

Charitable Gaming

THE VIEW



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917 – Charitable Bingo & Gaming Revitalization Initiative

As you will be aware, there is and there continues to be a tremendous amount of work that is being undertaken by the teams at the *OLG, AGCO, OCGA, Municipalities and our Association [CGAO]* in order to bring to the market the Phase One Group of Bingo Centres.

This is, without question, an exciting time for the Industry. After years of managing decline we have *an opportunity* to begin the process of stopping that decline and then slowly re-building Charitable Gaming in this province. But it is going to take a **team effort** by all parties and new thinking by us all. We not only have to re-align our thinking but our attitudes to the market. We need to focus on the positive of what can be done, the benefit to communities that this will bring and the value beyond just the bingo session.

This type of structural change can be difficult. I certainly recognize that and every effort is being made to *support, communicate and educate* all stakeholders to bring the required knowledge on what we are trying to achieve. Everyone needs to accept that the results will not be instant and it will take time to nurture this industry back onto a growth path, which in my view is measured by years rather than months. However, this is certainly a path worth going down and our ability to measure the opportunity over a broader period of time is a very positive step indeed.

We are embarking on '*cultural change*'. We are looking to re-position the business measurements based on '*consumer experience*' rather than who is controlling the business and through this focus we are looking to position the **customer as the main driver** while our Charities remain the main beneficiaries, which is the way it should be.

The majority of communities in the province are littered with initiatives that have been funded by 'Local Non-Profit/Charity Groups' who have raised those funds through Bingo events. We have done a poor job of communicating this *tremendous value* to those communities but it is a fact that it is DIRECT funding. Another additional bonus of that direct

funding to those communities is that those funds can be deployed immediately depending on the initiative or their budgets.

The additional partnership of Government (Crown Agency – OLG) only enhances the opportunities before us. The collaborative approach that has been undertaken is gaining traction and engagement in the industry. We are targeting the first Centre launch in May 2012 and this will no doubt begin a process of continuing rollouts until all those Bingo Centres indicating a willingness to be engaged are completed.

As we [CGAO] have stated from the beginning, this is about *choice*. We must have all stakeholders aligned and signed up. Where Bingo Centres feel there is value remaining with the current model (207:1:b), they will be able to continue in that model and we support that decision if that is right for them.

As this Association has echoed for many months now, this is about incremental & gradual change for the sector to achieve the overall transformation of Charitable Gaming to secure its value to the communities that play host to a Bingo Centre for many years to come.

The CGAO remains an *enthusiastic partner* in this process and looks to ensure that interest and concerns of Commercial Operators are raised at the table for due consideration. We always acknowledge that through a common approach we can achieve our goal and re-position this industry.

918 – Rank Group PLC - Performance

Last week, The Rank Group PLC, gave an interim report on its performance for the first 42 weeks of their trading year.

The Group reported a mixed result with strong growth from Online & Mobile Gaming, while there was weakness from their Spanish Operation due to non-smoking introduction this year, but still believes there is a long-term opportunity in the Spanish market. The Casino channel increased customer visits but on a lower 'win' margin in its London Casinos. Bingo Centres reported like-for-like revenue but in the last 16 weeks was reporting an admission decline of 3%. It also closed a loss making Bingo Centre in Wallsend (Northeast of the UK).

Rank Interactive had grown its revenue 21% in the 16 week period due to continued strong performance of its meccabingo.com site, linked closely with its land-based facilities. The division had achieved particularly strong growth in mobile gaming revenues, nearly trebling compared with the same period in the previous year. Mobile Gaming now accounts for 6% of Rank Interactive revenue.

The company continues with developing its UK brands, especially its G-Casino brand, which is achieving increases in customer visits when measured against a traditional casino. This, combined with multi channel distribution and a clear strategy for sustained long-term growth, is setting Rank apart from its industry competitors.

919 – Bank of Canada – Notes Change

The month of November sees the first wave of new bank notes filtering into the system. They will be the \$C100.00 bill. I enclose for your reference information on this change from the Bank of Canada.

Please ensure that your Staff and Charities are aware of these new notes.

