



May 14, 2012

**Mayor Rob Ford  
Members of Executive Committee  
City of Toronto**

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Re: Modernizing Lottery and Gaming in Ontario

I am writing to you on behalf of the OLG Board of Directors to offer our assistance as you prepare to give consideration today at Executive Committee to matters relating to OLG's plan to modernize lottery and gaming – specifically within the Greater Toronto Area (GTA).

This plan is the result of a strategic business review, launched in July 2010. Our final recommendations were contained in a report presented to the public by Finance Minister Dwight Duncan and our OLG Chair, Paul Godfrey on March 12, 2012. The report was comprehensive and the recommendations are clear. Our goal is to become more customer-focused; expand the regulated private sector delivery of lottery and gaming; and renew OLG's role in oversight of lottery and gaming.

The first step in this process is to issue a Request for Information (RFI), which will be released shortly. The RFI will be followed by a Request for Pre-Qualification and a Request for Proposal. The RFI will identify areas within the GTA that could be considered to host an integrated entertainment centre, including a gaming facility.

A cornerstone of our plan is to proceed only with municipalities that have expressed their willingness to host a facility.

We look forward to working with the Executive Committee and Toronto City Council in a cooperative way throughout the summer; offering assistance on any questions you may have.

Please contact me directly to discuss how OLG can provide information that would be useful to you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rod Phillips'. The signature is stylized and somewhat cursive, with a large initial 'R' and 'P'.

Rod Phillips  
President and CEO

# Modernizing Lottery and Gaming in Ontario



STRATEGIC BUSINESS REVIEW / ADVICE TO GOVERNMENT

This document contains forward-looking statements about our expected or potential future financial performance. For us, forward-looking statements include, but are not limited to, statements about possible transformation initiatives; our future revenue and profit guidance; and other statements about future events or conditions. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties that could cause actual results to differ materially from those projected.

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### **INTRODUCTION**

Brief description of process of the OLG review from government direction to stakeholder consultations and this report.

### **EXECUTIVE SUMMARY**

Lottery and gaming are part of Ontario's entertainment and tourism attractions; OLG supports public priorities in Ontario; the challenge of sustaining the current lottery and gaming business; the vision for the future of OLG in Ontario; the value of a modernized lottery and gaming system and three recommendations on how to get there.

### **THREE RECOMMENDATIONS**

Three broad recommendations: become more customer-focused; expand regulated private sector delivery of lottery and gaming, and increase support for responsible gambling while renewing OLG role in oversight of lottery and gaming.

### **APPENDIX I**

Background Note: Internet and Charitable Gaming

### **APPENDIX II**

Description of the consultation process and list of stakeholders consulted

## INTRODUCTION

In July of 2010 the Government of Ontario gave OLG new direction. OLG was asked to modernize commercial and charitable gaming through:

- an expansion of charitable gaming to allow bingo halls to deliver electronic games;
- a complete internet gaming platform including peer-to-peer games, selling lottery tickets and a process for private sector vendors to deliver internet gaming, with appropriate oversight;
- a comprehensive strategic review of the lottery distribution network and land-based gaming facilities.

All these initiatives were to include a commitment to socially responsible gambling—particularly age restricted access, privacy controls and maximum betting limits for the internet.

Since the inception of lottery and gaming in the province, the overall approach to the business has been reactive: gaming options have evolved over time. This is the first time that OLG has been asked to review its entire operation in a strategic way.

OLG was asked to report back to the Ministry of Finance with recommendations on this comprehensive strategic review.

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### STRATEGIC BUSINESS REVIEW

In December 2010, based on the government's direction, OLG launched a Strategic Business Review that included consultations with stakeholders and an extensive business analysis.

The consultation asked: "What should the gaming marketplace look like in the next three to five years, based on the best interests of Ontarians?" The Strategic Business Review team asked stakeholders to consider five principles or points of discussion:

1. Respond to the marketplace: advice about products, land-based sites and channels based on market demand and customer preferences.
2. Lessen the burden of capital costs on the public purse (within legal boundaries) and maximize the opportunity for private sector investment.
3. Commit to economic development including job creation (direct and indirect), business stimulus and investment.
4. Allow for greater flexibility such as commercial contracts and appropriate risk-sharing with third parties.
5. Clarify payments to stakeholders both in terms of the economic impact of payments as well as transparency and accountability.

