

# 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: December 10, 2019

SUBJECT: Report for the December 2019 Commission Meeting

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## GAMING

See separate report from James Logue, Managing Director

## REGULATORY OVERSIGHT

See separate 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
<b>Current</b>				<b>Current</b>				<b>Current</b>			
11/30/18	4,368	11/30/19	4,381	11/30/18	5,718	11/30/19	6,410	11/30/18	350	11/30/19	373
<b>Quarterly Comparisons</b>				<b>Quarterly Comparisons</b>				<b>Quarterly Comparisons</b>			
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 1,142 full-service self-serve terminals (PHDs) installed as of November 30.
- Draw-game-only self-service terminal (PEX) installations continued with 216 installed as of November 30.
- There are 44 PHDL (shorter version) self-serve terminals installed.

- New Keno screens with seasonal themes (holiday, New Year’s Eve, basketball) continue to be developed, approved and deployed.
- Further improvements to gemOffice are scheduled for testing in December.
- We successfully failed over the AEGIS system to the backup data center to meet MUSL requirements. One week of operations occurred at the backup data center after which production was moved back to the primary data center.
- MS Technologies has migrated all active non-gaming vendor applications (2,400+) to Production and is completing the migration of inactive applications. Casino staff were provided with web-based training and a guide to allow them to work with their vendors. Additionally a Vendor Applicant Guide has been placed on the eLicensing website. After December 15, 2019, paper applications will no longer be accepted.
- MLGCA staff is currently testing the Manufacturer, Tier 1 and Tier 2 applications. Staff has successfully tested the Manufacturer application process from the creation of the application, to submittal, to assignment of the application to a Licensing Specialist, to the investigative background process and finally to management's approval. There are only minor modifications required at this time.
- The Manufacturer Renewal application has been created and staff is working on the testing that application.
- A MLGCA eLicensing Manufacturer Applicant Reference Guide has been started and is in progress.

**FACILITIES**

- We are waiting for building management to provide a schedule for closing off the air dampers, repairing the loading dock and replacing the warehouse and office lights with LED lighting.

**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
<b>November 2019</b>		<b>7/1/19 – 11/30/19</b>	
12,919	173,445	76,554	931,232