



# Fortune favours the brave

**Matti Zinder is the founder and CEO of Spiral Solutions Ltd., a full-service interactive marketing, advertising and technology development firm established in 1999. Foreseeing the direction where interactive gaming was headed, in 2003 he established Spin<sup>3</sup>, a division of Spiral Solutions, which to date is credited with developing and rolling out one of the leading mobile gaming solutions worldwide. In 2005, three leading full-service UK mobile casinos were launched using Spin<sup>3</sup>'s proprietary platform and technology. Here, Zinder tells Stream that in spite of technological, regulatory and cultural challenges, the mobile gambling industry is poised to make the leap from an early-adopter to early mass market phenomenon this year – and the surface of its revenue potential has barely been scratched.**

**How is the mobile gambling industry developing? What impacts have legislation, technological barriers and cultural imperatives had?**

There's a lot happening under the surface. On the surface it seems things are moving forward relatively slowly and there don't appear to be major breakthroughs. The reality however is that there are incremental steps being made in a lot of areas and the sum of these amount to significant advances. That said, the hurdles to breakthrough in this industry are greater than expected.

Contrary to the internet sector, mobile is much more complex – each phone is a different platform and ease of use on the web is much greater. At the same time it is clear that there is huge potential in mobile gambling. What we're witnessing now is the gap between expectation and reality. The reality is a lot of incremental steps

including establishing distribution channels and methods, working out how to configure phones and attracting significant brands from the traditional or online casino industries.

Our clients are seeing steady double-digit growth month on month and 2007 will see a breakthrough, by which I mean increased revenue generation.

The recent US legislation hasn't had an impact on us because the US, from our perspective is not a market. It doesn't make sense because the legal environment is now not conducive to the business we're trying to develop. The propensity to gamble is stronger in Asia or Europe – obviously within legal guidelines.

We're not going to see a big explosion in the market, we'll see existing players experience growth and there will be a gradual ramp up throughout the year. Our confidence in this market hasn't changed

– it's growing because we're building solutions to address the operational realities of our customers. It's not in the theoretical realm anymore.

**Can you explain how Spin<sup>3</sup> came into existence?**

Spin<sup>3</sup> is a wireless development unit within Spiral Solutions, a company that has been involved in wireline and online gambling since 1999. We identified an opportunity with Microgaming, a supplier of gaming engines to Spiral Solutions, and started to develop a wireless front-end platform to integrate into the Microgaming engine at the back end. We began development about three years ago and have since worked closely with Microgaming to deploy our front-end to their customers.

**What are the challenges the mobile gambling industry faces?**

The challenges are primarily in dealing



with the barriers. There are several technological barriers such as phone settings and phone resolution. The games work on all the phones but not everyone has their phone configured in the right way. Another issue is how to handle processing and payments and make it easier for the customer.

**What are the emerging markets for mobile gambling?**

One is the extension of the online casino market especially after the legal changes in the US. All players, in particular the public ones, will be looking for new sources of revenue and mobile gambling is a new source of revenue. We definitely see this as one source of growth. Another source is the aggregation model. Content aggregators are looking to develop new sources of revenues as well.

The third potential source of growth is geographic. Asia and Europe are now the most important markets and we're heavily focused on them.

**How can a gambling operator address customer loyalty and brand awareness?**

It's just a matter of following an existing model. The same CRM, support and marketing models are applicable in the mobile gambling industry as in the online gambling industry. If you know how to run a casino business online, you'll know how to run it anywhere – it's really simple to convert.

**What are your expectations for 2007?**

My expectations are that we will see continued steady growth in new clients and customers. We're in the early adopter stage and once you've done that you need to make the leap from

early adopters to the early mass market. 2007 will start to see that happen. We'll also see expansion into new markets in Europe and Asia. We'll definitely see growth.

**What do you view as Spin3's most significant achievements to date?**

The launch of the current platform. This includes a lot of technological breakthroughs and the implementation of progressive jackpot games. These are invisible from the customer viewpoint. We built a commercial grade platform – it's not a technical demonstration.

Another important achievement is the acquisition of Ki-Bi, a vendor of interactive card technology. This was a big breakthrough because it enabled us to offer an integrated distribution solution especially to the online casino market. Online casinos know how to market using traditional methods such as direct marketing and mailshots and having the ability to send out a card that can configure devices and offer games themselves is a major benefit.

Finally, there have been a lot of small victories such as increased proficiency and deployment capability within Spin3. We're growing our staff significantly and have improved capability to launch applications with customers and support them.

**What are the differences between Spin3 and its competitors?**

There's a very big difference between launching a technology platform and launching a business. What we have that no other company has is experience in interactive gambling. We come from this market and we have enabled a lot of online casino technologies. We are able to offer

services that no other provider can. For example, we offer Spin Support, a package of services with over 70 customer support representatives. With us you don't only receive the mobile casino, you receive CRM activities, revenue assurance, fraud control and support.

In addition, we have a team of analysts that work with our clients to develop marketing campaigns and, from the player point of view, we are able to provide updated, audited accounts from a third party accountancy firm. This enables them to analyse their gameplay and provides them with certainty that our systems are accurate and monitored. There is a serious, reputable and credible back end driving these games.

Another difference is that we're the only wireless casino systems provider that also provides an online Flash platform with the same look and feel. Our unique selling point is that we're focused on generating business for our clients – not on deploying technology.

• For further information visit: [www.spin3.com](http://www.spin3.com)