The Strategic Business Review team met with over 50 stakeholder groups from across the province from December 2010 to June 2011. (For full list, please see Appendix II.)

Overall, consultations revealed that stakeholders felt that there has been significant benefit to the province from lottery as well as casinos and slot facilities over the past 20 years. However, the current model in Ontario must change substantially in order to better meet customers' needs. Stakeholders also noted that there is a need to modernize Ontario's lottery and gaming industry based on developments in other jurisdictions. There was broad consensus that the sector needs to change:

- Lottery and gaming in Ontario should become more market-driven and consumer-responsive.
- The private sector is willing to invest in gaming and take on a greater operating role.
- The lottery and gaming sector should embrace the latest in advanced technology and incorporate it into products and services.
- The role of OLG as a direct operator of all lottery and gaming should be clarified.
- OLG has the potential to be more efficient and effective.

The Strategic Business Review examined a number of research ideas proposed by stakeholders. These included new retail channels and new technology for lottery, new sites for land-based gaming and more efficient operations across the organization. This research led to three key recommendations for change:

1. Become more customer-focused.
2. Expand regulated private sector delivery of lottery and gaming.
3. Renew OLG's role in oversight of lottery and gaming.

These recommendations could achieve OLG's goal of generating greater and more sustainable Net Profit to the Province as well as economic and social benefits locally.

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## RECOMMENDATIONS – GUIDING PRINCIPLES – GOALS

### THREE RECOMMENDATIONS TO GOVERNMENT

1. Become more customer-focused.
2. Expand regulated private sector delivery of lottery and gaming.
3. Renew OLG's role in oversight of lottery and gaming.



### GUIDING PRINCIPLES FOR TRANSFORMATION

- OLG will be a modern, efficient agency operating in the best interests of Ontarians.
- OLG will provide entertainment to Ontarians and visitors alike, while maintaining high, responsible gambling standards.
- OLG will uphold its record of regulatory compliance with standards established and enforced by the Alcohol and Gaming Commission of Ontario.
- OLG will continue to communicate openly with employees and treat them with respect.



### OLG IN FUTURE

In 2017, OLG is a modern, sustainable organization. There are some 2,300 net new lottery and gaming industry jobs and an estimated 4,000 service sector jobs; about \$3 billion has been invested in private capital in Ontario; and OLG has increased Net Profit to the Province by an additional \$1.3 billion annually—all while upholding responsible gambling standards.

## EXECUTIVE SUMMARY

There are two key reasons to transform lottery and gaming now:

1. Lottery and gaming are here to stay. In fact, last year a total of 8 million Ontario adults (80 percent) played the lottery at least once and 2.7 million (27 percent) visited gaming sites. But OLG's offering could be more modern.
2. OLG contributes \$1.7 to \$2 billion in Net Profit to the Province for important public priorities, but the current model could provide more value. The long-term sustainability of that revenue is at risk, primarily due to a business model that is not serving customers as well as it could.

### LOTTERY AND GAMING IN ONTARIO

Lottery and gaming have been a part of Ontario's entertainment and tourism industries for decades. Lottery in Ontario began in 1975 with Wintario, which was designed to raise money for local community projects. In September of 1994, Ontario's first casino opened in Windsor. Slots-At-Racetracks were launched in 1998.

On behalf of the Ontario government, OLG is responsible for 4 resort casinos, 17 slots at racetrack facilities and 5 OLG casinos, Great Blue Heron Charity Casino as well as the sale of lottery products at over 10,000 independent lottery retailers. OLG conducts and manages 6 eBingo sites. OLG directly employs about 7,700 people (and indirectly, through private sector operators, an additional 10,000 people) across Ontario.

Lottery and gaming are popular forms of entertainment in the province. Almost two-thirds of Ontarians over the age of 19 have visited a casino or slots facility at least once. Fully 80 percent of Ontario adults played a lottery game last year and about half the adult population plays lottery on a regular basis.

