [SBNation](#) and [The Legal Sports Report](#) have laid out, in detail, the plans that both the NBA and MLB have:

"The NBA is trying as hard as it can to get its preferred sports betting policies in place — including [integrity fees](#) and control over data streams — in states around the county. So it is, out of necessity, talking down states that don't do what it wants," write Dustin Gouker of Legal Sports Report, after Julius "Dr. J" Irving placed a sports bet in New Jersey.

"But it may want to ratchet down its rhetoric given this development. If the NJ sports betting law is a disaster, as the NBA would have us all believe, then a former player placing a bet is a pretty bad look for the Association.

In reality, the law is just fine, and the world won't end because Dr. J is going to place a bet on Thursday. (Smart money says he'll bet on the Sixers with a futures bet.)"

Interesting angle by the NBA right? If that's not enough, Gouker also talks about MLB:

"On Wednesday, this report came down from [ROI-NJ](#):

"We have been informed that club television and radio rights holders are being approached by sports books to place advertising/enhancements. Pursuant to MLB policy, clubs must inform their rights holders that they are presently not permitted to accept such advertising,' Dan Halem, deputy commissioner and chief legal officer, said in the memo."

Gouker continues.

"So, no Sportsbook ads, you say, MLB? OK sounds good. But [daily fantasy sports](#) ads from your partner, [DraftKings](#), are just fine? (MLB also still [owns equity](#) in the DFS operator, at last check.)

But hold on a second. [Isn't DraftKings' also opening up a Sportsbook in New Jersey?](#) Can they still advertise with MLB teams once that becomes reality?"

We might be able to dismiss this, except *Legal Sports Report* was not the only one covering it.

"The leagues 'lost' the Supreme Court case that made legal sports betting possible, but they could be huge winners," writes Alex Kirshner in a detailed piece for [SBNation](#).

Kirshner contends, among other things, that (as *Sherloc™* predicted) the leagues will push for "integrity fees" that would take a percentage of the total amount wagered and put it into a fund that would then go to the leagues.

According to John Wolohan, a sports law professor at Syracuse, this is because the leagues claim that they will incur increased monitoring costs.

"I think the argument is there," says Wolohan. **"So, all of a sudden, we're gonna go from one state, Nevada, and now we're gonna be monitoring 30 states or how many of the states get into this. So, will there be increased monitoring costs? Maybe."**

Kirshner then points out something interesting.

"On another hand, the leagues already have core measures in place to protect against match-fixing.

Most of them are already in business with companies that use algorithms to check offshore and underground Sportsbooks (where possible) for suspicious bet patterns. Sports leagues could have an *easier* time snuffing out cheating when more betting happens in the open."

Kirshner's piece also cites that the leagues will also look at Intellectual Property claims, asserting ownership of game data (to sell to the sports books at a profit), and, interestingly enough, potentially open their own sports books.

Each of these supports the prior *Sherloc™* forecasts that show the leagues were pre stacking the deck in their favor.

With research, technology, and forecasting like this, what can The Hint Group and *Sherloc™* help you with?

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Quote credits: [SeekingAlpha.com](#), SBNation, Legal Sports Report. All quotes/content are properly cited.

Julianna Ormond and RC Williams are co-founders of LiAison Labs and creators of Sherlock, the intelligent system designed to maximize your growth. For more information, please visit sherloc.ai or call 407.630.8482.