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(Spanish National Organization of the Blind)

INTRODUCTION BY PAUL JASON: The ONCE is a unique organization, quite different from any other in the lottery industry. Like almost all government lotteries, its mission includes raising funds to support a very Good Cause. ONCE's beneficiaries are the visually-impaired and other disabled groups in Spain. But in addition to that fundamental mission, ONCE also provides employment to over 20,000 Spaniards with visual impairment and other disabilities who operate kiosks and sell lottery tickets. Employing persons with disabilities is so primary to its mission that in conjunction with its affiliate Spanish organizations, ONCE directly or indirectly employs over 130,000 people, with over 100,000 of those having a disability.

ONCE is the acronym that stands for Organización Nacional de Ciegos Españoles (Spanish National Organization of the Blind). ONCE was founded in 1938 to raise funds to provide services for the blind and people with severe partial sight. Although it is overseen by a board of patrons made up of representatives from various Spanish ministries, ONCE's general council is democratically elected from among its members, and it has some flexibility to manage its operation to deliver the most benefits to its members. The General Directorate is responsible for the day-to-day running of the organization and its social and cultural work. Through its general council, ONCE maintains institutional relations with local, regional and national government bodies, as well as representation on international bodies such as the World Blind Union, European Blind Union and IBSA, the International Blind Sports Federation. Through CERMI, the Spanish umbrella organization for persons with disabilities, ONCE is also present internationally in the European Disability Forum and the International Disability Alliance, among others.

Although ONCE now has several gaming products available, their traditional product and one of

the most visible aspects of ONCE is the lottery ticket known throughout Spain as the Cupón. Sales of this lottery product are the main source of income for ONCE. The draw has different tickets for different days of the week, a special weekend ticket as well as special tickets with higher prizes, usually by season. The basic graphic designs on the Cupón stay the same on each day, but the theme changes to correspond to current events, or cultural references such as national or local monuments, etc. Collecting old issues of the Cupón has thus become a hobby for many Cupón buyers in Spain.

ONCE kiosks are clearly identified by the word "ONCE" and can be found along the streets, at airports, and in shopping malls. These points of sales provide employment to people who are blind or partially-sighted, which is one of the main goals of ONCE, although by agreement with Fundación ONCE, over the last few years some have become available to persons with other disabilities.

Paul Jason, Public Gaming: *It's such an interesting mission to combine the business of raising funds for a Good Cause but also providing employment to a disadvantaged group. It's really doubling the benefits to society.*

Ángel Sánchez Cánovas: It was 72 years ago that our blind people came together with the ambition to use their talents and hard work to support themselves. They did not want to live off of disability and government pensions. They didn't want to be passive members of society living off charity and public support. They wanted to be employed; they wanted to earn a living through their own efforts, through their own work. It's a question of human dignity. They didn't want to be a burden on Spanish society. They wanted to contribute to society and so they were given permission to start selling their lottery, their Cupón. This was in the late 1930's, immediately after the end of the Spanish Civil War.

Selling lottery tickets is both a means for employment for the visually impaired and also a way to create funding to help this disadvantaged group. The funds provide education for young blind and partially sighted people. They also provide rehabilitation services to help improve the condition. The funds also help the elderly who acquire a visual impairment later in life. They help provide guide dogs and assistive devices for blind and partially sighted people. They fund the production of tools to make books available in the form of digital audio-books and Braille.

Spain is also very progressive in its attitude towards sports for the visually impaired, achieving some outstanding results in Paralympic Games, in world championships, and sports for the blind. In short, ONCE provides services to blind and partially sighted people through a personal, tailor-made plan for each individual with a visual impairment. They also provide social service activities to create solidarity with other disadvantaged groups. In 1988 ONCE set up the ONCE Foundation whose mission is to seek employment and support for people with other disabilities.

The vendors of the lottery products are all visually impaired?

Á. Cánovas: We are unique in that respect. We have a sales force of over 20,000 people selling our lottery products. All of them are employees with the full rights and each and every one of them has a disability. 6.5% of our gross income from sales of our lottery product, which represents 55% of the profit margin, goes directly to help people with visual disabilities. 3% of the gross sales goes to the ONCE Foundation, which in turn is an organization that exists to serve people with other disabilities.

Have you recently expanded the distribution with your commercial partner to increase sales?