In 2010, the government gave OLG direction to launch internet gaming and expand charitable gaming. In charitable gaming, OLG has launched a four-way partnership between bingo halls, host municipalities, the Alcohol and Gaming Commission of Ontario and OLG to expand charitable gaming. At the same time, OLG was asked to find \$100 million in annual efficiencies. All these initiatives are currently underway and are part of OLG's modernization plan.

OLG is the largest gaming organization – and jurisdiction – in North America, with 33 gaming sites and 10,000 lottery points of sale





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Last year, a total of 8 million Ontario adults played the lottery at least once and 2.7 million visited casinos and slot facilities.

#### **CONTRIBUTION TO THE PROVINCE**

The legislative authority of OLG is set out in the Ontario Lottery and Gaming Corporation Act, 1999 and OLG has a single shareholder, the Government of Ontario. OLG has consistently delivered profit (Net Profit to the Province) to the people of Ontario. OLG (and its predecessor organizations) has provided over \$34 billion to the Province, since 1975 (up to March 31, 2011).

OLG's Net Profit to the Province in each of the last seven years has ranged from \$1.7 billion to \$2.0 billion. In 2011–12, the profit from lottery and gaming will support health care, education and infrastructure as well as the Ontario Trillium Foundation (\$120 million), problem gambling and related programs (\$41 million) and support for amateur athletes through Ontario Amateur Sports (\$10 million).

#### **OLG TODAY: THE CASE FOR CHANGE**

While gaming and lottery playing have been well-accepted entertainment options for decades, the current OLG business model is not sustainable over the long term. Advances in technology, changes to shopping patterns, aging demographics, and declining visits from the U.S. have combined to threaten the industry and the contribution to the Province.

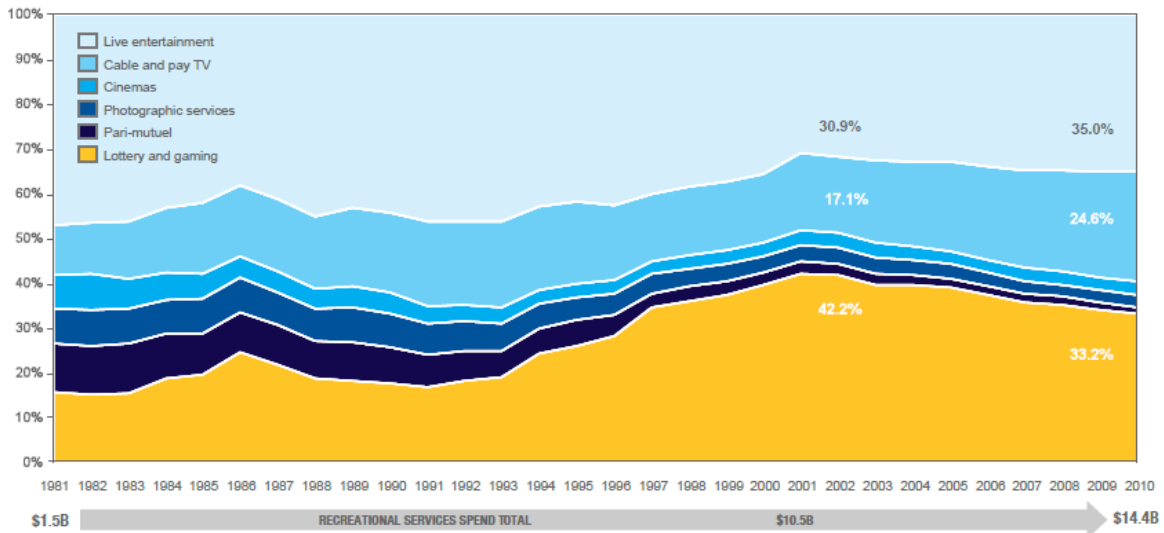
In addition to OLG's payments to the Province, there are also several direct beneficiaries of gaming proceeds including the horseracing sector (approximately \$345 million in 2011–12), host municipalities (approximately \$92 million in 2011–12) and from both lottery and gaming, Ontario First Nations (approximately \$117 million in 2011–12).

Lottery and gaming also contributes to the Ontario economy in a number of ways. In 2010–11, OLG operations generated \$3.7 billion in total economic activity in the province (OLG data, [www.olg.ca](http://www.olg.ca)).

