

Charitable Gaming  
**THE VIEW**



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#### 1132 – G2E – Las Vegas (USA)

Two weeks ago our Chair & Vice Chair (MEO & CJ) led a *CGAO delegation* to the G2E conference in Las Vegas (USA). The objective of the delegation was to get a broader view of the gaming environment and especially how this is impacting the Charitable (Social) Gaming Sector.

Without question we see the 'plates' or the foundation of gaming shifting. When there is fluidity in the industry, it is a time for *opportunity to re-shape the future* and we, in the Charitable Gaming space, need to be open to those opportunities and then be in a position to leverage them.

Tony Rosa and I took the opportunity to review the Suppliers floor and saw a range of products that are being presented to the Industry at large. Although mainly focused on the Slot/Casino industry, with minor modifications some could be deployed within our sector and we will be bringing them forth to the OLG for consideration.

As with all conferences, the main value is the *networking* that takes place in and around the conference at large and once again this proved most beneficial to the CGAO delegation.

#### 1133 – Joint (CGAO & OCGA) Golf Day

On the 9<sup>th</sup> September 2013, we hosted our annual Joint [CGAO & OCGA] Golf Day at the Carlisle Golf & Country Club. Once again the weather was perfect and there was a very good relaxing atmosphere with all the golfers in attendance.

With a couple of key golfers away due to other commitments the whole tournament was up for grabs. This gave an opportunity for Team Delta, led by Mr. Duncan Cameron, to regain the title that they held for many years.

- 1<sup>st</sup> Place                      - Delta Bingo Group
- 2<sup>nd</sup> Place                      - Community Gaming & Entertainment (Windsor)
- 3<sup>rd</sup> Place                      - Arrow Games & Bazaar Novelty
- 4<sup>th</sup> Place                      - Ontario Lottery & Gaming Corporation (c-Gaming)

I do want to acknowledge all the hard work from the following individuals who made the day so successful - *Ms. Eleanor Hicks, Mr. Richard Schwarz and Ms. Sandi Nesbitt*. Thank you all for your tremendous contribution.

### 1134 – c-Gaming Update

The **Revitalization of Charitable [Bingo] Gaming** continues to move ahead at a rapid pace. In the month of September we saw two conversions and five more are planned prior to the end of 2013. It is of tremendous pride to the CGAO that where a member has committed to a launch date, all of those dates have been met.

As we continue down this conversion path, with all the work, energy and effort that is required from all stakeholders we often lose sight of the core objective which is to *revitalize* the Charitable Gaming Sector in this province. This is not an easy task and will not occur immediately. It will take some time to *re-position, re-engage and re-connect* with the broader consumer base. I am often alarmed how we get bogged down so quickly on results rather than looking at the broader trends of re-engagement.

This Sector [Charitable Gaming] has a long history of working together (Commercial Operators & Charity Associations) to deliver an efficient platform that has provided *tremendous value in local communities* for well over thirty years. The changing habits of society in the manner they execute their daily lifestyle choices make it a requirement that we partner with the Provincial Government in delivering our service on or with a technology platform. All partners must approach this initiative with a clear focus on the core objectives and keep them top of mind as we continue to move forward.

- ✓ **Conversions**                      - In the month of September we saw Cambridge Bingo Centre make part-one of the conversion process with the introduction of Bingo Terminals. This was by far a smooth launch and introduction. As with most Commercial Operators, Cambridge decided on a 'soft launch', which is always a good decision. Also launching part-two of their conversion process was Rama Gaming Centre (Mississauga) with the introduction of the Tap-Tix units. Rama is an extremely interesting Centre. There has been a new approach deployed by the Management Team to focus on the *broader experience* to compliment the traditional *Bingo* offering. They have designed the Centre as an Entertainment Venue within the framework of Charitable Gaming.
- ✓ **Trends & Performance**                      - As with any Industry transition there is a period of *re-alignment* that takes place and we, in the Charitable Gaming Sector, are no different. You can clearly see that this can present challenges. However, when you look at the *trends* what you see is that there are positive seeds that are beginning to emerge and we need to encourage them collectively. What we must do is a better job of preparing

all stakeholders for the initial change over this period that may see performance/returns drop in the short-term only to have them recover in the first 16 weeks of trading.

