

## Good deeds, bad press

The success of the German street gaming market has raised the ire of both politicians and press in Germany. At the IMA exhibition all sides voiced their opinions about the future

The International Trade Fair for Amusement and Vending Machines – the IMA – celebrated a major milestone even before the show began, namely 30 years of representing the German amusement and vending industry. Having first begun in Frankfurt and moved to Nuremberg for a few short years, the IMA is now firmly placed in Düsseldorf. The exhibition lasted for four days in January, 2011. Although officially being termed the exhibition for vending, the definite focus for over the past 10 years has been on amusement and gaming machines. The vending market has its own exhibition – the EU Vend. The IMA took place over two halls covering 22,000 m<sup>2</sup>. The focus is clearly on the German AWP market. The German casino market is serviced via the ICE Totally Gaming event in London.

### FACTS AND FIGURES

The amusement and vending machine industry attained an aggregated turnover of 5.14 billion euros in 2010. That meant an increase from 2009 of 5.8 per cent (from 2008 to 2009 the increase 8.0 per cent). The major growth sector was in AWP manufacturing as this turnover increased by 7.5 per cent. The main reason for this was the industry commitment to convert the amusement with prize machines (AWPs) to the Technical Directive 4.1 of the Physikalisch-Technischen Bundesanstalt (PTB) by 1st January 2011. Here potential wins convertible to a cash equivalent of over 1,000 euros on AWP may no longer be displayed. Furthermore, AWP must be completely inoperable for five minutes after one hour's play. The conversion or exchange of machines is complete as this voluntary measure came into effect on 1st January 2011.

The number of arcades has risen steeply over the past years to over 10,000 in number. It is stated that the playing public has doubled from 5 million to 10 million. The new Gaming Ordinance (Spielverordnung IV) that came into force 1st January 2006 is attributed to this positive change. The arcade / street market in Germany changed in character dramatically from reel-based single games

to video-based multi-games. The previous requirement to scrap AWP after four years in operation is no longer in effect. This ruling effectively meant that manufacturers had a guaranteed 25 per cent replacement rate. Now AWP have to be re-approved every two years by a TÜV-approved company. With the number of new games entering the market (that need TÜV approval) the number of machines that wait until two years for re-testing is not so high.

Since the amended Gaming Ordinance came into force on 1st January 2006, the number of AWP in operation has risen from the trough of 180,000 units in 2005 to 235,750 units by the end of 2010. Before 2006, Fun Games were very popular, but suffered as the black sheep of the industry, with those not using these machines exclusively as token machines as intended for entertainment value only. This led to Fun Games being banned within the new Gaming Ordinance – which saw 80,000 Fun Games removed from the market.

The AWP industry secures over 70,000 jobs in Germany – 75% of these for female employees. A further approx. 35,000 employees also work indirectly in the industry. The industry lobbies very hard on the political front and were successful in allowing industry-specific professions to be created. This is something that they had been fighting towards for many years and it was not until 2008 that two distinct occupations relating to the amusement and gaming machine industry came into existence – the coin-op specialist' and coin-op service technician'.

The companies involved in the amusement and gaming machine industry pay more than 1.4 billion euros in taxes and social contributions – of which over 300 million euros is in amusement tax (Vergnügungssteuer).

### ALMOST OVER BEFORE IT STARTED

Sports betting is at this moment in time only allowed via the state in Germany, and is illegal for commercial companies.



The Glücksspielstaatsvertrag (Interstate Gambling Treaty) from 2008 states that this is to be controlled by the local states. Uncertainty about the validity of the Glücksspielstaatsvertrag, especially due to rulings from the European Court of Justice gives manufacturers of sports betting machines hope that the ruling will change in the (near) future. Therefore, there were a number of sports betting machine manufacturers exhibiting at the IMA. Politicians from the state in which the IMA takes place – North Rhine-Westphalia – took exception to this and filed for these manufacturers to be forbidden to be present at the IMA. A local court ruling decided in favour of allowing the sports betting machine manufacturers to exhibit at the IMA, just before the IMA was due to open.

### IMPORTANT OPENING CEREMONY

The opening ceremony at the IMA is of particular importance. In recent years, TV newsreader, Jan Hofer has moderated the ceremony. The special guest this year was Prof. Dr. Kurt Biedenkopf – a political heavyweight of the CDU (conservative) party who headed the State of Saxony as Ministerpräsident for 12 years. His speech was well received by the audience as it focused on a subject close to the industry's heart – the challenges that commercial AWP gaming faces that is governed on a federal level in comparison with the local state-governed casino and lottery gaming.

As last year, Paul Gauselmann focused on the anomalies that face the German AWP industry and the energy that has to be invested to defend the industry. He focused on how proactive the German AWP industry is – the voluntary alcohol ban, informing players of a contact phone number if they have issues with problem gambling (this phone number is printed on every single AWP in the German market). His term 'the curse of the good deed' hit the nerve of the audience as the German AWP market holds together very strongly via its numerous industry associations and has close dialogue with the political landscape to ensure that AWP gaming remains fun and amusing for players.

However, the eternal struggle between federal and state politics as to the correct way forward for gaming in Germany means that the German AWP industry has been forced into a corner and has had to defend itself. If a help telephone number is printed on each and every AWP gaming screen, it stands to reason that the number of people calling the number will be higher than the total number of pathological players in the country. It is this distortion that has led to the term – 'curse of the good deed.'

The general impression outside of Germany is that the economy is booming. The fact remains that there is a financial crisis among the majority of the local communities in Germany. Mayors up and down the country are faced with increasing local taxes and reduced spend. Tax increases include the amusement tax (Vergnügungssteuer). This tax is levied locally and so varies from community to community. Set up two new arcades in two different towns and you probably will be paying different levels of this tax. The at times ad-hoc approach by local politicians concerning this tax endangers the livelihoods of many industry participants. For example, this taxed was raised recently in Berlin from 11 per cent to 20 per cent and will be doubled in Bremen from 1st April 2011 onwards.