The lottery and casino games available in Ontario were designed in the 1970s and in the 1990s for the core gaming demographic of the time. Ontario is different now—people's interests in various recreation options have evolved. People shop differently and they play differently.

## Ontario Recreational Spending Growth

Currently there is increasing competition for customers' spending money. Live entertainment took up more share of wallet than lottery and gaming in 2009 for the first time since 2001. Cable & pay TV and live entertainment continued gaining share.



Source: Statistics Canada

### Advances in technology

When casinos first opened in Ontario in 1994, e-mail was new, as was the internet. Since then, there has also been a significant increase in the technology that supports the lottery and gaming business. In some aspects of the business, OLG has not kept pace with available improvements in technology.

In addition, advances in technology have also created the opportunity for online gaming. In Ontario, an estimated \$400 million is spent annually on gaming sites not authorized in Ontario.

### Changes to shopping patterns

OLG's current terminal technology limits where lottery tickets can be sold and does not fully reflect current shopping patterns. The majority of Ontario adults under 45 frequent supermarkets, big box stores and large retail locations. As a result, even though 50 percent of adult Ontarians play the lottery regularly, just 14 percent of adults under 45 play the lottery at least once a week.

### Demographic shifts

About 88 percent of OLG land-based gaming revenue is from slot machines, which have limited appeal to players under 45. These players prefer table games like black jack and poker. Demand for slot machine gaming is not expected to grow and will plateau in the coming years.

### U.S. Visits

In 2002, some 23 million U.S. residents entered Ontario every year. By 2011, the number declined to 7 million U.S. residents—a drop of 70 percent. Between 1998 and 2008, the number of U.S. residents entering Windsor has dropped by 74 percent.

Gaming revenues are also flattening, due to competition from neighbouring U.S. states. When casinos first opened, border communities had few gaming options. Now a number of U.S. cities in bordering as well as other states have casinos—or are planning to expand their offerings—including Chicago, Detroit, Baltimore, Boston and Buffalo as well as a number of locations in Ohio.

At the same time, OLG's existing agreements foster internal competition, resulting in less value for marketing dollars spent. OLG resort casinos and other facilities compete with one another by marketing to the same customers.

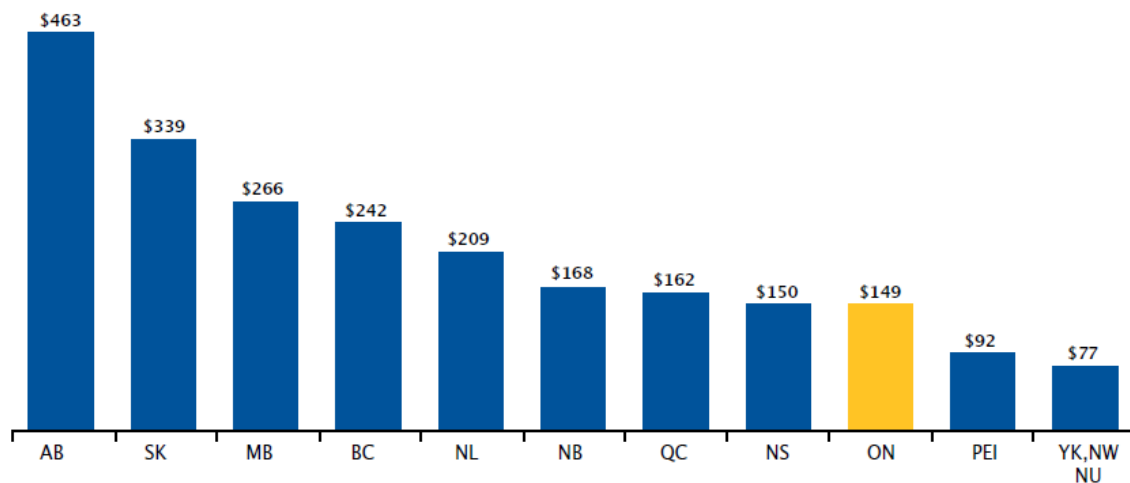
Today, investing to improve OLG's current facilities would require government money. The Ontario government has in recent years, to positive effect, been using private partnerships to move the risk of public capital investment to the private sector. For example, some 18 hospitals are being built in Ontario through these partnerships.