920 – Big Win Bingo Game

This Saturday, 5th November 2012, sees the second last game of the Big Win Bingo Game - \$C100k. This is always a great opportunity to profile your Centres upcoming initiatives with the new/lapsed consumers this Game drives in.

As indicated in the report on last month's performance, it continues to generate industry awareness and delivers local value to the Bingo Centre, both Commercial Operator and Charity Association.

Do remember that December is the final \$C100k game. It may well be worth highlighting this to consumers to drive additional visitors next month. Try to think of a local supporting initiative.

921 – Ontario Bingo Development Fund

The Board of Directors met last week in Mississauga to discuss the next steps for 'The Fund' in 2012 and beyond. In the previous weeks both OCGA & CGAO sought out input from OBDF Members on what they felt was required to further support the Industry going forward.

There have been some interesting suggestions and the Board has commissioned a Sub Group to work through details and provide context for the Board when it next meets on the 17th November 2011. The OBDF Board of Directors will be communicating out to its Members what we, the Board, feel are the best steps forward for 2012 in further developing the industry.

922 – Public Relations Initiative

I wanted to highlight the great work that has been undertaken by Commercial Operators & Charity Associations who have profiled the valuable work in raising funds for their communities and the value of those dollars that they deploy.

We need to think of how we make this a yearly initiative for each Centre as it offers real value and creates greater awareness in the host community. This is a very important ingredient for the future and a role the Charity Association can execute successfully as shown in the recent events in Barrie and Sudbury.

In both cases it generated local TV coverage and newsprint. I would encourage any Bingo Centre who is thinking of undertaking this type of initiative to contact either Barrie or Sudbury to get the details.

923 – November – Special Date

Just a reminder that the 11th November 2011 (11-11-11) is a special day on the calendar where all the numbers align. This will only occur for one more year in this century and it may be worth an in-house promotion around the number 11.

Furthermore, it is Remembrance Day and this is good opportunity to be linking up with the local Canadian Legion Groups and do a joint promotion.

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Information: Resources: Reference

CONTACT DETAILS

OFFICE 416-245-6365
FAX: 416-245-3449
E-MAIL: nesbitt.s@sympatico.ca
WEBSITE: www.cgao.ca

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Canada's new polymer bank notes: A safer bet for business

The Bank of Canada knows that the retail business can be challenging. Good thing the Bank is making it easier for you to avoid getting stuck with a counterfeit bill.

The Bank of Canada recently announced the launch of a whole new series of bills, to be issued on polymer. Polymer bank notes are printed on a continuous piece of smooth, durable film. They feel different from paper notes but are just as easy to handle. Polymer notes are more secure, with leading-edge security features that are easy to check and hard to counterfeit.

"Our design philosophy behind these notes was to create large and bold security features that could be quickly and discreetly verified within the narrow window of time it takes to accept payment," says Ted Garanzotis, lead scientist for research and development at the Bank of Canada.

Indeed, it will be pretty hard to miss the real thing when it comes your way. Each polymer note has a large transparent strip running north to south. Detailed metallic images in this area are repeated in the same colours and details on both sides of the note. There's also a special feature we included for retailers that works by looking at a point light source through another transparent part of the note. It's money like you've never seen.

A new \$100 polymer note will begin circulating this November followed by a \$50 and \$20 note in 2012. The \$10 and \$5 notes will be released by the end of 2013.

Polymer notes are also more durable so they won't tear or grow limp as easily. In fact, we expect them to last at least 2.5 times longer than paper money.

Are you ready?

Polymer notes are a good change for Canada but you've got to prepare for them. There are new security features for you to learn about and you may need to change the way you handle cash.

Come visit our website (www.bankofcanada.ca/banknotes) to watch a video on the new notes and access free training materials like posters, handbooks and leaflets. You will also find refreshers on checking the security features in our current paper bills, which will be around for awhile yet.

Contact the Bank of Canada to inquire about having one of our representatives deliver a free on-site training session for your staff.

So play smart and get your business ready, today.

Did you know?

The Bank of Canada will be working with financial institutions to replace paper notes with the more secure polymer notes over the next few years. You can help this process by keeping polymer and paper bank notes separate in your till and bank deposit.

All paper notes issued by the Bank since 1935 will keep their face value.