

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: September 11, 2018

SUBJECT: Report for the September 2018 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			
08/31/17	4,488	08/31/18	4,350	08/31/17	5,426	08/31/18	5,704	08/31/17	350	08/31/18	358
Quarterly Comparisons				Quarterly Comparisons				Quarterly Comparisons			
09/30/16	4,532	09/30/17	4,492	09/30/16	5,260	09/30/17	5,431	09/30/16	322	09/30/17	355
12/31/16	4,512	12/31/17	4,485	12/31/16	5,241	12/31/17	5,444	12/31/16	335	12/31/17	363
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

CONTRACT MANAGEMENT

- We completed User Acceptance Testing on the new draw game only self-service terminal. We successfully piloted this terminal at the Maryland State Fair and further pilot installations began September 10.

A new release of software enhancements was installed on September 4 and 5. Another release is in User Acceptance Testing now and anticipated to be installed in September.

- MS Technologies continues to work on e-Licensing Systems improvements. Another group of Priority 6 changes are being tested by staff.

FACILITIES

- Completed year-end inventory reports.

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

The team continues to experiment with minor changes to their processes and the location of tickets and supplies to make the work as efficient as possible.

# of Orders	# of Packs	YTD Orders	YTD Packs
August 2018		7/1/18 – 08/31/18	
16,238	182,034	30,598	370,026