

Servicing Malta's dynamic iGaming industry

From rental assistance to advisory services, the iGaming industry requires all sorts of ancillary set-ups. **Jo Caruana** speaks to some of the companies dedicated to providing exactly that.



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John Paris - Managing Director, Broadwing Recruitment Agency

Broadwing Job Placement Agency is a start-up recruitment agency incorporated and licensed in Malta at the start of 2018. We boast an international network of recruitment partners with a focus on the banking and finance, legal and compliance, IT and iGaming, and sales and administration industries.

From your perspective, how has the iGaming industry developed in recent years and what have been the highlights?

The iGaming industry in Malta has gone from strength to strength in recent years thanks to the hard work of the Malta Gaming Authority and industry leaders who are continually building upon the existing framework through changes in licenses and facilities to aid iGaming companies. This has had a positive impact on the local economy through an increase in employment, while attracting foreigners to Malta who, in turn, feed the economy through more property rentals and better spending power. The exposure for Malta as a whole has been phenomenal thanks to the likes of Gaming Malta, SiGMA and other events hosted by individual companies, with GiG having recently brought Steve Wozniak to Malta for the first time. More importantly, for us as a recruitment agency, the industry has raised the bar locally in terms of a better working

environment and more employee benefits, albeit being at the detriment of other industries, that are finding it hard to compete with what the iGaming industry has to offer.

How does Broadwing Recruitment Agency service the sector?

As a recruitment company, our main offering is that of sourcing candidates to fill their ever-growing list of available jobs, including both customer support to senior management, and anything in between. We also offer consultancy services to companies with the aim of improving their image for HR purposes, not only to attract the best new candidates but also to motivate and give a higher level of job satisfaction to their existing workforce.

How do you see the iGaming industry and your services to it developing in the years to come?

The industry is continuing to grow on an international level, with 2018 seeing the biggest ICE conference yet with an increase of 11 per cent since last year, while SiGMA, held last November, was also an astounding success for the local market. Having attended both these events, we noticed a big increase in fantasy sports, social gaming, and the adoption of blockchain technology, which may cause quite a disruption in the industry.



We look forward to working closely with the iGaming sector, keeping up-to-date on the latest developments and ensuring that we are able to offer solid advice to those looking to start a new career in iGaming, both locally and abroad.

Jeff Buttigieg - COO, RE/MAX Malta

REMAX Malta provides professional assistance in finding residential or commercial property for sale or for rent, with years of specialisation in the iGaming market.

From your perspective, how has the iGaming industry developed in recent years and what have been the highlights?

I recall that we were the first real estate company to service the iGaming industry,



back when Love Bets - an Irish company - came to Malta in 1999. From then we have seen the sector grow exponentially, and that growth was one of the reasons we first decided to organise MiGS - the iGaming conference; it had 75 attendees in its first years, and skyrocketed to 450 in 2015.

From a real estate perspective, we have seen the landscape change completely; what started as old apartments with pine furniture has developed into a sector with contemporary offerings that people love to live in. However, demand is still higher than supply, so expectations have changed too in that respect.

How does RE/MAX Malta service the iGaming industry in Malta?

We provide a full rental service, whether that's commercial or residential. Besides providing the main services - for which we are number one in the industry - we also give a fully-rounded service, whether that's organising internet, cleaning services, being available 24/7 and so on. We are also proud to give a fantastic after-sales offering, to both our clients and landlords.

It's a service that developed organically

over the years, and which dates back to when we secured Skanska as a client, back when they were building the hospital in 1999. We rented properties to around 800 people, which was a huge deal back then. That set the ball rolling and, since then, our lettings team has grown from around six people to 35.

We have also seen Betsson grow from a five-person outfit to one that employs over 1,000 people. We have watched so many companies grow in that way - and we have grown with them, by delivering services throughout. We have always had a particular interest in the sector, and even launched iGaming Idol and the iGaming Social to further build on that.

How do you see the iGaming industry developing in the years to come?

We believe it will continue to grow, with bigger and bigger companies setting up here. One of the top three British gaming companies is among them, and has just landed on the island. We also expect to see more companies setting up here as a result of Brexit. From our end, we will continue to adapt to the needs of the industry and to service it in the best way we can.