Another factor that is negatively affecting the industry is the allowed opening times. The norm has been to allow arcades to choose their own opening times – thus many are open 24 hours a day. The number of new large arcades at motorway rest stations has profited from this. The German AWP industry complains of attacks by the German casino industry. The casino industry is suffering from negative growth over recent years. Casino operators question whether their players prefer to now play in arcades. Casinos have a non-smoking policy and players have to show their ID when entering. This is not the case for arcades and with the higher pay-out rates now on AWP – casino operators believe they have a case to state here. This is where the AWP industry strongly defends itself, explaining the big differences between the two forms of gaming – the average player spend per hour has fallen from 60 euros to 15 euros and the number of AWP being played at one time has fallen from 2.6 to 1.4 machines (comparison from 31st December 2005 – thus before the new gaming regulation – and the latest figure). However, the fact that many AWP operators choose to call their arcades 'casinos' and such 'casino' signs can be seen from miles away on motorways, probably does not help the AWP cause in defending itself against casino operator criticisms.

German politicians should be looking critically at themselves too, asking why they have been allowing the expansion of the arcade market, with many multi-concession arcades in the past years, to then state that this market has too many arcades and needs to be limited. Local communities (except in Bavaria where the Vergnügungssteuer is not applied) profit from this tax, but increasingly ad-hoc rises put a real strain on the industry and can hamper growth and thus have a negative effect on tax receipts. Are

limiting opening hours being used more as a political cause than for protecting players against possible misuse?

### 3.3 IS NOW 4.1

The German-way of co-determination is a major reason for the AWP industry's success. The major players and lobbies interact professionally with politicians to bring fun, entertaining gaming to a broad public, and to gauge the political mood. It was wise for the industry to make the step from Gaming Ordinance 3.3 to 4.1. This is a voluntary measure that had to be implemented by 1st January 2011. The maximum single win has now been reduced to 1,000 euros and each AWP must cease playing for five minutes after one hour of continuous play. The challenge is the pay-off between creating fun games for players with strong cashbox revenue. If wins are too high, then the issue of problem gambling/gambling addiction raises its head. This was the case under 3.3, which led the industry to move to 4.1. The German AWP industry should be applauded for its voluntary initiative, which maintains the status quo and helps to prevent random political activity as we have witnessed in several Eastern European countries.

### IT'S STILL THE BIG TWO

Last year we reported that the German AWP market was dominated by two players – the Gauselmann Group and the Novomatic Group of Companies (via Löwen Entertainment and Crown Technologies). This is still the case.

For those seeing the market drift off to a certain duopolololy, rest assured – the German AWP market is extremely dynamic and what is the case today, may not be relevant for tomorrow. The new 4.1 ruling means that the cards have been mixed again. There are some foreign manufacturers making in-roads such as Amatic Industries from Austria, JVH from the Netherlands and Webak from Austria. New entrants are set to focus strongly on the German market – specifically, APEX gaming. We then turn to the traditional German manufacturer, Bally Wulff.

### BALLY WULFF BELONGS TO THE SCHMIDTGRUPPE

This was the big news being discussed on the first day of the show. What was assumed in the market place by a minority was confirmed at the beginning of the show – the SCHMIDTGRUPPE owns Bally Wulff. The equity owners of Bally Wulff - the Zugerberg 7th Asset Management plc from Switzerland - are the SCHMIDTGRUPPE shareholders (not including Ursula und Ulrich Schmidt). These shareholders will also be in future represented at BALLY WULFF by the Chief Representative Ulrich Schmidt.



(Top) Frederick Bluhm from Crown Technologies. (Middle) adp Gauselmann's Holger Schwarze is very pleased about the feedback. (Above) The Managing Directors of BALLY WULFF.

The SCHMIDTGRUPPE is a major AWP operator in Germany with approx. 170 modern arcades – now referred to as Entertainment Centres – under the names 'Spielstube' and 'Spielstation'. More than 1,300 people work for the group, which is still rapidly expanding. The SCHMIDTGRUPPE is building what will be Germany's largest arcade at present – a UFO-shaped, ultra-modern building in the city of Oberhausen which will have 12 concessions (144 AWP's). Oberhausen is only a few minutes drive from Duisburg where the German casino group Westspiel houses its flagship casino.

Bally Wulff not only now has a guaranteed major customer with the SCHMIDTGRUPPE, but a company that lives and breathes the industry. The shackles of non-gaming investment company disinterest, which characterised Bally Wulff over the past years, literally vanished overnight with the SCHMIDTGRUPPE announcement.

### BALLY WULFF AT THE IMA

Moving on to Bally Wulff at the IMA, there was definitely a more upbeat mood to the company at this year's IMA. This stems not just from the fact that their owner is now known and from within the market, but, moreover, from a strong product range.

Bally Wulff had plenty to show over its 1,000 m<sup>2</sup> booth. The Action Star AWP range consists of both upright and slant top cabinets, the new addition being the Transformer slant top with top 26ins. monitors. Bally Wulff has tailored its game packages to different player types. The High Roller games package has games that raise the heartbeat of players who like the 'roller coaster' effect of gaming as the minimum stake is 20 euro cents. The more relaxed players would choose the MaxiPlay games package with varying bet possibilities at 5, 10 and 20 euro cents. The Trinity games package has 55 games, including games from ATRONIC and Aristocrat. The food and drinks sector tends to have a selected number of games on offer. Thus, the Action Star Select is the games package for this sector (with twelve games).

Bally Wulff is the German distributor for Amatic Industries. Amatic Industries took the opportunity to release the brand new Performer upright cabinet (with two 22ins. monitors) to the German market. With already several years of experience in the German AWP market, the German games package is considerable. Indeed, the Multiline Xtended games package consists of 52 games, 12 of which were brand new to the market.

A great new feature on the Amatic Industries' games is the risk ladder. This traditional feature is now available of the latest multi game AWP's from Amatic Industries.

Bally Wulff was the first company to offer Novomatic games in the 4.1 version. The Magic Palace II from AGI with 40 games is available via Bally Wulff.

### AGI IN GERMANY

The German operations of AGI play a major role. The two major AWP manufacturers, Löwen Entertainment and Crown Technologies are joined by various arcade operations, such as Extra Games. The German market makes up over 20 per cent of AGI's turnover with published figures stating that the German market represented €530 million of the total of over €2.5 billion turnover.

