

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: April 16, 2019

SUBJECT: Report for the April 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			
03/31/18	4,454	03/31/19	4,384	03/31/18	5,375	03/31/19	5,842	03/31/18	372	03/31/19	362
Quarterly Comparisons				Quarterly Comparisons				Quarterly Comparisons			
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
03/31/18	4,454	03/31/19	4,384	03/31/18	5,375	03/31/19	5,842	03/31/18	372	03/31/19	362

CONTRACT MANAGEMENT

- A bi-annual Disaster Recovery exercise for the Lottery Central System was conducted March 2 through March 7.
- A new system release was deployed to address several operational items.

- Draw-game-only self-service terminal (PEX) installations continued with 101 installed as of March 31.
- An additional group of draw and scratch game self-service terminals (PHD) installations began in March. There are now a total of 636 PHDs installed as of March 31.
- MS Technologies continues to work on e-Licensing Systems improvements. Testing of Priority 6 changes continues.

FACILITIES

- Repairs continue on the concrete façade of Montgomery Park
- Continuing meetings with building management to address general building issues, including HVAC concerns.

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.

# of Orders	# of Packs	YTD Orders	YTD Packs
March 2019		7/1/18 – 03/31/19	
15,410	193,116	139,513	1,694,340