The impact of all these developments on OLG business has been profound and has led to an unsustainable future for the organization. Over the past 10 years, the profits from gaming facilities close to the U.S. border have dropped from \$800 million in 2001 to \$100 million in 2011. Resort casinos alone have declined by over \$600 million.

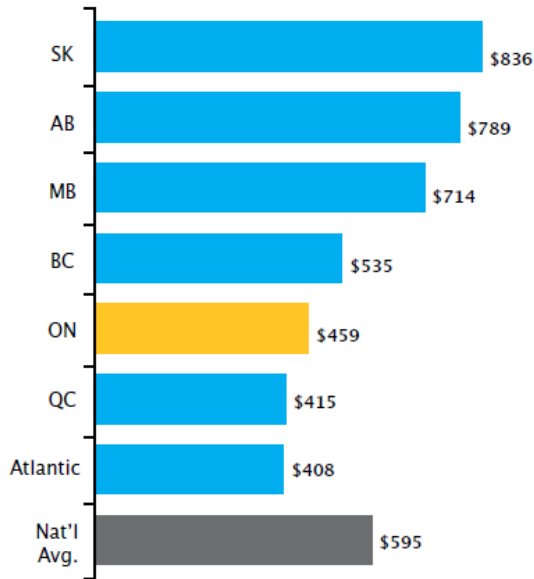
Increased lottery sales and profits from LOTTO 6/49, LOTTO MAX and INSTANT tickets have only partially offset the decline from resort casinos. These games are also beginning to plateau in terms of sales—due partially to the decline in players under 45.

Based on per capita gaming profit in other Canadian provinces, the people of Ontario do not derive comparable benefit from lottery and gaming. If the customer base was significantly broadened, meaning more people playing a little, the province could benefit. On average, the lottery and gaming industry returns about \$220 to every resident of Canada. Ontario, on the other hand, contributes about \$149 per capita. B.C. and Alberta have seen considerable growth in the last five years, while Ontario's and Quebec's growth has been flat. By becoming more innovative, OLG could be more efficient and effective.

#### Net Profit to the Province per Capita 2011



### Net Gaming Revenue per Adult 2011



Sources: Saskatchewan Lotteries Trust Fund Financial Statements, Alberta Gaming and Liquor Commission Annual Report, Manitoba Lotteries Annual Report, BCLC Annual Report, OLG, Loto-Québec Annual Report, Atlantic Lottery Corporation Financial Statements and OLG analysis.

In terms of gaming revenue, OLG's performance is average compared to other Canadian provinces. Ontario ranked fifth in net gaming revenue per adult in 2010.

In recent years, OLG has maintained Net Profit to the Province to government in the absence of substantial new opportunities. However, without fundamental change, the Province should expect a gradual decline in revenue.

Most single or one-off options to improve sustainability, modernize the business and improve profit to government will not produce the best results. For example, simply reducing staffing levels would reduce costs but would not help improve the customer experiences or deliver innovation. OLG's current operating model for lottery terminals and supporting technology could be updated but it would be costly to replace the outdated infrastructure with public funding.

Over the next five years, simply maintaining existing OLG infrastructure will require an additional investment of \$1 billion in public funds. Major improvements to transform and modernize OLG's infrastructure could cost taxpayers up to \$3 billion.

Substantial change to the business within the current model could be costly, risky and unpalatable to many stakeholders. In one potential scenario, by 2017, due to the declining participation of younger adult players, the impact of technology and cross-border competition, annual profit to government could decline by \$400 million.

## OLG IN THE FUTURE

In the future, OLG will be an efficient, modern organization committed to delivering sustainable lottery and gaming entertainment that serves the needs of Ontario players and visitors in a way that benefits the province, its communities and its people while leading North American funding for responsible gambling.

Combined with previously announced plans for iGaming and efficiencies, this proposed reform could see key public priorities like health care and education benefit from additional annual Net Profit to the Province of \$1.3 billion by 2017. Over the six-year period of the transformation, OLG will provide an additional \$4.6 billion to the Ontario government.

