

**DECISION OF THE MARYLAND LOTTERY AND
GAMING CONTROL COMMISSION**

**Application for Sports Wagering Facility License
Long Shot's, LLC**

License Applicant No. 2021-SW-17

**Qualification Hearing before
the Maryland Lottery and Gaming Control Commission
December 2, 2021**

On December 2, 2021, the Maryland Lottery and Gaming Control Commission ("Commission") held a virtual meeting during which it conducted a hearing to determine whether Long Shot's, LLC ("Applicant" or "Long Shot's") is qualified for a sports wagering facility license under Maryland's Sports Wagering Law.

FINDINGS OF FACT

Background Process

1. Sports wagering in Maryland is governed by the Sports Wagering Law, found in State Government Article ("SG"), Title 9, Subtitle 1E, Annotated Code of Maryland, and the regulations of the Maryland Lottery and Gaming Control Commission ("Commission"), found in the Code of Maryland Regulations ("COMAR") 36.10. The Sports Wagering Law also incorporates the Gaming Law, which governs casino operations in Maryland, found in SG, Title 9, Subtitle 1A, and COMAR 36.03.

2. The Commission is authorized to issue licenses necessary for sports wagering in the State, one of which is a sports wagering facility license. Unless a person holds a valid sports wagering facility license issued by the Commission, the person may not conduct, offer, or operate in-person sports wagering at a location in the State.

3. An applicant for a sports wagering-related license must submit an application to the

Commission. Before it can be issued a license, an applicant must meet all applicable qualification requirements in the Sports Wagering Law, and prove to the Commission, by clear and convincing evidence, that it is qualified under SG § 9-1E-07(e), and not disqualified under SG § 9-1E-07(g)(1). The Commission is required to deny the license application of an applicant that does not meet qualification requirements.

4. An applicant must submit to the Commission all information that is necessary for the Commission to determine its qualifications, and those of its principals, its principal entities, and any other necessary qualifiers.

5. Long Shot's, LLC submitted a Sports Wagering Facility License Application to the Commission and the Maryland Lottery and Gaming Control Agency ("MLGCA") conducted an investigation to determine if Long Shot's is qualified for a Sports Wagering Facility License.

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6. Staff of the MLGCA's Licensing Division provided the Applicant with written notice of the hearing. Alyse Cohen, Randy Cohen, and Bruce Bereano were present in the virtual meeting on behalf of the Applicant. In advance of the meeting, John J. Mooney, MLGCA's Managing Director of Regulatory Oversight, provided the Commission the confidential full investigative report on Long Shot's, LLC. Mr. Mooney made publicly available Staff's executive summary of the background investigation, and Staff's recommendations.

Applicant's Background

7. Long Shot's, LLC was incorporated in Maryland on March 15, 2021, for the sole purpose of holding retail and mobile sports wagering licenses.

8. 5400 Holiday Entertainment, LLC, which was established in Maryland on July 2, 2018, markets and manages a restaurant and off-track betting facility doing business as "Long Shot's" located in the Clarion Inn Frederick Events Center at 5400 Holiday Drive, Frederick, Maryland.

9. Cohenterprises, Inc. is a Maryland corporation established on January 1, 1994, and serves as the management company for several businesses, including 5400 Holiday Entertainment, LLC. Cohenterprises, Inc. employs all of the office and hospitality staff for the Clarion Inn including Long Shot's restaurant and off-track betting facility.

Ownership of Applicant

10. Long Shot's, LLC is wholly owned by Ms. Alyse Cohen.

11. 5400 Holiday Entertainment, LLC is owned 30% each by Mr. Randy Cohen and Ms. Susan Lent-Cohen and 40% by the 2004 Cohen Family Trust, which is managed by Ms. Alyse Cohen.

12. Cohenterprises, Inc. is owned 38% each by Mr. Randy Cohen and Ms. Susan Lent-Cohen, and 24% by Ms. Alyse Cohen.

Licensing Inquiry

13. Long Shot's, LLC has submitted a Sports Wagering Facility Application.

14. 5400 Holiday Entertainment, LLC and Cohenterprises, Inc. have filed Sports Wagering Principal Entity Applications with the MLGCA.

15. Ms. Alyse Cohen, Mr. Randy Cohen and Ms. Susan Lent-Cohen have all filed Sports Wagering Principal Employee Applications with the MLGCA.