Etienne Gatt - IT & iGaming Recruitment Manager, Konnekt

Established in 2008, Konnekt adopts a partner-level approach with clients and candidates, and is strongly knowledge-focused. Our team of recruiters is constantly provided with industry-specific training in order to ensure that we understand the market dynamics and, therefore, our clients' needs. This enables a more accurate matching of people to jobs and vice-versa.

From your perspective, how has the iGaming industry developed in recent years and what have been the highlights?

Backed by strong legislation, the industry has grown in record numbers, and in a very short timeframe. It has radically changed the labour market, causing many companies to up their game through aggressive attraction and retention strategies, and put Malta on the map for companies and candidates to set up locally. It has changed the employment market into one driven by the candidate, with companies vying between them to attract the best talent.

Now, attracting top talent to Malta is key to ensure the competitiveness of the island. This needs a concerted effort, from the regularisation of renting fees to the ever-strengthening of the technical infrastructure. We must also speed up the modernisation

of our road infrastructure and a well-oiled set-up across Government entities to ease the process of settling in Malta. Employment licenses and the opening of bank accounts are painful processes for any relocating candidate. These surely do not resonate with the aspiration of Malta to be at the forefront of the digital world.

How does Konnekt service the sector?

Our model is primarily candidate-focused and we value quality over quantity. We would rather be precise in recommending good candidates that are thoroughly assessed by our technically-savvy team. Clients primarily value us for our honest and direct approach. People at Konnekt have a common trait: an openness to learning and knowledge acquisition in whatever they do. It is what makes them best placed to provide this level of service and support.

How do you see the iGaming industry and your services to it developing in the years to come?

Whilst the myth that 'iGaming companies are not stable' is a thing of the past, it is now recognised that the industry is more mature. Volatility does exist, but in my view the advantages far outweigh the cons. iGaming



is in a consolidation phase when possibly less but bigger players will be characterising the market through increased M&A strategies as we have seen in the past months. Konnekt will continue to provide a high level of service, developing more in-depth partnerships with the industry.

Paul Giglio - Tax Partner, Mazars

Mazars is one of Malta's leading multi-disciplinary audit, accounting, tax and business advisory firms with specialist knowledge in the gaming, insurance and financial services sector.

From your perspective, how has the iGaming industry developed in recent years and what have been the highlights?

The gaming industry is facing a dynamic and highly-complex economic and financial environment, compounded by major regulatory changes, including the new Gaming Act that will be discussed in Parliament over the next few months. We also see an environment where, for some

time now, there have been several mergers and acquisitions. Our long-term outlook for the market is one where the 'big boys' are the principal actors, with the larger companies acquiring smaller operators and start-ups, whose strategies are often geared towards a buy-out.

How does Mazars service the sector?

We have been servicing gaming companies since the onset of the industry in Malta. We believe that our role as advisors is to help our clients to think and act long-term. We aim to ensure that our services are relevant, that they bring added value to our clients and their many stakeholders, and to help clients meet their business objectives. We provide a one-stop-shop service, assisting in corporate structuring, tax planning, licensing, VAT optimisation and compliance, as well as accounting and audit services. We are also approved MGA compliance and systems auditors, and have been serving in this role for the past seven years.

How do you see the iGaming industry and your services to it developing in the years to come?

I think that consolidation is already a reality, and the industry will see fewer and larger

players in the market. As these continue to grow and mature, greater emphasis will be placed on efficiency, innovation and technology. I expect to see greater investment and initiatives in the automation of operational processes, thus reducing cost and improving player experience. Understanding customers through business intelligence and data analysis will also continue to play a critical part in product innovation, personalisation and optimisation.

In the meantime, current developments continue to centre on the OECD's measures on Base Erosion and Profit Shifting (BEPS), while, in 2019, the EU's Anti-Tax Avoidance Directive will also kick in and affect areas such as thin capitalisation rules. Transfer pricing for the acquisition of intra group services will also need to be analysed in this context. However, most of our clients are already developing their structures with such a framework in mind.

In the gaming sector, many companies are currently 'getting their house in order', especially those that are preparing for an IPO and want to showcase the highest level of corporate governance. I am glad to say that the various listed companies which feature in our client portfolio are very much ahead of the game in that regard.

