

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • Gordon Medenica, Director



Montgomery Park Business Center
1800 Washington Blvd., Suite 330
Baltimore, Maryland 21230

Tel: 410-230-8800
TTY users call Maryland Relay
www.mdlottery.com

TO: Maryland Lottery and Gaming Commission
Gordon Medenica, Director

FROM: James Nielsen, Assistant Deputy Director/COO

DATE: March 19, 2019

SUBJECT: Report for the March 2019 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			
02/28/18	4,454	02/28/19	4,384	02/28/18	5,260	02/28/19	5,778	02/28/18	368	02/28/19	363
Quarterly Comparisons				Quarterly Comparisons				Quarterly Comparisons			
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
12/31/17	4,485	12/31/18	4,346	12/31/17	5,444	12/31/18	5,710	12/31/17	363	12/31/18	344

CONTRACT MANAGEMENT

- A new release was installed for gemOffice (retailer licensing) continuing efforts to customize the product for Maryland.
- Draw-game-only self-service terminal (PEX) installations continued with 89 installed as of February 28.

- An additional group of draw and scratch game self-service terminals (PHD) is scheduled to start in March.
- MS Technologies continues to work on e-Licensing Systems improvements. Testing of Priority 6 changes continues.

FACILITIES

- Following reports of pieces of the concrete façade falling onto the sidewalk, crews have returned to continue the repair efforts begun last summer.

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 retailer locations. In addition to filling the orders, the warehouse is responsible for monitoring UPS to ensure proper billing and timely delivery.

Staff met with the new UPS Account Manager to discuss a variety of issues, including: securing equipment in the trucks before moving them; failing to assure all packages have been removed from their trucks; and providing bins to hold the packages before and during shipping.

# of Orders	# of Packs	YTD Orders	YTD Packs
February 2019		7/1/18 – 02/28/19	
14,474	186,481	124,103	1,501,224