- ✓ **Engagement** - An important factor through this process is that of engagement and this must occur on multiple levels and by all partners to ensure that everyone is fully engaged and focused. The OLG has set up numerous *working groups* that engage a broader section of Commercial Operators on the initiative that we are looking to bring forth in the coming year. But within the context of this engagement we must remember to focus on driving through efficiency of resources and process. Sometimes we can get bogged down in the process to the point of deflecting our need to deliver. We must therefore engage in this initiative with a clear understanding of the partners' needs and requirements to generate greater understanding.
- ✓ **Audit & Compliance** - Without question, this initiative brings with it new requirements and processes of conducting business. An area that has seen this more than others is *Audit & Compliance*. Working with two Crown Agencies brings forth different requirements and objectives. We, the CGAO, have requested (where it is possible) that the Crown Agencies work more closely together to stamp out duplication where it is found. This element of the program does consume management time but it is important that it is *embraced and supported*, which I know the Commercial Operators are approaching in that way.

We continue to progress with the conversion of Bingo World – Newmarket, Bingo Country – St. Thomas and on to Golden Nugget – Fort Erie. These Commercial Operators are joining the program for the first time and each of them are now activated and undertaking different stages of construction to ensure that they are ready and on schedule.

I do wish to acknowledge *Mr. George Sweny & his c-Gaming team*. They have managed to get this program off the ground, introduce a new product line and secure regular conversions of Bingo Centres – no small achievement. **WELL DONE!**

### **1135 – AGCO - Update**

I often have to remind people that the AGCO is very engaged in the Charitable Gaming Sector, both under 207:1:a and 207:1:b. They continue to *regulate* them directly to Bingo Centres or through the OLG.

The *Risk Based Regulation & Registration* program continues to be phased in across the provincial gaming landscape. We see this in Charitable Gaming, especially the Commercial Operators who are now operating under the Registrar Standards. An area we have been engaging in recently is the registration categories - who should be registered and why.

Through Mr. Jeff Longhurst & Mr. Gary White (AGCO), our working group has had some *constructive dialogue* and managed to forge a better understanding of *risks* individual employees present to the business.

I am going to take the opportunity to invite Mr. Jeff Longhurst (AGCO) to our next General Meeting to present to the membership at large the developments in this area.

### 1136 – Marketing & Planning

As we now have a good number of Charitable Gaming Centres converted, it is important we switch our core focus over to the critical area of *marketing*, which is broader than just calendar promoting and far more tactical in nature.

Our Chair, *Mr. Michael Orser*, has long advocated the business be '*Event Driven*' through opportunities in the calendar year to drive through infrequent consumers who could be exposed to the Centre and the new environments we have created.

It is this new approach that requires new thinking and planning, which we all need to embrace for the future. Having a clearly *defined plan* that supports your brand and business objectives is critical as we move forward. I would encourage everyone to examine their current marketing dollar funds and see how much of those funds are being deployed to sustain the current base. If this is more than 20%, we need to re-think what we are doing.

This whole program is about gaining new consumers to our entertainment experience.

### 1137 – Mr. Lou Hilford

It is with great sadness I announce that *Mr. Lou Hilford* has died. Mr. Hilford was based in western Canada and acted as a consultant in the Charitable Gaming Sector and as an advisor and friend to Dirk Schillerbeeckx (Kodiak Entertainment). It was Dirk that first released this information on to me and I wanted to share with the broader industry.

If you ever had a chance to cross paths with Lou, you would know what a nice and pleasant person he was and in all my dealings with him he was a *true gentleman*. I am sure you will join me in wishing the 'Hilford Family' our sincere condolences on their loss.

### 1138 – Next General (Members) Meeting

At our recent General Meeting last week we confirmed that the next meeting will take place in Toronto on Thursday, **12<sup>th</sup> December 2013**. A formal notice will be released to all *Members of Good Standing* in due course.

