

CHARITABLE BINGO AND GAMING REVITALIZATION INITIATIVE

September 2011 Joint Industry Communication

In Focus

- **Site Implementation Planning Underway**
- **Transformation Approach and Timeline**
- **Contracts for Group One Markets to be Available in the Fall**

The Charitable Bingo and Gaming Revitalization Initiative fosters a collective vision to modernize the Charitable Gaming industry in Ontario.

With collaboration among the Ontario Lottery and Gaming Corporation (OLG), the Ontario Charitable Gaming Association (OCGA) and the Commercial Gaming Association Ontario (CGAO) and their respective members, we have entered the implementation planning phase of our roadmap and continue to drive toward our collective vision through incremental growth in product and revenue.

Site Implementation Planning Underway

Following the June 22, 2011, *Ready, Set, GO session* with Group One commercial operators, the OLG Business Implementation Team immediately began initial site reviews.

The objective of these site reviews is to begin the process of design and planning at the site level to offer new paper and electronic charitable games. The OLG team is also consulting with the commercial operators on how to achieve a measured investment in space utilization, ambience, and service areas.

Site specific timelines are being developed with each Group One centre based on readiness to proceed and readiness of product.

For charities, a comprehensive information session on the new roles for charities was held by OCGA in early June 2011. Further information and training sessions will be conducted for Group One charities and charity associations to prepare for the launch of new sites.

Transformation Approach and Timeline

Implementation is a two-step process. First, a paper sale and inventory management system will be implemented to track existing paper-based games. This will enable the second step of new product rollout.

Paper Sales and Inventory Management System and Upgrades

The deployment of the paper tracking system will begin in November 2011. This system will be rolled out in a phased-approach to Group One markets beginning with software upgrades in the four original pilot markets of Sudbury, Peterborough, Kingston, and Barrie.

New Products

Break Open Ticket (BOT) Dispensers were identified by the industry as a priority product and, therefore, will be the first to be introduced into the sites. All parties are working diligently to get the product to market. The launch is expected by May 2012 with a specific implementation schedule across Group One sites.

BOT Dispenser vendor negotiations are well underway with OLG. The next steps are:

- i) to seek product certification (testing and approval) from the Alcohol and Gaming Commission of Ontario (ACGO);
- ii) for the successful vendors to complete manufacturing of the devices.

OLG, AGCO, and the vendors are working as fast as they can in a responsible way to ensure product integrity is balanced with delivering product to the market.

The focus is to launch the paper sales and inventory management system and BOT Dispensers in Group One sites. OLG has established dedicated implementation teams to complete this phase. As previously communicated, follow-up on products include the eSuite of games (Play on Demand games, eInstants, and eBOTs), eShutterboard, and Rapid Draw Bingo.

The implementation planning for sites in Group One is more onerous because product development is occurring at the same time. We anticipate that following implementation of Group One sites, the processes will become more streamlined for the 20+ sites that follow.

Contracts for Group One Markets to be Available by Fall

The Revitalization Initiative is possible through a transition in the legal framework from 207(1)(b) to 207(1)(a) of the Criminal Code. This change will allow OLG to uphold its Conduct & Manage responsibilities in order to offer both paper-based and electronic charitable games at participating charitable gaming centres. In order to facilitate this regulatory change, final standard contracts will need to be signed by OLG and the respective commercial operators, charity associations, and municipalities before any new games can be operationalized in the participating sites.

OLG will be providing the standard contracts in the fall. We will work with you to ensure we address any questions that you may have.

New policies and procedures for commercial operators, charity associations, and municipalities are under development. Through collaborative and targeted working sessions, OLG is committed to training commercial operators, charities, and municipalities to achieve compliance and business controls under the new legal and regulatory framework.

The modernization of the Charitable Gaming Industry is a significant undertaking. It takes the courage of all partners to recognize the need for change and to keep driving toward our collective vision.

We greatly appreciate your continued support of this exciting initiative. Together, we will modernize the industry and create a viable, long-term revenue stream for charities and create a new entertainment experience for players.

Please do not hesitate to contact us if you have any questions.

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