Employment will grow by over 2,300 net new jobs in the industry (in new gaming facilities and related amenities as well as in digital gaming design and management) as well as an estimated 4,000 service sector jobs in hotels, restaurants, entertainment centres and retail.

Ontario will continue to be a North American leader in responsible gambling—and support for research and treatment will increase.

As overall revenues increase, Ontario's First Nations communities will also continue to receive financial benefit from the industry—at a level higher than today's. Host municipalities would have a consistent model for funding support but overall will receive more than the current level, based on planned growth.

Ontario will see an additional \$3 billion in new private sector capital investment in the province. The capital costs of expanding, improving or simply maintaining gaming facilities will not be carried by taxpayers. The private sector will take on the role of building new gaming facilities or expanding existing ones. The costs to the

public to own and operate lottery and gaming will be significantly reduced. Regulated private sector providers will help define where the market for new facilities exists, consistent with government policy, responsible gambling standards and municipal approval. OLG and the government will retain the right to approve the location of any new site.

OLG will become a more sustainable organization that ensures that Ontario residents and visitors can play more innovative and fun games in a responsible way. OLG will continue to be the lead agency for lottery and gaming in Ontario, but no longer be directly delivering all lottery and gaming services. The future OLG will set standards for the customer experience, but allow the private sector to decide specifics. OLG will set standards for access, integrity, security and responsible gambling. In the long term, OLG will likely have a small operational footprint—it will do less. The organization will instead focus on core customer management, delivering a leading responsible gambling program, as well as overseeing the regulated private sector providers and the implementation of government gaming policy. Ultimately, Ontarians will benefit from a more effective, more valuable operation.

The tourist experience of gaming entertainment in Ontario will be enhanced. It will be easier for Ontario businesses to participate with OLG in lottery or gaming-related opportunities. OLG will become a more efficient organization focusing on well-defined control and oversight functions, rather than day-to-day operations.

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## HOW DO WE GET THERE?

This report makes three recommendations for systemic change. If followed as a whole, these recommendations will profoundly change the lottery and gaming industry in Ontario, rendering it more sustainable, more efficient and more valuable for the people of the province.

### ONE / Become More Customer-Focused

Like any commercial operation, OLG needs to be responsive to customers. Gaming across the province needs to better reflect what customers want and should be closer to them.

OLG is recommending the expansion of lottery sales options to multi-lane retailers, including supermarkets and big box stores, while continuing to support convenience store retailers.

OLG is also recommending that government allow for the expansion and consolidation of gaming sites, based on customer interest. The government should allow gaming

facilities to be located where customers are. As part of this effort, slot facility locations should not be limited to racetracks.

As is current practice, municipalities will continue to receive financial support from the gaming operations in their communities through a portion of gaming revenue for the benefit of the community. However, OLG should introduce a consistent fee model for host municipalities. This would facilitate the introduction of a mix of games at sites. Funding levels should continue to be determined by customer volume.

### TWO / Expand Regulated Private Sector Delivery of Lottery and Gaming

OLG needs to engage the private sector in building a new model for gaming in Ontario—while OLG maintains control and accountability. In order to enable efficient operations, avoid public expenditure on capital and address interest in land-based gaming, OLG should expand private sector participation in the efficient, effective delivery of casinos and gaming products. The first step would be for OLG to develop a competitive and transparent procurement process for these activities. The result would be regulated private operators selected to run existing and new sites.

OLG would manage the provincial market and the private sector would invest in it. New locations would be subject to the approval of host municipalities.

In lottery, OLG should shift the day-to-day operation of its lottery network to a regulated private sector operator. There should also be an expansion of retail options for lottery sales including multi-lanes in large stores, the internet and mobile devices. At the same time, OLG should allow for regulated private sector game development to foster innovation and increase responsiveness.

### THREE / Renew OLG's Role in Oversight of Lottery and Gaming

OLG should improve both its business and infrastructure systems to appropriately manage all customer interaction from lottery to internet to casinos. This would allow the organization to more efficiently fulfill its function as a manager, protector and steward of customer information. OLG should become a leaner, more efficient organization focused on well-defined market management and oversight functions. OLG will continue to work positively

with its regulator, the Alcohol and Gaming Commission of Ontario (AGCO).

