

# *Ontario Bingo Development Fund*

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## *Update*

### **1. Our Commitment**

*There has been significant progress regarding the structure of the Fund and initiatives that were previously on hold due to potential legal challenges. We recognize that the industry is eagerly waiting for the implementation of initiatives by the Fund. We want to assure you that the volunteer Interim Steering Committee is working hard to move things forward as quickly as possible. Over the next few months, you will begin to see the Fund in action.*

*As members of the Interim Steering Committee, we are committed to making **strategic decisions** to benefit the industry across the province. It is important to remember that this Fund is not a tactical driven Fund. The purpose of the over \$8 million in local funds for advertising and promotion that has been generated is to focus on local **in-hall** tactical plans. We know that already there have been some pretty exciting initiatives across the province at the local level and we look forward to hearing about the successes.*

### **2. OBDF Mission and Priorities**

*The mission of the Bingo Development Fund is to develop marketing strategies and promotional strategies and tools to support charities' efforts in fundraising through charitable bingo in accordance with the standards prescribed by the Registrar of the Alcohol and Gaming Commission of*

*Ontario. The Fund has the ability to provide market and consumer research and carry out other initiatives to inform and support the development of effective marketing and promotional strategies for Hall Charity Associations and bingo hall operators across Ontario.*

The immediate OBDF priorities are:

- Completing implementation of the infrastructure for the fund
- Consumer and market research to inform the industry
- Initial win for the industry – a promotional game across the province
- Communication to the industry on the Fund.

### **3. OBDF Incorporation Documents Now Approved**

The formal documents for incorporation have now been approved and the Interim Steering Committee will be moving forward over the summer to set up the election process for the Board of Directors to take place in the early fall. There will be an opportunity for participation directly by Hall Charity Association representatives and hall operators as well as appointments from the industry associations.

### **4. OBDF Consumer and Market Research**

The Interim Steering Committee has now re-engaged the firm of Hill & Knowlton to bring forward proposals from a short list of companies to do comprehensive consumer/market research for the bingo industry. This is intended to deliver meaningful data on the current consumer trends and opportunities for the immediate future for both the Bingo Centre Managers and Charity Associations. Research will help us to understand why some customers have stopped playing bingo. It will also provide new demographics that could be introduced to bingo, and identify 'gaps' in the current industry offering, i.e. what do existing and new players expect.

This information will be valuable only if it is *used* by the industry to inform effective planning for advertising and promotion.

Another benefit of this initiative and analysis is that it will give the OBDF and the industry a solid foundation for developing medium and longer-term initiatives in order to make informed decisions about how to spend OBDF funds. The research will also help to inform policy decisions regarding charitable bingo.

## 5. OBDF *Big Bingo Day*

Cam Johnstone from the Committee is working with Hill & Knowlton to develop a high profile, high-stakes, province-wide bingo game, which would include a significant promotional campaign.

In the fall, (late September/early October 2008), we will be executing a '*Big Bingo Game*' that will be delivered simultaneously in all Bingo Development Fund contributing Bingo Centres. This event will be structured as follows:

Cost Per Ticket, \$2.00 (Per Strip)

<b>Total Prizing</b>	<b>\$285,000</b>
Line Prize	\$ 20,000
Full Card	\$200,000
Consolation Prizing	\$ 65,000 (\$1000 seed/per Bingo Centre)

All participating Bingo Centres will be provided with a base \$1,000 for a minimum consolation. Additionally, each Bingo Centre will be required to add 50% of local sales to the augment the \$1,000 minimum prize with the remainder going to the pool (50%).

The game will be delivered via tele-communications and visuals through web media delivery channels. Full details will be forwarded to each Bingo Centre in a comprehensive manual outlining the required actions at the local level.

The event will be supported with a full media campaign to generate greater awareness of this special event and promote bingo across the province. This will be *big, bold & dramatic* but the key to success will be the total engagement and execution at the local level by the Charities and Commercial Operators and Staff. More details will be communicated later this summer.

## 6. Financial Status of Fund

As of the end of June, the OBDF has received \$2.8 million in contributions. This is roughly the revenue for the first twelve months of the fund. Expenditures as reported in the last communication (April 27<sup>th</sup>) have been held to essential legal and bookkeeping fees with some expenditures for consultants for the development of the strategic business plan. Carefully planned expenditures are beginning again with Hill & Knowlton for their assistance with the projects as described above. An audit firm has also been engaged to carry out a professional audit of the Fund for the fiscal year ending March 31, 2008. An Audited Financial Report will be available to all contributors once this process has been completed.

Please note that members of the Interim Steering Committee are volunteers and do not receive any financial compensation to participate as members of the Committee. As well, OCGA receives *no payment* for holding the funds and carrying out administrative tasks on behalf of the industry.

If you have any questions about the fund, please do not hesitate to contact either Peter McMahon or Lynn Cassidy. We will be happy to speak with you.

## The Interim Steering Committee

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