AGI continues to play a major role in the German AWP market, having played a pivotal role in transforming the market to video-based multi game. Furthermore, the current business model of leasing AWP's to operators for between two and three years for a fixed monthly rate was pioneered by AGI. Operators still often have to pay a flat fee to receive the AWP in the first place – this fee can be understood as a service charge and at the end of the lease contract the AWP remains 100 per cent in the hands of the manufacturer.

### LÖWEN ENTERTAINMENT – GAMINATOR II AS FAR AS THE EYE CAN SEE

The strategy of Löwen Entertainment was clear to see by looking at their vast stand. The focus is completely on the new Gaminator II. This AWP really stands out and cries for attention with its size – two 26ins. monitors in an upright cabinet is very new. It has a tardis effect (for the Dr. Who fans amongst you) as the AWP appears much bigger than its predecessor, but is actually the same size. What strikes you about the NOVO Gaminator II is the noticeably larger control panel with its ergonomic hand rest. Other new features include integrated modules for introducing banknotes and paying out coins. Buttons developed by Löwen are new to this AWP. The Flip Screen button allows the screen picture of the two monitors to be swapped at any time. The 28 games include the most popular game in the German AWP market – Book of Ra. Naturally Sizzling Hot is also a winning game and a new game was released. Roaring Forties is expected to roar to the top of the player charts.

The NOVO Gaminator II was actually launched to the market in November and created quite a stir. The NOVO Gaminator II dominated the stand – it is clear that

this is the solution from Löwen Entertainment for the German AWP market. Rows and rows of the NOVO Gaminator II could be seen.

Nevertheless, the traditional reel-based, wall-mounted AWP's were still on display and Löwen Entertainment had new games on their stand. The cost of leasing such AWP's is smaller than the NOVO Gaminator II, making it a viable and potentially good business. Naturally such AWP's are destined for the food and drinks sector, including: pubs, kiosks and restaurants.

### CROWN TECHNOLOGIES – THE CASINO EFFECT

Following on from the historical effect Löwen Entertainment made on changing the German AWP market, sister company Crown also warrants a place in the annals of German AWP history. The popularity of slant top cabinets in a state-of-the-art design is the domain of Crown. Crown places much emphasis on how the machine is seen in the market place. It has carved out a position in the high-end, higher-priced section of the market.

The 'casino feeling' is its focus. Ever since 2007 the company has pushed the slant top as the solution for German arcades and has placed over 25,000 in the market place. The Royal Admiral Crown Slant was the highlight. This brand new slant top has two 26ins. integrated monitors (its predecessor, the Admiral Crown Slant has 22ins. monitors). Therefore, when comparing the latest and older slants from Crown, a big difference is noticeable straight away. Crown advertises the Royal Admiral Crown Slant as being the king of the AWP industry. This is followed up by an extremely professional marketing department that consistently places the focus on Crown being the Rolls Royce of the industry. Naturally such an AWP has its price and no doubt Crown is operating in the high margin section of the industry. The popularity of Crown AWP's demonstrate that the market is willing to pay this higher price as the number of Crown AWP's in the market place prove, alongside the higher one-off cost to enter into the lease contract per machine.

Crown also manufactures and sells upright cabinets, the Admiral Crown Lounge being the best known amongst this version. This upright AWP is also positioned in the top section of the market so as not to be seen as a direct competitor to Löwen Entertainment. This is a very clever strategy that we know works in Germany – one only needs to look at the German automobile industry to find a good comparison.

IMPERA – AVAILABLE VIA CROWN TECHNOLOGIES  
More major news at the IMA concerned



(Top) Amatic Industries - Reinhold and Tatjana Bauer. (Middle) Heino Schlichting from Money Controls clearly enjoying his last IMA. (Above) Löwen Entertainment with back-lit panels to spice up arcades.

# Analysis

## GERMAN STREET GAMING

the Austrian AWP manufacturer Impera, which has come to an agreement with Crown that their AWP's will be 100 per cent marketed and distributed via Crown. No statement was given on any potential ownership details. This can be seen as a big boost to Impera and fits in well with the Crown product range. The single-screen 32ins. monitors of the iSlot and Imperator are a welcome change to the standard dual-screen solutions and surely have their following. This individualistic cabinet combined with the strong games from Novomatic should see the popularity of Impera in Germany grow. Impera has been active in the German market for several years and was one of the first non-German companies to receive a gaming licence from the PTB. Therefore, the brand is well known amongst the operators and with the Novomatic games and Crown service bases – things can only get better for Impera.

### GAUSELMANN – DOMINATED HALL 8B

The Gauselmann Group of Companies dominated the Hall 8b with a massive stand and naturally several stands of further companies that belong to the group.

### MEGA SPIELGERÄTE – THE JACKPOT SPECIALISTS

Mega Spielgeräte of the Gauselmann Group is the specialist for jackpots for the German AWP market. This is no traditional jackpot system as such systems are forbidden in this market. The jackpot system can be seen as an extended arm of the game play. Players decide deliberately whether to take part in the jackpot system or not and set aside an extra stake. Only the jackpot stakes can be paid back to the players. This complicated mathematical process means that only Mega Spielgeräte at present offers such a system in the German AWP market. This classic unique selling proposition has gained momentum in the market. Naturally this jackpot can only be linked to Gauselmann AWP's.

Last year's IMA saw the sensational premiere of the Monopoly jackpot that captured many an operator's imagination. This jackpot system is well liked amongst players, so there were many operators very much looking forward to seeing the new jackpot solution from Mega Spielgeräte – namely the Golden Nugget. These jackpot systems give the Gauselmann Group a clear competitive advantage in the market. Golden Nugget shows symbols either bronze, silver and gold and the size of the potential wins depend of the colour won.

### ADP GAUSELMANN

The major manufacturer of AWP's for the German market – adp Gauselmann – had a whole series of AWP's on display. The Vision Slant Top with the 26ins. upper



monitor and 22ins. lower monitor was the proud innovation last year. This year a brand new concept was introduced to the market – the Himmelsstürmer. This can be translated as 'high flyer' or 'racing to the sky'. One look at this AWP and it's clear why this name was chosen. The upper 26ins. screen is placed much higher up, completely separate from the main cabinet which holds a 22ins. monitor. The idea for the Himmelsstürmer came from

(Top) Jeroen van Brunschot from JVH with Thomas Steiner from NRI - showing the CashCode banknote recycler B2B 60.  
(Above) Valentina Santarelli and Lorenzo Verona of VNE (Italy) at IMA.