At the same time, Ontario should continue to lead the continent in responsible gambling standards and expand research and treatment support. In any expansion of lottery and gaming, OLG must continue to provide safe gaming options and commit to increased environmental practices.



These three recommendations should be seen as a comprehensive approach to modernizing the gaming sector and they should not be implemented individually. This systemic reform of the sector is substantial and it has significant implications for various stakeholders. Some of these considerations are outlined throughout the recommendation section.

The following chapter outlines in detail each of the three recommendations for the modernization of gaming in Ontario. This approach, together with OLG’s ongoing initiatives, will, by 2017–18, provide an additional \$1.3 billion in annual Net Profit to the Province and create about 2,300 net new industry jobs—and an estimated 4,000 jobs in hotels, restaurants, entertainment centres and retail.

The estimate for increased Net Profit to the Province is based on the following:

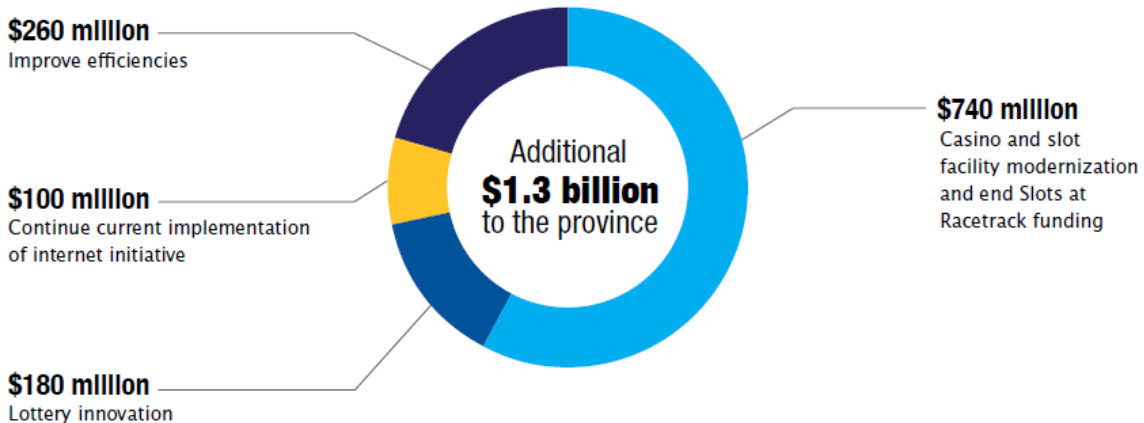
- Modernize and shift the day-to-day operation and capital development of gaming facilities to private sector; build new facilities based on customer interest; renegotiate the funding formula for municipalities to allow for a broader game offering; end the funding formula for slots at racetracks: about \$740 million increase in Net Profit to the Province annually.

- Modernize and shift the day-to-day operation of the lottery network to private sector operators; invest in new player technology; allow private sector to design lottery games; expand distribution of lottery through new channels: about \$180 million increase in Net Profit to the Province annually.
- Deliver a full range of games on the internet through an online site accessible by computer and other internet-connected devices including lottery ticket sales, interactive casino-style games (against the house) and peer-to-peer games (like poker): about \$100 million increase in Net Profit to the Province annually.
- Improve efficiencies at OLG as it focuses on being a smaller organization focused on market management and a leader in responsible gambling: \$260 million increase in Net Profit to the Province annually.

Ontario is facing a large deficit and over six years, as the plan is implemented, OLG would contribute an additional \$4.6 billion for critical services like health care and education.

All told, these initiatives would widen the appeal of gaming. OLG would broaden the player base by becoming more appealing—not increasing the amount that current customers gamble. These initiatives would also substantially reduce the amount of public capital invested in gaming sites and lottery infrastructure and encourage efficiency and innovation.

### Additional Net Profit to the Province



## RECOMMENDATION ONE

### Become More Customer-Focused

Like any commercial operation, OLG needs to be responsive to customers. Gaming across the province needs to better reflect what customers want and should be closer to them.

OLG is recommending the expansion of lottery sales options to multi-lane retailers, including supermarkets and big box stores, while continuing to support convenience store retailers.