I do wish to highlight that at our meeting last week our Chair, *Mr. Michael Orser*, took the opportunity to invite as his guest *Mr. Jerry Root* who duly accepted and was in attendance. I personally was delighted to see Jerry re-engaged at an Association Meeting. In the early-to-mid 90's he held the position of President of RGSO, when the task was much harder and completely voluntary at the time with limited support.

During his tenure as President of the Industry Association we saw the recognition of Commercial Operators under the Gaming Service Act '92 (later to become the Gaming Control Act), the first linked game in the province with the OLG, and the formal organizing of a Charity Association that was greatly encouraged by him personally.

We hope that this will see the re-engagement of Jerry in the life of the Association as we go forward. He has a wealth of knowledge & experience that we can all benefit from.

### 1139 – OBDF - AGM

Please be advised that members of the OBDF are invited to the AGM, which will be held on Monday the 28<sup>th</sup> October 2013 at the Holiday Inn (Airport East) Dixon Rd, Toronto.

Further details are available from Ms. Sandi Nesbitt (CGAO Administrator) at [nesbitt.s@sympatico.ca](mailto:nesbitt.s@sympatico.ca).

### 1140 – Gala-Coral Group

It has been *reported* in the news the Gala-Coral Group is poised to appoint an investment bank to lead a strategic review of the company that is likely to recommend offloading the 140 Gala Bingo Clubs to pave the way for a public flotation on the British stock exchange, which could see the Group valued at more than £2b (uk pounds).

The Bingo division is going through a challenging period that has seen admissions fall by 6%, mainly down to the extreme hot weather the UK experienced during the summer. Even though Gala-Coral Group may off-load the Bingo Division there remains interest in the business with reported unsolicited approaches from private equity firms for the bingo business. It is also likely that Gala will retain its on-line (Bingo) business and the brand 'Gala'.

### 1141 – Chances – Community Gaming Centre (Maple Ridge – BC)

The *Great Canadian Gaming Corporation* has announced that on 23<sup>rd</sup> October 2013 they will host a grand opening of the *New Chances – Maple Ridge*. This is a newly constructed, Multi-Million Dollar *Entertainment Venue* that has taken 11 months to complete. The design is a mix of modern and industrial style reflecting some the initial industries in Maple Ridge and along the Fraser River.

This multi-experience venue will provide a variety of offerings that include a *200 seat Bingo Lounge, a variety of slot machines and a distinctive Bar-Restaurant* that will have a contemporary & laid-back atmosphere. The venue also has car parking for 220 cars.

The General Manager of Chances – Maple Ridge is Mr. Andrew LaCroix and he recently said *'We are excited for Chances Maple Ridge to offer our guests a diverse and memorable entertainment experience.'*

You may recall that Andrew worked for Boardwalk Gaming & Entertainment for many years prior to joining Great Canadian Gaming Corp. a couple of years ago. I am sure you will join me in wishing Andrew and his operational team every success as they prepare for their grand opening later this month.

### 1142 – Boardwalk Gaming Centre - Penetang

On Saturday, the 5<sup>th</sup> October 2013, *Boardwalk Gaming Centre* celebrated its first year anniversary within the c-Gaming initiative. I had the opportunity to be in the Centre on Saturday evening to see and share in this tremendous milestone. Both the Commercial Operator and numerous Charity Groups were in attendance and assisting in the celebration.

Mr. Michael Orser has long promoted the need for the industry at large to be *Event Driven* and Saturday was a great example of this. He created a *'Mock Monte Carlo'* themed night and it was excellent.

There was *entertainment, complimentary dinner, fun games, lots of prizes and customer engagement and all the staff were in black tie*. The atmosphere was vibrant, alive and exciting. To see a broad cross-section of ages just having fun was very good indeed. I was especially pleased to see the active engagement of the various charity groups/volunteers and the Charity President being present and making time to speak with me. Boardwalk Gaming Centre – Penetang is an excellent example of the very constructive relationship between the Commercial Operators and Charity Executive and after conversion it remains strong.

Full marks to Michael Orser and John Lidstone (Gaming Centre – Manager) for an excellent evening's entertainment!

On-Line @ [www.cgao.ca](http://www.cgao.ca)

Information: Resources: Reference

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