

WITHOUT LIVE SPORTS, INSPIRED ENTERTAINMENT FILLS THE GAP

INSPIRED

Virtual Kentucky Derby Attracts Millions of Viewers, Worldwide Attention

By Jim Acton
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In the baseball fantasy movie *Field of Dreams*, one of the characters surveys the baseball field built in an Iowa corn field and points out the legendary players warming up:

“Hey, that’s Smoky Joe Wood. And Mel Ott. And Gil Hodges.”

All super stars, long since passed.

A horse race version of *Field of Dreams* took place in May, with track fans certainly exclaiming: “Hey, it’s Seattle Slew. And there’s War Admiral. And Secretariat!”

If only for a day (the first Saturday of May,

as usual for the Derby) and in highly-stylized animated form, Inspired Entertainment was able to provide sports fans with something they had been missing since early March – competition they could cheer for.

“This was a great event for everyone involved – Churchill Downs got to celebrate on their traditional Derby Day, racing fans got to see the greatest-of-all-time faceoff, we had the opportunity to showcase the realism of our Virtual Horse Racing prod-

uct, and it was all for a good cause,” said Brooks Pierce, President and COO of Inspired. “Virtual Sports have been popular in Europe for years, but putting together the Kentucky Derby: Triple Crown Showdown for a national television broadcast was a great marketing opportunity for our Virtual Sports in the U.S.”

And they are catching on quickly in the U.S. Just within the last few weeks, the company announced the addition of DraftKings, FanDuel, Borgata and the Oregon Lottery to its customer base, as well as distribution deals with several RGS aggregators, including Playtech, Scientific

Inspired Entertainment's Virtual Kentucky Derby was featured on NBC Sports



Games, Microgaming, Relax Gaming, iForum, Pariplay, SBTech and GAN.

Lottery players in Pennsylvania have seen non-Derby versions of the Inspired horse race game for a few months. “Derby Cash Horse Racing” was available in bars and taverns until the state was placed under a stay-at-home order and will be available again once these locations are operating. But the early results were promising.

“We provided virtual car racing and football for the Pennsylvania Lottery for a few months but when we switched to horse racing, their sales went up dramatically,” Pierce said. “Betting on horses is something that resonates with a broad cross section of lottery players. They understand it and it is a natural sport on which to place a bet. And Pennsylvania now has six horse tracks so most Pennsylvanians have been exposed to the sport to some level for the past few years.”

With the ongoing discussions about sports betting in many jurisdictions, Inspired fills the space between actual live sports betting and lottery games. The company’s Virtual Sports use life-like graphics to mimic the experience of real sports betting. Each event lasts around 90 seconds and games are designed to be easy to play.

Boasting a large array of sports available 24/7, Inspired’s management team is a virtual “who’s who” of lottery industry veterans. Brooks Pierce was with Scientific Games for nearly 20 years. Inspired’s Chairman and CEO Lorne Weil held those same positions at Scientific Games and Autotote for more than two decades and has a long history with the horse race industry. The Group Chief Technology Officer is Steve Beason, a veteran of Sci Games and GTECH, which is now a part of IGT.

To say Inspired Entertainment knows and understands the lottery industry would be quite the understatement.

“We’ve utilized our cumulative knowledge and experience in the industry to put together a compelling package of content for lotteries,” said Weil. “Whether a jurisdiction can offer games of chance, sports betting or both, we have games that work for all levels of players. As was proven in Pennsylvania, given engaging gaming opportunities, players will watch, bet and bet again.”

Stephanie Weyant, Deputy Executive Director of Marketing and Products for the Penn-



Realistic horse race action in a featured attraction of Inspired’s Derby Cash Horse Racing. This image is from the Virtual KY Derby.

sylvania Lottery, said what started as an idea for a new game for their players has grown into a channel that should spur additional revenue for years to come.

“While we have been considering games to complement our Keno products, our expectations were always tempered. But the acceptance of Derby Cash pre-pandemic makes us hopeful that once bars and taverns are again fully open, the game will continue to gain momentum. Players are certainly attracted to its realistic look. Now we want them to continue to bet like it’s a real game as well,” she said.

Pierce said that Inspired believes there are three avenues for lotteries:

1. Use Virtual Sports to get lottery into businesses in which they are not currently operating, such as bars and taverns
2. Increase business among current retailers by attracting sports bettors who might not typically purchase lottery products
3. For lotteries with sports betting, use Virtual Sports to supplement current offerings and offer a version of sports betting when live sports are not taking place

Over the past few years, Inspired has quickly expanded its portfolio of content, technology, hardware and services for regulated gaming, betting, lottery, and leisure

operators across retail and mobile channels around the world. The company operates in approximately 35 jurisdictions worldwide, supplying gaming systems with associated terminals and content for more than 50,000 gaming machines located in betting shops, pubs, gaming halls and other locations. Virtual sports products are available through more than 44,000 retail channels.

“We are excited about the opportunities Inspired’s virtual games can provide to lottery jurisdictions,” Pierce said. “Our games fit well within lottery portfolios and feature payouts that lotteries will find attractive. We know that lotteries will be looked to for additional revenue by states and engaging games by players. Inspired’s Virtual Sports satisfy both needs.

For the record, horse racing legend Secretariat reproduced his legendary Kentucky Derby win in 1972 at Inspired’s virtual Kentucky Derby, as 47 years later he bested Citation, winner of the Derby in 1948. Here is how the horses finished in the virtual Kentucky Derby:

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|---------------------------|-----------------------|
| 1-Secretariat | 8-Justify |
| 2-Citation | 9-Assault |
| 3-Seattle Slew | 10-War Admiral |
| 4-Affirmed | 11-Omaha |
| 5-American Pharoah | 12-Gallant Fox |
| 6-Whirlaway | 13-Sir Barton |
| 7-Count Fleet | |