Webmasters slam Net casino By Paul Festa Staff Writer, CNET NEWS.COM July 6, 1998, 2:25 p.m. PT

Thousands of small-time Web site operators hoping to cash in on an online casino's banner advertising scheme have found themselves deprived of payment and accused of cheating.

The casino, Cyberthrill.com, lets Web sites post its advertising banners and pays those sites 20 cents every time a different user clicks on the banner within a 24-hour period.

But attached to the program are stringent rules, which the casino says users are violating in droves.

As a result, Cyberthrill has withheld payments and revoked the right to participate from thousands of users. Those users--who by and large claim to have followed Cyberthrill's rules--have taken to Internet newsgroups and Web sites to complain and vent their accusations that Cyberthrill has taken them for a ride.

Online gambling is expected to take off, according to a report issued last month by analyst firm Datamonitor. Revenues in 1998 are expected to reach \$535 million, rising to \$955 million in 1999 and \$2.3 billion by 2000, the study said.

But Net gambling is not without legal sticking points: A pending bill, the Internet Gambling Prohibition Act, seeks to update the federal Wire Act to outlaw accepting and placing cash bets on the Net, with a few exceptions. Some states, such as Minnesota and Missouri, have filed charges against the owners of online casinos, which do business with residents via the Net.

"It...seems that Cybertrhill is a scam and that they are cheating thousands of people who are promoting Cyberthrill and that they actually are not paying," wrote one participant in the "alt.www.webmaster" newsgroup in a post that is representative of many dozens, if not hundreds. "Without any acceptable described reason [they] have closed my account and are not answering any of my emails asking what is going on."

One Web site lists unsigned testimonials from others who claim to have been swindled by the casino, along with correspondence with casino representatives regarding an account that was frozen repeatedly and never paid out.

Cyberthrill.com is an offshore betting company located in the Bahamas. It is co-owned by unnamed companies and individuals and represented by the Canadian firm Internet Entertainment, which also handles the casino's marketing and banner advertising program.

Internet Entertainment spokesperson Jeff Thomas declined to identify the casino's owners. The domain name is registered with a phone number belonging to a Bahamian law firm that claims no relationship with or knowledge of the gambling business.

Thomas characterized the banner advertising system as a huge success with tens of thousands of participants. But the vast majority of those participants are cheating, he said.

"Seventy-five percent commit some kind of

fraud," Thomas said. "A lot of it we forgive, and send some kind of warning. But about 30 percent are blatant and repetitive abusers." Those users get their accounts canceled and are not paid for the hits they generated, he said.

Under Cyberthrill's rules, cheating consists of altering its standard banners, sending spam or posting unsolicited chat or newsgroup messages with links to the casino, and creating Web pop-up ads with those links.

According to Thomas, one user created a program that randomly generated thousands of phony email addresses and sent them to the casino.

Thomas acknowledged the chorus of complaints sounding on the Internet, but dismissed its importance. He conceded that the unexpected success of the program had caused his company to fall behind by two weeks in processing checks, and said many people would stop complaining once they finally got paid.

"But most of the people who are complaining are people that are blatantly cheating," he said. "Anyone who is honest with us is getting paid."