

Mobile Sportsbook: Monopoly vs Competitive Market Economics

blue = inputs

green = linked to another sheet

Comparative Market Data

	Operating Year 1	Operating Year 2	Operating Year 3	Operating Year 4	Operating Year 5	5 Year Total
NJ Start	8/1/2018	8/1/2019	8/1/2020	8/1/2021	8/1/2022	8/1/2018
NJ End	7/31/2019	7/31/2020	7/31/2021	7/31/2022	7/31/2023	7/31/2023
MI Start	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2021
MI End	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025	12/31/2025
1 NJ Gambling Population (21+)	6,617,975	6,617,975	6,617,975	6,617,975	6,617,975	6,617,975
1 MI Gambling Population (21+)	7,445,770	7,445,770	7,445,770	7,445,770	7,445,770	7,445,770
3 NJ GGR	\$157,389,677	\$268,963,530	\$613,602,401	\$694,151,447	\$763,566,592	\$2,497,673,647
3 MI GGR	\$292,172,413	\$429,361,281	\$708,446,114	\$793,459,648	\$856,936,420	\$3,080,375,876
						CAGR
NJ GGR YoY Growth %		71%	128%	13%	10%	48%
MI GGR YoY Growth %		47%	65%	12%	8%	31%

VT Mobile Sportsbook Tax Revenue Projections

1 VT Gambling Population (18+)			509,412	509,412	509,412	509,412	509,412	509,412
GGR Per Gambling Pop: Market Types								
NJ: Open Competitive Market			\$24	\$41	\$93	\$105	\$115	\$377
MI: Open Competitive Market			\$39	\$58	\$95	\$107	\$115	\$414
VT GGR								
NJ: Open Competitive Market			\$12,114,913	\$20,703,198	\$47,231,431	\$53,431,613	\$58,774,774	\$192,255,928
MI: Open Competitive Market			\$19,989,354	\$29,375,308	\$48,469,259	\$54,285,570	\$58,628,415	\$210,747,906
4 VT Illustrative Tax Revenue								
		Statutory	Effective					
5 RFP		Tax	Tax					
2-3 Operators		21%	18%	\$3,568,100	\$5,243,493	\$8,651,763	\$9,689,974	\$10,465,172
4-5 Operators		16%	14%	\$2,718,552	\$3,995,042	\$6,591,819	\$7,382,837	\$7,973,464
Comparative States								
TN (Open Market)		20.00%	20.00%	\$3,997,871	\$5,875,062	\$9,693,852	\$10,857,114	\$11,725,683
VA (Open Market)		15.00%	15.00%	\$2,998,403	\$4,406,296	\$7,270,389	\$8,142,835	\$8,794,262
IL (Open Market)		15.00%	14.00%	\$2,798,510	\$4,112,543	\$6,785,696	\$7,599,980	\$8,207,978
AZ (Open Market)		10.00%	10.00%	\$1,998,935	\$2,937,531	\$4,846,926	\$5,428,557	\$5,862,842

Notes:

- 1 From "Annual Estimates of the Resident Population by Single Year of Age and Sex: April 1, 2010 to July 1, 2019". For simplification, no population growth was assumed.
<https://www.census.gov/content/census/en/data/tables/time-series/demo/popest/2010s-state-detail.html>
- 2 RI's first opening year required "in-person" registration at a casino, which depressed Year 1's GGR per capita numbers. This requirement was lifted at the end of the first year on 7/28/20.
- 3 GGR data is a combination of publicly available data compiled by research firm Eiler's & Krejcik Gaming and internal DraftKings projections.
- 4 Effective tax rates are estimated. Effective tax rates will vary over time and vary by state depending on how promotional wagers are handled and how many promotional wagers there are.
- 5 Based on RFP presented from bid process in New Hampshire