Paul Gauselmann himself. The trademark of this cabinet is thus the 'floating' upper monitor. Players have a free view to the front and can see their complete surroundings, in particular when the machines are placed so that the players sit with their back to the wall. The corresponding reclining chair aids comfort and allows players to play either sitting or virtually lying down (just imagine first class long-haul flights). An integrated



V.N.E. srl Via Biagioni, 371 66047 Querceta, Lucca, Italia  
Tel. 0684 742590 / 0684 789885 / 0684 789871 / 0684 789882  
Fax 0684 789888  
Ufficio Commerciale: commerciale@vne.it  
Ufficio Tecnico: intotech@vne.it  
web site: www.vne.it



Super Change VLT is a new generation coin/banknote change machine able to handle both currency and the electronic money.

### Super Change VLT can:

- accept and dispense coins and banknotes
- accept and print bar code tickets to handle VLT
- load and unload the credit from prepaid cards
- handle money transactions by a bancomat circuit

Super Change VLT has an industrial pc handling a 10" touch screen monitor to simplify all the change opportunities.

Moreover, it has a data access system and the opportunity to be programmed to different levels thanks to the operator identification. Armoured cabinet with 11mer opening, operator identification and operating procedure memorization. Online connection to handle the device from remote connection or transmission of data reception from and to the server.

The Super Change VLT machine is particularly suitable for Mini Casino or game rooms with VLT and AWP

# Take the fast track

Proven bill recycler with FastTrack™ technology



Incoming bills can be stored in the recycling module and reissued as change to the next customer

Improves coin inventory by 50% through reducing coins in the hopper

Ensures highest machine uptimes through FastTrack™ architecture and 60 bill recycling cassette

FastTrack™ recycling technology provides high payout speeds and easy maintenance



**Bill to Bill™ 60**  
currency management system

**CashCode**  
A brand of Crane Payment Solutions

**Bill to Bill™ 300**

Benefit from CashCode's leading bill recycling technology



cash recycling



start button at the side of the chair means that the player can activate the games without leaning forward and touching the screen. The ideal family of AWP cabinets has now grown to seven distinct types.

Gauselmann brought a whole array of games packages to the IMA, such as Magie 2011/I, Magie 2011/Elite I and Magie 2011/Deluxe I. Magie 2011/Deluxe I - stands for premium multi-gaming. Sixty games of the Magie 2011/Deluxe I offer players something for everyone, Magie 2011/Deluxe I has exclusive new games such as 'Eagle Peaks' and 'Pimp it Up' that are presently only available in this package. Only the 30 games quoted as being the best have made it in the brand new premium package Magie 2011/I. 23 of the best established games and seven new games are in this games package.

The games package Magie 2011/Elite I is also equipped with these 30 distinctive games and additionally 30 further classics to offer a total of 60 games. Furthermore, the company introduced the Multi Super Multi III games package for the foods and drinks sector that has 10 games automatically enabled and another 10 in reserve (that can be swapped with the initially active games).

The Merkur Roulette Spirit was introduced to the market at the last IMA. The roulette wheel is displayed on a video screen (as the PTB forbids the traditional electronic roulette wheel). This is offered in a two or four seat version. The issue has been that such a roulette machine takes up either two or four positions of a 12 concession hall. This has probably prevented successful penetration in the market.

The Gauselmann answer at the IMA was to introduce the Grand Casino Merkur Roulette & Merkur Magie. The major difference to its predecessor is that the multi games are now integrated into the terminals. Therefore, the roulette terminals can be used for multi games as well so that players can swap between roulette and slot games. This will surely make the Gauselmann roulette more attractive to operators as they know that players can choose between the two. The challenge will be to make it clear to players that they can play slot games as well, and whether they will feel at ease playing slot games with a large roulette screen in front of them.

**WEBAK**  
Webak is another Austrian AWP manufacturer that was quick to enter the



(Above Left) Lou Rudolph (right) of JCM is rightly proud that APEX gaming has already integrated their new UBA RC banknote recycler for the German AWP market.

(Top) Neox's Ole Rom pictured with the JVH AWP.

(Above) Suzo Happ's Erik Wijma and Eric La Franca showing touch screen solutions at the IMA show in Germany.

German market and is well known amongst German operators. The focus of Webak is on the food and drinks sector. This important sector is supported by several cabinet options, the Chrome Line, Dual Line and Future Line. The owners Eveline and Kurt Kreiner reported on a very positive exhibition for the company.

The experience in the food and drinks sector with Webak is clear. A clever concept has been to integrate a separate entry to the banknote stacker - so that it can be accessed without having to open the entire door. The stacker can even be exchanged during game play - meaning no down-time when the stacker is full.

JVH - NEOX  
It is notoriously difficult to enter the German AWP market. JVH, however, has overcome this hurdle and enjoyed a very busy IMA. JVH is represented in Germany by Neox. The wall-mounted Super Magic One wall-mounted AWP is targeted to the food and drinks sector. This AWP is actually manufactured by the German company Mech-tron who then send the cabinet to JVH to install the games. So it is a good mix of German engineering and Dutch creativity. This AWP includes 15 games and customers can choose between a banknote reader (NV9 from

**CRANE** PAYMENT SOLUTIONS

Crane Payment Solutions • CashCode • HQ office  
Zum Fruchthof 8 • 23814 Buxtehude • Germany  
Phone: +49 (4301) 729-112 • Fax: +49 (4301) 729-115  
Web: b2b@cashcode.com • www.cashcode.com



Innovative Technology) or banknote recycler (B2B60 from CashCode - Crane Payment Solutions).

The design of this wall-mounted AWP is impressive in the way the banknote recycler has been built into such a small space. Simple access to service this product has also been taken into account with the design that allows the recycler to be tipped backwards for accessibility.

**APEX GAMING**

The new kid on the block is APEX gaming. The new Pinnacle cabinets attracted many operators to the APEX gaming stand. In particular the slant top cabinet Pinnacle SL was the talk of many a visitor. Furthermore, the marketing policy was greeted with much pleasure as APEX gaming intends to not only lease their AWP's, but to offer them for sale as well. This means that the complete AWP - both hardware and games belong to the sales policy. This could then break the mold for the main arcade market.

