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839 – The Year 2010

The year started being rather *challenging and difficult* but has ended as one of *transition and opportunity*. As we began 2010, the sector was focusing on re-positioning the bingo experience through creative *Promoting & Marketing*, which has been primarily led by the Commercial Operators. Clearly, there have been some very engaging promotions that have developed from the framework amended by the AGCO. The greatest challenge was getting ready and prepared for the pending HST impact on the business.

As we closed the first half of the year (June), the *estimated* trading performance indicators were all showing an element of downward trend.

(Estimated) Trading Performance Indicators – First Half 2010		
Items	Performance	Percentage
Gaming Centre	65	
Sessions	43,660	-2.78%
Admissions/Visits	4.4m	-9.69%
Gross (Bingo) Stake	\$C272m	-10.86%
Returned to Customer	\$C208m	-9.28%
Net Win	\$C64m	-15.64%
Raised for Charities	\$C25.8m	-15.64%
Marketing Contribution	\$C6.7m	-15.64%
Commercial Op's (Gross)	\$C25.8m	-15.64%
Adms per Session	101	-7.11%
Prizeboard	77%	
Gross Stake (Per Session)	\$C6,233	-8.31%
Returned to Customer	\$C4,771	-6.69%

It is hard to project the impact since the HST was introduced in July 2010 and we will be looking to measure the second half of 2010 early in the New Year (2011). The general sense is that through the efficient savings that the Commercial Operators have managed to drive

through the business, they have managed to maintain a level that has not seen further closures of Gaming Centres in the year.

The Commercial Operators have once again been of tremendous value to the numerous Charity Groups that operate within their Gaming Centre. The service and assistance that the Commercial Operators deliver is not often acknowledged in a manner that it should. Clearly, the partnership approach has been proven as a successful platform for this sector and the lead partner is the Commercial Operator. They, for once, ***deserve real credit*** for the role they play and the business risks they undertake to drive this sector forward in a very challenging environment.

Just after the mid-point of the year the Government announced that they will be expanding the e-Bingo program based on criteria which has outlined by the OLG Chair – Mr. Paul Godfrey’s letter to the Associations. What has also been encouraging is the profile that Charitable Gaming is now receiving at the OLG with a Divisional Head (Mr. John Wisternoff) appointed to this initiative.

Already, the interim CEO and the Divisional Head have set out to engage the industry in developing a platform that will engage and enhance the customer experience for the future. There are two paths being forged at this time being *e-Bingo Revenue Model and New Product Development* with a cross section of industry representatives working with the OLG in developing these platforms.

This is a real opportunity to re-define the delivery platform, re-position the ***customer experience***, and integrate the traditional bingo game with a host of different delivery platforms to enhance the customer experience to engage lapsed and potential new customers back into our facilities. We are setting out preparing a product portfolio that will interlink traditional, ancillary and new products under one roof.

As we enter 2011 there is a *real opportunity* for the industry to work together and forge a new path for the future but it needs to be based on a solid foundation partnership with a unified commitment to grow the sector, I firmly believe that opportunity is before us and we should reach out and do all we can to ensure it works for everyone.

840 – Canadian Gaming Conference/Summit

Just a reminder for your 2011 diaries, the Canadian Gaming Conference/Summit is scheduled to be held April 18th to April 20th 2011 in Vancouver. I would encourage all Commercial Operators to book early if you are interested in attending.

Remember, the Charitable Gaming portion normally starts a day before the main conference schedule. It is a separate portion and if you wish to attend this section make sure you have been correctly registered for it.

841 – Big Win Bingo (December)

On the 4th December 2010 we completed our final game for 2010. As I projected, the admissions over the previous month were slightly lower. However, the trend over 2009 was extremely positive and followed the course of the previous games.

This initiative by the OBDF has, I believe, been a very constructive platform of getting the majority of the Gaming Centres working to a common goal to generate increased awareness of the bingo experience and it has been achieved in a very efficient manner.

I would like to acknowledge the contribution of the volunteer Board of Directors and the staff who have done a tremendous job over the past 12 months.

Our next game is due the first Saturday of February 2011.

842 – Mrs. Betty Gilbert (British Columbia)

I was informed by Mr. Alan Dyck (Boardwalk Gaming – British Columbia) that in the early part of December Mrs. Betty Gilbert had passed away. This was rather shocking news, I had known Mrs. Gilbert as head of one of the Charity Associations in the province. She had been a main player in looking to re-position the role of the Charity groups in the 207:1:a model in the province.

Without question, Mrs. Gilbert had a long record of volunteer service in a host of community areas. A very pleasant individual who always had the time of day to chat with you. Recently she had, with her husband, set out on a year long road trip across the USA. Mrs. Gilbert was of the old school, focused more on the contribution and the work rather than the individual praise and recognition. She was remarkable by being so ordinary and will be missed.

In communicating with Alan Dyck, he has no further details at this stage and is seeking additional information. If more details come forward, I will share them with you.

843 – Office Opening

As of this week, the office will be closed until mid-January. Ms. Sandi Nesbitt will be spending the Christmas holiday down in the south of the USA and will be slowly making her way back to Canada after the New Year.

Therefore, if you need any assistance please contact myself directly either through e-mail or phone.

844 – Responsible Gaming Materials

Just a quick reminder that Responsible Gaming material should be in a place that is accessible by our customer base in case they feel they need some professional advice.

I wish to state that the majority of our customers enjoy their gaming experience without any issues. This is for the minority who may be seeking assistance.

845 – Message From Our Chair

In what has been a rather busy year for our Association, I had directed the staff (Peter McMahon) to engage more of the members in various initiatives of the Association. As such we have had more sub-committees dealing with the various elements of the Association's work.

Our membership has remained stable and we retain an open door policy to welcome all Commercial Operators to work with us in the Association to enhance and promote the valuable role of the Commercial Operator in the Province.

I would like to *acknowledge and thank* the contribution from our Administrative Assistant – Ms. Sandi Nesbitt, who has once again done a fabulous job as always, quietly in the background, but is clearly the glue that keeps this communication moving among the Board and membership.

Finally, I want to thank my fellow Board members for their contributions throughout the year and the various stakeholders we are engaged with. There is no one group that has made the

improvements over the past twelve months but a combination of everyone working together to seek common ground.

The outlook for 2011 appears promising. It is our view that we need to drive innovation and embrace constructively the opportunities that are before us and ensure we are able to drive enhanced value for all stakeholders.

Finally, from my family to yours, I would like to wish everyone a very happy Christmas holiday and a very successful New Year.

Michael E. Orser – Chair (Board of Directors)

P.McM/sn
12-12-10

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Information: Resources: Reference

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