Á. Cánovas: Our ONCE operations and games are all based on technology from GTECH, the most important company in our industry. We have our sales force, but most everything else comes from GTECH. We have now introduced what we call a complementary or additional physical network to market our products. These are installed in places such as petrol stations, newsstands, and tobacconists, where we are marketing and selling our products. GTECH got together in a temporary joint venture with another company called Logistica to develop everything needed to establish this new network.

GTECH is in charge of technology and marketing, while Logistica is in charge of everything to do with the logistics and distribution of the product. We have right now over 7,000 points of sale. So the partnership now is even greater and deeper. And through this new complementary additional network which we have set up, ONCE products have even greater exposure throughout the Spanish market.

So it complements the distribution system that you have with your sales force of 20,000 + people with disabilities?

Á. Cánovas: That's correct. This creates two complementary networks, supporting two separate channels of distribution, and hopefully giving two separate consumer groups access to our products. Our employees continue to serve the

consumers they have always had access to. This new GTECH / Logistica initiative simply opens up new markets, expanding the market and not competing with our own employees more than necessary. These are intended to be complementary channels with minimal overlap. Protecting the livelihood of our direct employees is of paramount importance. Providing the dignity and sense of purpose to this large number of people is fundamental to ONCE's mission. We started with 7,000 people in 1938 and have grown to over 100,000. This is, I think, the unique aspect to ONCE and our model.

What's next – how can you grow even further and use this model to help even more people?

Á. Cánovas: Looking to the future, our aim is to continue working with GTECH and Logistica and with other partners to try to continue to improve the products and services which we offer to our clients, attempt to generate higher levels of income for the benefit of people with disabilities, and to further enhance their employment opportunities. I think the Spanish consumer is more and more aware that when they go up to one of our sales persons to buy a ticket, that they are buying the hope and dream of winning the lottery. But they also know that as a result of their support and their solidarity with ONCE, someone will be able to study, someone will be able to gain employment. They know that they are helping disadvantaged people who might not otherwise have employment or have access to the services that ONCE provides. We think of the players as a vital part of the overall mission that we call ONCE, and we want them to feel good about the higher purpose that their support enables.

Do you have any projection as to the impact on growth of sales revenues as a result of the GTECH / Logistica initiative?

Á. Cánovas: Our goal is to win back some of the market share which ONCE has lost over the last few years as a result of some very, very strong products which have come out in the Spanish market, and also because of the impact of illegal gaming products in Spain. So our goal is to win back that market share which we have lost. It's a big task, a big challenge, but I am confident that we are on the right track.

Do you agree with or support the draft bill regarding the regulation of internet gaming that the government may soon adopt?

Á. Cánovas: We are currently in the process of reviewing the act. As with most bills, they help some people more than others and we are trying to improve the text, trying to protect the ONCE model in the face of changes in the market and

the likelihood that the rate of change is just going to increase. There is room for improvement in the parts of the bill which affect ONCE. And we have offered our services and support to improve those parts which affect ONCE.

What other significant initiatives do you plan over the next 12 to 18 months? New games, or new initiatives, or new ways to distribute, or new ways to market?

Á. Cánovas: I might emphasize that ONCE is always looking to build on or create new partnerships. We're always keen to develop partnerships we can find with other lottery operators, in Spain and other parts of Europe and even world-wide. We want to improve the possibilities we have to market new and better products. First and foremost, we always want to defend the social aspect of our operations and our activities. But at the same time we respect that each operator has the liberty and freedom to work within their own markets and public policy environments. We do have an outlook towards collaborating and partnering internationally.

We will be enhancing our internet marketing efforts, improving the distribution and the games themselves to take full advantage of the internet. We have been working on this but there is more work to do. There are also some very interesting innovations in our instant gaming products, in our scratch cards.

We have talked about what makes ONCE unique. Is it possible that other organizations in other countries could replicate the ONCE model? Do they talk to you about that as a possibility?

Á. Cánovas: ONCE works with many organizations of blind people all around the world. They are mainly interested in how we set up employment programs. Their interest is not so much in the area of gaming specifically. That is a very difficult model to follow or to transfer to other countries. There are so many social aspects to consider along with public policy agendas and regulations. These all vary greatly from one country to another, making it very complicated. We do work with many organizations, though, to help them identify some niche employment opportunities, assist them with their business development plans and so on, and help other countries give blind people the same opportunities they have here in Spain. We collaborate with other organizations in Europe and especially in Latin America, but not specifically in the gaming sector. It's really mostly about providing the opportunity to work and to contribute and be active. We welcome the opportunity to support and help our colleagues - wherever they may be - to provide services to blind and partially-sighted people and people with other disabilities. ♦