APEX gaming is well known for its casino-style quality and games library. With this sales strategy this new entrant looks set to become an important player in the German AWP market place, in particular for the arcade market. In a short period of time the certifications from the PTB look set to be complete for APEX gaming then to formally enter the market place.

APEX gaming presented four separate cabinets in total - the upright Pinnacle



(Top) CMI pictured at IMA 2011. (Middle) The Innovative Technologies- Automated Transactions - Team at the IMA. (Above) Impera's Andreas Lochner pictured at the IMA exhibition.

with two 22ins. monitors, the Pinnacle SL slant top with two 26ins. monitors, the Pinnacle WM wall-mounted AWP with two 19ins. monitors and the space-saving Dual Slim Line with two 19ins. monitors. Customers can choose to operate the Magic Classic games package of 20 games in any of the four cabinets.

APEX gaming surprised fellow AWP manufacturers by already having integrated the new JCM banknote recycler called the UBA RC. The UBA RC has two compartments within its mechanism to pay/store one hundred notes each for recycling. Furthermore, the way it has been designed is very user friendly as each compartment can be simply refilled by hand. The time it takes to refill a banknote recycler plays a significant role and this will be seen as an important sales factor.

**MONEY HANDLING - A MAJOR SUBJECT**

Examining the JCM recycler leads logically onto the subject of money handling in general. This industry segment was well represented at the IMA. The increase in operator turnover from 3.225 billion euros in 2007 to 4.050 billion euros in 2010, coupled with the fact that AWP's in Germany can pay out much higher wins than in the past, means that the subject of money handling is of utmost importance. Furthermore, as many AWP's enjoy the same quality as casino slots, the requirement and desire to fit the best money handling products in the market place. For example, Crown Technologies fits only the MEI CASHFLOW SC83 in their AWP's. Löwen Entertainment fit either the MEI CASHFLOW SC83 or JCM UBA10.

MEI exhibited the one millionth CASHFLOW SC on their stand. Such is the popularity and success of this product that over one million have been sold worldwide in the space of a few short years. MEI introduced two important innovations to the German market at the IMA. The new Vault cashbox gives the cashbox additional mechanical security against stringing.

Secondly, the CASHFLOW SC Advance was presented to the German market. This is the next generation CASHFLOW SC that includes an improved recognition system, faster bill-to-bill speed and an expanded memory. The really intelligent feature is that all the innovations are in the acceptor head so that this product is backwardly compatible to the CASHFLOW SC in the market. Manufacturers do not need to redesign their machine or stock a completely new banknote reader and operators just need to exchange the acceptor head to upgrade the product. Furthermore, the MEI BNR

**TOP 20 APEX Spiele**  
im Pinnacle und Pinnacle SL Gehäuse





## Merkur Dispenser 100 – your solution for more efficiency!

Invest in the future and use this technical masterpiece for your modern cash management. The "Merkur Dispenser 100" provides utmost convenience, precision and security.

Alongside the Euro, all further European currencies are accepted as well as paid out. A maximum of 102 bank notes can be safely stored.

Increase your customer satisfaction and profit from the greatly reduced amounts of service call-outs thanks to the "Merkur Dispenser 100".



**MERKUR**  
GAMING, GERMANY



was on display. This banknote recycler can change four denominations and has the unique loader feature – feeding up to 250 notes of the most popular note back into the recycler - thus preventing note starvation – a major issue in this market. GeWeTe offers the BNR in several change machines and is very pleased with this product.

JCM was showcasing its new iVizion banknote reader, the successor to the popular UBA. The new Contact Image

Sensor (CIS) offers very powerful note scanning technology, enabling very high true note accept rates and very quick accept rates. The electronic and mechanical anti-strimming features ensure an excellent defence against unwanted visitors. The banknote recycler UBA RC created much interest at the IMA. It has two compartments for note recycling – each offering a 100 note capacity. The simple refilling feature came over very well. The UBA RC adds to the Vega from JCM – a 30 note banknote

(Top) Johannes Weisengruber and Christian Weisengruber of APEX gaming - The Pinnacle WM has been specifically developed for the German market.

(Above) The MEI team at the IMA

recycler whose dimensions allow it to be placed in the smallest of AWP's.

The JCM EBA 34 acceptor plays an integral part in the Merkur Dispenser 100 from Gauselmann's Merkur Gaming. The quoted number of this product in the market place is over 45,000. Merkur Gaming stated excellent feedback from the market. The fact that four different denominations of notes totaling up to 102 in number can be paid back make this an ideal product for the German AWP market. Fitting a banknote recycler reduces coin starvation and so saves operators time and money. This is particularly the case in the food and drinks sector as operators are rarely on site and usually cover a wide geographical region. Thus, visiting an AWP to refill it costs time and money and by the time the AWP is refilled, the player is most probably long gone. Many operators in the food and drinks sector desire to have their machine park fitted 100 per cent with a banknote recycler.

The greatly increased coin capacity of German AWP's saw the requirement of storing a large amount of coins. This saw the birth of the hopper market for German AWP's. Money Controls was exhibiting at the IMA with a wide product range. Their Universal Hopper is the standard coin payout hopper for AWP's manufactured by Löwen Entertainment and Crown Technologies. The General Manager of Money Controls Germany, Heino Schlichting, was present for the last time at the IMA, as he will be entering retirement in the summer after over 20 years at Money Controls.

The news at the Money Controls stand was the acquisition of Money Controls by Crane. Money Controls now belongs to the Crane Payment Solutions division. Therefore, Money Controls is now a sister company of NRI and CashCode. CashCode was represented on the NRI stand. Management of both Money Controls and NRI confirmed that next IMA the Crane Payment Solutions division will be exhibiting from only one stand, united together. NRI continues to play a dominant role in coin handling. Their electronic coin validator G40 / v<sup>2</sup> Eagle is the standard choice with Löwen Entertainment and Crown Technologies and one of the two choices of coin validator for the Gauselmann Group. The service tool Henri+ allows operators to simply download information into the whole range of NRI and CashCode products. The new v<sup>2</sup> pelicano is a very clever product as it provides a brand new solution to machine manufacturers, whereby bulk coin input is a requirement – e.g. for change machine manufacturers. The present solution to-date is to have a

# Money change systems for the highest standards

Innovation by...

