

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • Gordon Medenica, Director



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TO: Maryland Lottery and Gaming Commission
Gordon Medenica, Director

FROM: James Nielsen, Assistant Deputy Director/COO

DATE: November 5, 2018

SUBJECT: Report for the November 2018 Commission Meeting

GAMING

See attached report from James Logue, Managing Director

REGULATORY OVERSIGHT

See attached report from John Mooney, Managing Director

AGENT ADMINISTRATION

The following table presents retailer and terminal counts according to the Lottery's Agent Administration database.

Total Retailers				Total Retailer Terminals				XCAP Retailers			
Date	Count	Date	Count	Date	Count	Date	Count	Date	Count	Date	Count
Current				Current				Current			
10/31/17	4,485	10/31/18	4,369	10/31/17	5,441	10/31/18	5,697	10/31/17	357	10/31/18	351
Quarterly Comparisons				Quarterly Comparisons				Quarterly Comparisons			
12/31/16	4,512	12/31/17	4,485	12/31/16	5,241	12/31/17	5,444	12/31/16	335	12/31/17	363
03/31/17	4,500	03/31/18	4,454	03/31/17	5,434	03/31/18	5,375	03/31/17	342	03/31/18	372
06/30/17	4,496	06/30/18	4,446	06/30/17	5,427	06/30/18	5,205	06/30/17	345	06/30/18	343
09/30/17	4,492	09/30/18	4,369	09/30/17	5,431	09/30/18	5,677	09/30/17	355	09/30/18	356

CONTRACT MANAGEMENT

- Terminal software enhancements that were being held until the Mega Millions jackpot was won were successfully installed. Currently conducting User Acceptance Testing for the next release which is scheduled for a November installation.

- The redesigned MDLottery.com website hosted by Scientific Games is scheduled for a November launch.
- Planning is underway for the roll-out of over 100 of the new draw-game-only self-service terminals.
- MS Technologies continues to work on e-Licensing Systems improvements. Testing of Priority 6 changes continues.

FACILITIES

- We are working with building management on several construction projects.
- Participated in a meeting with building management and multiple tenants to discuss general security matters.

WAREHOUSE

The instant ticket warehouse is responsible for packing all of the instant tickets that are shipped to lottery retailers. Orders are placed through our Tel Sell operation which is operated by our central system vendor. Once an order is placed, it is sent to the warehouse for fulfillment. Additionally, as each new instant game is launched, the majority of retailers receive an initial allocation of the new games to assure the tickets are available across the State. Fulfilled orders are shipped via UPS for next day delivery to the retailer locations. In addition to filling the orders, the warehouse is responsible for monitoring UPS to ensure proper billing and timely delivery.

The warehouse, TelSell, and UPS will be closed for several days during the holiday season. On a number of days TelSell will be taking double and even triple orders from retailers to assure adequate inventory.

<u>Double Orders:</u>	<u>Triple Orders:</u>
10/30/2018	12/17/2018
11/05/2018	12/18/2018
11/15/2018	
11/16/2018	
12/19/2018	
12/20/2018	
12/21/2018	

# of Orders	# of Packs	YTD Orders	YTD Packs
October 2018		7/1/18 – 10/31/18	
13,326	183,269	60,114	711,650