TO: Maryland Lottery and Gaming Commission
               Gordon Medenica, Director

FROM: James Nielsen, Assistant Deputy Director/COO

DATE: October 15, 2019

SUBJECT: Report for the October 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**			
09/30/18	4,361	09/30/19	4,379		09/30/18	5,677	09/30/19	6,347		09/30/18	356	09/30/19	377
Quarterly Comparisons					**Quarterly Comparisons**					**Quarterly Comparisons**			
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
06/30/18	4,446	06/30/19	4,385		06/30/18	5,205	06/30/19	6,131		06/30/18	361	06/30/19	362
09/30/18	4,361	09/30/19	4,379		09/30/18	5,677	09/30/19	6,347		09/30/18	356	09/30/19	377

CONTRACT MANAGEMENT

- There are 1,136 full-service self-serve terminals (PHDs) installed as of September 30.
- Draw-game-only self-service terminal (PEX) installations continued with 200 installed as of September 30.
- New designs for draw ticket layouts was deployed on 9/3.

- A new GemIntelligence release with fixes and enhancements, including the ability to review service call history was installed.
- New GemOffice and gem Enterprise releases were also completed.
- New Keno screens with seasonal themes are being deployed regularly.
- FastPlay software development continues with a planned launch in the first quarter of 2020.
- MS Technologies continues to work on e-Licensing Systems improvements. The Certified and Registered Vendor forms are in the final stages of development. Testing has been ongoing by licensing staff throughout the process.

FACILITIES

- Some painting not completed previously is being scheduled for October to early November.
- Six vans with high mileage are to be disposed of during October.

WAREHOUSE

The instant ticket warehouse is responsible for packing all of the instant tickets that are shipped to lottery retailers. Orders are placed through the 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
September 2019		7/1/19 – 09/30/19	
15,271	176,484	46,084	546,111