**GeWeTe**  
cash handling technology



Maxi-Cash-Recycler



Mega-Cash-Recycler



Mini-Coin-Recycler

Compact solution  
with maxi power

The most  
competitive  
recycling system

Perfect solutions  
from the German  
market leader

Innovative. Modular.  
Secure.





bulk coin feeder that feeds the coins individually into a coin validator. The v<sup>2</sup> pelicano does both tasks in one product – saving space and cost for manufacturers by merging two systems into one. The banknote reader and recycling solutions from CashCode were on display on the NRI stand. Particular focus was placed on the B2B 60 banknote recycler that can recycle up to 60 notes. The reference customer for the German AWP market right now is JVH.

The second major supplier of coin validators to the Gauselmann Group is wh Münzprüfer who displayed the latest version of their coin mech, the EMP 900 v7, which has new sensing technology for much better coin rim detection and allows an even faster coin acceptance rate. The partnership with Italy's Paytec has paid particular dividends with the successful implementation of the Paytec Mini Hopper with the wh Münzprüfer hopper scale HZW 100. This solution is favoured by Gauselmann as it offers the distinct advantage that operators can see exactly how many coins are in their machines.

Every operator wants to have as many coins in their machines as necessary and not a single coin more – as this capital is needed for other investments. Therefore, the Gauselmann software links up with the Mini Hopper / hopper scale to inform operators in real time of the number of coins in each and every machine. The



new ES005.M from wh Münzprüfer takes the coin insert, anti-pin system a step further as it includes a transponder with RFID technology so that plastic chips can be used in future. This is a popular solution for outdoor ticketing machines – the coin entry remains closed until a coin is placed near it. This hinders wind and rain entering through the coin slot and hampers the vandalism/cheating temptation via the coin validator. The company quoted its latest success with this product – it is being fitted in the ticketing machines in the underground in China.

Innovative Technology (through their subsidiary Automated Transactions (ITL) GmbH in Germany) exhibited their complete cash-handling range at the show. The company goal for 2011 is to offer coin and banknote payout at an

(Above) adp Merkur Service - Marco Bollmeier shows how the banknote recycler Merkur Dispenser 100 has been integrated into their wall-mounted AWP.

affordable price in a compact size. Space is often a premium in gaming machines and so the goal is to offer a complete payout system in a limited space. The SMART Payout has the unique feature that it can pay back 80 mixed denomination notes from one system.

The norm in banknote recycling is to have a set of rolls to stack the individual banknotes – so the number of denominations that can be recycled depends on the number of rolls. This is not the case with the SMART payout – it can payout any of the notes that have been stored / paid into it. In a similar vein, the SMART Hopper can payout any coin that is in it. With a capacity of 1,500 coins, manufacturers will be asking themselves if there is still a need to use several hoppers (as has been common place) to pay out coins of different denominations. The NV11 with its 30 note payout feature is another recycling product. Innovative Technology has played a defining role in the low-cost money-handling market and the success of the company is clear to see in many, many countries. The philosophy of creating new products born of real market requirements or potential future benefits, never stopped the company from going different ways in size or function. This company is indeed true to its name.

Further exhibitors for money handling included Comestero and Phoenix Mecano. A noticeable absentee was Azkoyen.



SERVICE, SERVICE, SERVICE

Germany is not really known as being a service-friendly country. Those who believe that should look at the German AWP market. The focus on service is incredible. The employees of many a Bauhaus (DIY store) should take notice of what service really is by walking into an arcade. Visitors are greeted in a friendly fashion and are offered free drinks and snacks. Gauselmann has further updated their Infotainment feature whereby placing a touch screen between/next to the dual set-up of AWP's that have specific service software. Here the player can order directly something to eat and drink without having to wait for the staff member to pass by. Indeed, the focus on service by the Gauselmann Group was impressive. Operators can receive information either via a dedicated website or via the intranet if they are networked

in this fashion. Gone are the days when operators had to search for information. The lay-out makes information simple to find amongst the masses of detail. Any urgent information is sent via text message to operators so they are informed immediately about any delicate, urgent matter. The Gauselmann AWP's are set up so that they can provide real time information on the coin-in and pay-out values as well as the information of how much money is within each AWP (see wh Münzprüfer).

The accessories for arcades are indeed extensive. Gauselmann has its own spare parts catalogue that is almost 400 pages long. Löwen Entertainment also offers a wide variety of accessories. The ceiling plates on offer from both companies can make arcades look very exclusive. Arcade seating is becoming more important and



(Above) The Patir team had a stand in each hall at the IMA.

(Top left) MEGA (Gauselmann Group) - Katrin Mühlbach proudly shows the new Jackpot System.

(Above left) Kurt and Eveline Kreiner from Webak.

along with exclusive, top of the range AWP's come great, relaxing seats. The German company Patir showed how strong it is in the German market by having a stand in each of the two halls. Patir exhibited a wide range of arcade seats that were also seen on several other stands. One of these was Suzo Happ who distributes for Patir in Germany. Indeed, the sheer volume of component solutions offered by Suzo Happ provides for practically any and every eventually required in gaming. The coin and note counters / sorters for Talaris are becoming increasingly popular in the German market. Furthermore, Suzo Happ offers a wide range of solutions to upgrade machines. A general problem is with touch screens being broken / vandalised. Suzo Happ offers a wide range of touch screen solutions at a very affordable price.



The market for spare parts is vibrant in Germany. The market leader – Kieseewetter – again had a large stand at IMA and Geiger, too, exhibited its many spare parts solutions.

### CHANGE MACHINES

The market for change machines has grown alongside the AWP market in general. The sheer product range on display demonstrates that there is much more than just changing money in this sector. Suzo Happ has a wide range of changer solutions. As they incorporate their own hoppers, customers profit from the engineering experience that has flowed into these changers.

Comestero Germany has a wide range of change machines, including the Dual Coin Pro, Easy Pro, Jolly Pro and Twin Jolly Pro. The Nexus Pro was on proud display on their stand that includes the latest recycling SMART products from Innovative Technology and naturally the RM5 HD coin validator, made by Comestero.