16. Long Shot's, LLC is currently examining options to develop a joint venture with a sports wagering operator at the facility.

Discussion of Financial Performance

17. MLGCA performed a detailed analysis of Long Shot's, LLC's financial performance, which included a detailed analysis of its principal entities through: various financial statements, Dull & Bradstreet, Tax Return, Litigation, and Financial Analysis.

18. Overall, MLGCA had no concerns with licensure of Long Shot's, LLC as a Sports Wagering Facility Licensee or with 5400 Holiday Entertainment, LLC and Cohenterprises, Inc. as Sports Wagering Principal Entities.

Results of Background Investigation

19. MLGCA conducted a complete and thorough background investigation as authorized under the Sports Wagering Law by analyzing corporate records and documents, scrutinizing the business operations, practices, and transactions of Long Shot's, LLC, and conducting interviews of key personnel, focusing on required qualification criteria involving integrity and financial stability.

20. MLGCA adhered to well-defined and approved investigative protocols in assembling the factual information incorporated in this report. The results of the investigation for the specific qualification criteria enunciated in SG §§ 9-1A-07(c)(7) and 9-1A-08(d) as applied to a sports wagering license applicant under SG § 9-1E-03(a)(1) and that Long Shot's, LLC is qualified under SG § 9-1E-07(e), and not disqualified under SG § 9-1E-07(g)(1), are summarized:

a) Financial Stability, Integrity and Responsibility

A comprehensive review was conducted of all of the consolidated financial statements for the last five years. The Applicant satisfied the standards for financial stability, integrity and responsibility in connection with the Sports Wagering Facility License Application.

b) Integrity of financial backers, investors, mortgages, bondholders, and other holders of indebtedness

Based on MLGCA review, there are no material issues involving the known financial backers of the Applicant.

c) Good character, honesty, and integrity

MLGCA found that the Applicant possesses the requisite good character, honesty and integrity. No significant issues surfaced concerning the qualifications of the Applicant. There were no material issues discovered pertaining to the Applicant's record of regulatory compliance or litigation matters.

d) Sufficient business ability and experience

Long Shot's, LLC was incorporated for the sole purpose of holding retail and mobile sports wagering licenses. 5400 Holiday Entertainment, LLC markets and manages a restaurant and off-track betting facility doing business as "Long Shot's" located in the Clarion Inn Frederick Events Center. Cohenterprises, Inc. established in 1994 serves as the management company for several businesses. The Applicant clearly possesses the requisite business ability and experience.

e) Potential disqualifying factors

The Applicant is not disqualified from being issued a Sports Wagering Facility License under SG § 9-1E-(g)(1) based on any of the criteria listed in SG § 9-1A-08(d), as applied to a sports wagering license applicant under SG § 9-1E-03(a)(1).

Applicant and Principal Entities

21. The Applicant and its principal entities satisfy the applicable qualification criteria under SG § 9-1A-07(c)(7), and are not disqualified under SG § 9-1A-08(d), as applied to a sports wagering license applicant under SG § 9-1E-03(a)(1).

Sports Wagering Facility License Application

22. The Applicant submitted a completed Sports Wagering Facility License application; an affidavit attesting to the minority and women-owned interests of the applicant; all required fees; and proof of adequate bond.

23. MLGCA Staff is not aware of information that would indicate Long Shot's, LLC fails to meet the Commission's qualification requirements.

24. MLGCA Staff recommends that the Commission determine the Applicant has established that it is qualified, by clear and convincing evidence, for a sports wagering facility license.

CONCLUSIONS OF LAW

1. The Applicant has established by clear and convincing evidence that it is qualified for, and is not disqualified from, a sports wagering facility license.


2. The Applicant remains under an ongoing obligation to comply with all qualification requirements and to notify the Commission if any of the information submitted to the Commission or MLGCA changes.

3. If MLGCA Staff determines that the Applicant or licensee, if licensed, does not meet a Commission standard, the Commission may take enforcement action, up to and including revocation of the license.

4. The Secretary of the Commission will transmit this decision statement to the Sports Wagering Application Review Commission.

REVIEW RIGHTS

A party aggrieved by this final administrative Decision may file a petition for judicial review with the circuit court for the county where any party resides or has a principal place of business within thirty days of the date of this Decision. SG § 10-222; Maryland Rules 7-201 – 7-211.



E. Randolph Marriner, Chair

12-2-21

Date