VNE – the Italian specialist change machine manufacturer – was exhibiting at the IMA for the second time. Based on its success in the home market, VNE management is now looking abroad for further growth. The German arcade market is a large potential market for VNE. The focus on quality is apparent when looking inside the machines – top quality components are fitted, such as coin validators from NRI or the banknote recycler, Merkur Dispenser 100 from Merkur Gaming, the Bill-to-Bill from CashCode or the Fujitsu 1500 note dispenser. Talk was of VNE agreeing a service contract with a company based in Germany for local support. The Super Change, Mega Change and Hyper Change were on proud display.

There is a strong number of local change machine manufacturers, namely CMI, Crown Technologies, Hirscher and GeWeTe.

CMI (Cash Management Innovation) is well known in both the German and international markets. Not only does CMI provide change machines that can handle large amounts of cash, the fact that they can network their change machines makes the VLT markets around the world the perfect focus. CMI has partnered with Bally Wulff in Germany with its strong



subsidiary network throughout Germany. CMI works very closely with operators to provide solutions that are tailor made for the industry. The product range is growing that consists of at present the MCT 700, MCT 700 Professional, MCT 2000, MCT 4000, MCT 4000 Professional, MCT 7000 and MCT 7000 Professional. CMI was originally founded to provide network solutions for the Fun Games. Therefore, it goes without saying that the CMI network system offers a host of advantages and lends itself as an ideal solution for international markets, especially when the change machines are linked online, such as the VLT market.

Crown Technologies specialise in providing change machine solutions for arcades, which handle larger amounts of cash. For example, the Maxichange Plus offers banknote recycling (Bill-to-Bill from CashCode), up to nine payout hoppers

(Top) GeWeTe's Aristidis Tsikouras next to the BNR from MEI. (Left) GeWeTe - Mega Cash Recycler. (Above) GeWeTe - Mini Coin Recycler. (Below) GeWeTe - Maxi Cash Recycler.



(Universal Hoppers from Money Controls – including the unique 'chain saw hopper'), a 1,000 note capacity (including three recycling cassettes) and a coin capacity of up to EUR 38,000. Each of the three 'chain saw hoppers' has a 7,000 coin capacity. The Linux-based PC system means that it needs no cooling ventilator inside the changer.

Hirscher (alongside Crown Technologies) belongs to Novomatic, but fits in under the Löwen Entertainment umbrella. The Hirscher portfolio is wide, starting with the SC1 Mini right up to the SC7 Pro, which is stated as being multi-talented. Hirscher has many years of experience in the German AWP market.

GeWeTe is undoubtedly the market leader for change machines in German arcades. The product range has grown to become extremely wide and flexible with over 20 different change machine cabinet sizes. For each type of change requirement, GeWeTe offers a solution. The larger machines such as the Maxi Cash Recycler, Maxi-Cash-Center and Mega Cash Recycler can be fitted with the MEI BNR banknote recycler that has the unique loader function or the Merkur Dispenser 100 from Merkur Gaming.

The company philosophy focuses on four major factors – highest security, minimising the amount of idle capital, simple handling and optimizing the accounting for the operator. The successful implementation of these four factors has made GeWeTe the firm favourite within the German arcade market. The sheer amount of change available in the top GeWeTe models, for example, the Mega Cash Recycler holds up to 50,000 euros in coins for recycling and up to 6,000 banknotes, means that security has to be key. The fact that the display on the Maxi Cash Recycler and Mega Cash Recycler is protected by bulletproof glass underlines this. GeWeTe itself specifies the security levels of their change machines, the highest level being C PLUS for the top of the range change machines.

The new Mini Coin Recycler further adds to the expert product range. Although smaller in size, GeWeTe has succeeded in integrating major money changing elements into this product. Like its bigger brothers, many coins (up to 200 at one go) can be entered into the coin bulk

feeder. The capacity of the coin bulk feeder amounts to 1,000 coins and two separate coin denominations can be sorted and recycled. Two integrated hoppers allow a maximum coin recycling capacity of 14,000 coins. Simple refilling is guaranteed through a separate draw within the machine, allowing personnel to refill the hoppers without having to open the entire machine. Banknote recycling is provided by the Merkur Dispenser 100.

The company slogan of 'the right solution for every need' is highlighted by the sheer number of different change machines available. Beginning with the smallest changer solution, the WGS 102, there are several mid-range solutions, such as the WGS 150, WGS 200 and WGS 300 that mainly change banknotes into coins. The top of the range solutions are linked to a computer network via software specially developed by GeWeTe. Thus, operators can have an instant overview of the amount of coins, notes, total cash, etc., within the change machines. As change machines continue to play an ever increasing role in arcades, it is essential that operators understand how well used they are by the players and adjust the capital inside to best suit player needs and reduce the idle capital, i.e. capital not used within the machine that could be used for other investments. A high-speed Internet link allows the operator to monitor all transactions in real time. Furthermore, the staff card system is very intelligent. Operators can decide on a daily basis how much each member of staff may withdraw from the changer to provide change for the players and enough change in the AWP's. This flexibility is essential in the AWP market.

### AMUSEMENT MACHINES – STILL HERE

The IMA without a doubt represents the German gaming market. The amount of hall space reserved for amusement machines seems to be falling year-on-year. The figures reflect that – the number of amusement machines (with no payout) has fallen from 49,700 in 2007 to 38,200 in 2010 (source: ifo Institut). Nevertheless, there were several new innovations on show. The Fun4Four from TAB-Austria is a success story and is exclusively distributed by the Gauselmann Group in Germany. The new game Monopoly was a real highlight as six players can play on this gaming table – in essence making Fun4Four then Fun4Six. New pinballs were on display, for example the new Rolling Stones from Stern on the Gauselmann stand. The pinball market is static in Germany with the stated number of pinball machines in operation having dropped from 2,400 in 2007 to 2,250 in 2010. These low figures predict the future fate of pinball in Germany.



(Top) Rosi Meert shows that Löwen Entertainment still offers the traditional German AWP. (Middle top) Merkur Infotainment - now a cup of coffee and a sandwich can be ordered directly by the AWP. Pictured here are Bujar Feta and Herr Tralls. (Middle bottom) Anita Rio Antes and Regina Freese from Crown Technologies. (Above) Jenny Eichhorn of Big Cash.

### FINANCIAL SERVICES

The financial services section of the market was well represented with a number of leasing companies exhibiting. The new extended guarantee from Unger Consulting offers operators further peace of mind. Not all AWP components have the same guarantee cover. For a monthly fee, operators can extend the guarantee for these components and also have cover for the complete machine once the manufacturer's guarantee expires. This model is now available for the German and Austrian markets and Unger Consulting is looking to expand further into the EU with this financial product.

### BIG CASH – BIG IDEA

Big Cash was once again exhibiting at the IMA. A huge banner announced their presence with underneath. For the formal culture in Germany, this concept breaks the mold. However, the approach fits into their strategy – to be the helping hand, the friend of smaller operators. The larger operators have the capital and know-how to market themselves professionally. In a market still dominated by small, family-owned operators, the challenge is how to keep up with the large competitors on a major marketing scale. This is where Big Cash comes into play. They offer operators advice on many marketing issues. Most operators then choose to call themselves 'Big Cash' as they then have a brand name to go by. This includes human resource programmes, such as finding and training adequate employees.

The arcade optimising concepts focus on finding the best locations and include advertising campaigns and special conditions and reduced prices as the company works together with over 60 companies to offer their customers a range of goods (e.g. spare parts, insurance policies) at discounted prices. Furthermore, the text messaging feature is very popular amongst operators. Here players can register and receive information on promotions, which helps to draw in more female players or bring in more players during the afternoons.

### A REWARDING EXHIBITION

The 30th IMA can look back on four successful days with the stated number of visitors at 8,982 (a slight increase on the previous year which, was at 8,838). 2011 will be a challenging year for the market given the political situation. Nevertheless, AWP gaming has changed in a very positive way with the number of world-class arcades continuing to grow alongside increasing numbers of female players, showing that the market is reaching out to all facets of the adult population. The focus on service is excellent and operators really do focus on customers.





Dispenser 100. That shows how well known and respected this product is. If my customers ask for the Merkur Dispenser 100, then I fit it!"

SO.GE.M.A. is a very well known and respected manufacturer and operator in the Italian market. They were exhibiting their new range of change machines 'PUNTO CHANGE' and 'MINI SELF CHANGE' with the Merkur Dispenser 100 fitted inside. André Wessling, MD of SO.GE.M.A. explained his choice of banknote recycler. "The Merkur Dispenser 100 functions very well. It is unique in its category of providing us with extra capacity thanks to being able to recycle over 100 notes in three different denominations."

The Merkur Dispenser 100 has a patented three-drum banknote recycling system, allowing it to recycle up to 102 notes and pay these back in up to three different denominations. Even though the Italian market is being presented with more banknote recycling choices, the vote remains with the Merkur Dispenser 100. Mara Lunghi succinctly sums this up, "The Merkur Dispenser 100 does what it needs to do - recycle notes. It is an extremely reliable product - it just works so well." Roberto Zappa, General Manager of Win-Tek s.r.l., adds to this, "The Merkur Dispenser 100 is so reliable. It is a very important product for us."

The flourishing distribution partnership with Eurocoin in Italy ensures that the Italian market has a local contact to source the Merkur Dispenser 100. Ms. Maria Rosaria Parisi is very pleased to offer the Merkur Dispenser 100 to the Italian gaming market, commenting, "The Merkur Dispenser 100 is an important product in the Italian market. It is being demanded by the market place and it's fair to say that everyone in the market knows about it."

Kai Büniger, International Sales Manager at Merkur Gaming, is the first contact for international customers of the Merkur Dispenser 100. Mr. Büniger exudes: "The Merkur Dispenser 100 is an extremely secure and reliable banknote recycler that is made in Germany. It has been tried and tested by many companies in Italy over a long duration and its reputation for great reliability is plain to see by the sheer number of companies that were exhibiting their change machines with the Merkur Dispenser 100 fitted inside. The reason why the market prefers the Merkur Dispenser 100 is because of its flexibility, security, capacity and reliability - operators require their change machines to work 24/7 and the reliability of the Merkur Dispenser 100 has been proven time and time again".

## Parliamo Merkur

The Merkur Dispenser 100 is the clear banknote recycling leader in Italy

The ENADA Rimini exhibition was once again an extremely professional and large exhibition that documented the sheer size and importance of the Italian gaming market. The growing presence of the VLT's (Comma 6b) and the continued popularity of the AWP's (Comma 6a) mean that the demand for change machines is very strong. One thing that change machines have common is their requirement for banknote recycling and their common demand for the Merkur Dispenser 100 from Germany's Merkur Gaming.

The feedback on the Merkur Dispenser 100 in Italy is excellent. It has become the preferred banknote recycler in Italy. Reference companies that had change machines fitted with the Merkur Dispenser 100 on their stands are VNE,

SO.GE.M.A., Baldazzi Style Art, Gta, L.B.N. Electronic Games, Punto Gioco, Lunghi, Win-Tek and X-Tek.

The reason for the success of the Merkur Dispenser 100 in Italy comes clear from the feedback from the change machine manufacturers. The Merkur Dispenser 100 is a fundamental component within the change machines. Mr. Lorenzo Verona, Managing Director of VNE explains, "The Merkur Dispenser 100 is a fantastic product. Typical of German engineering, it works excellently. This is an essential product for us as it can recycle three different banknotes and with a capacity of 102 notes, this is a great solution". The Merkur Dispenser 100 was on proud display within a whole host of the very-busy VNE stand, naturally including the brand new 'Fifty Four' change machine.

The quality and security was echoed by all the manufacturers that fit the Merkur Dispenser 100. The Merkur Dispenser 100 is clearly being demanded by operators who know and trust this product. Marco Baldazzi of Baldazzi Style Art s.r.l. stated: "My customers are asking for the Merkur



Merkur Dispenser 100

(Clockwise from top left) Lorenzo Verona and Valentina Santarelli of VNE, André Wessling of So.Ge.Ma, Mara Lunghi of Lunghi, Marco Baldazzi of Baldazzi Style Art s.r.l. and Roberto Zappa of Win-Tek s.r.l.