OLG is also recommending that government allow for the expansion and consolidation of gaming sites, based on customer interest. The government should allow gaming

facilities to be located where customers are. As part of this effort, slot facility locations should not be limited to racetracks.

As is current practice, municipalities will continue to receive financial support from the gaming operations in their communities through a portion of gaming revenue for the benefit of the community. However, OLG should introduce a consistent fee model for host municipalities. This would facilitate the introduction of a mix of games at sites. Funding levels should continue to be determined by customer volume.

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### CONTEXT IN LAND-BASED GAMING

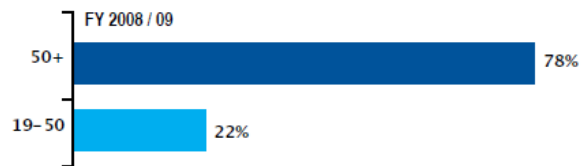
Historically, government has maintained the location and size of facilities, based on priorities that were not always responsive to customers. As a result, at some sites there are too many slot machines. In other markets however, particularly in the Greater Toronto Area, customer interest is not being met.

Three of Ontario's resort casinos, as well as five OLG facilities, are adjacent to the U.S. border, making it easier for U.S. travelers to visit. However, due to competitive U.S. casinos, the rise in the Canadian dollar, the rising price of gas and the increasing security at the border, the number of visiting U.S. customers has declined. (Sources: Bank of Canada, Ontario Ministry of Tourism, Culture and Recreation.)

Slot facilities currently, with few exceptions, are not located near population-dense urban centres—where the majority of Ontarians live.

The gaming facilities in this province were, by and large, designed over a decade ago and not only have customer preferences evolved since then, so too has technology. The customer base for gaming is aging rapidly. Adult players under 45 typically do not play slot machines. Adult customers under 45 who do visit casinos overwhelmingly prefer to play table games like black jack and poker.

### Gaming Customer Age



The requirement to locate slots at racetracks limits site locations and impedes OLG's ability to serve customers closer to where they live and is therefore not responsive to customer interest.

Based on the current Slots at Racetrack program, the horseracing sector is projected to receive \$345 million (2011-12). Since the program was launched, horsepeople and racetrack owners have received over \$3.4 billion.

OLG is also limited in the game mix it can offer to customers due to current municipal funding arrangements. If OLG were to change the game mix, the cost to OLG would be prohibitive.

Municipalities where gaming facilities exist benefit in a number of ways from gaming. Tourist appeal, employment, the use of local suppliers and economic

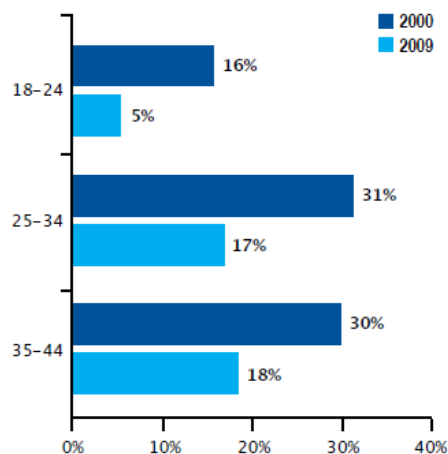


development all expand when gaming facilities are located in a community. In addition, host municipalities generally receive a percentage of slot revenue. In 2011–12, host municipalities are forecasted to receive about \$92 million from slot and casino revenues.

### CONTEXT IN LOTTERY

Since lottery games were introduced over 35 years ago, the desires of customers have evolved and technology has advanced considerably. Ontarians purchase lottery products through a retail clerk who hands them a paper ticket. OLG has a largely paper-based lottery system in an economy that is increasingly paper-free.

#### Core Lottery Players



The decline in participation in lottery by players under 45 has been severe in recent years. Overall, the average age of the player base is increasing, and current lottery games in existing channels do not attract players under 45.

Major lotteries outside North America have established internet lottery to attract adults under 45. Norsk Tipping, the Norwegian national lottery, for example, produces over 10 percent of sales over the internet, with tight responsible gambling restrictions and age verification.

In other jurisdictions, lottery tickets are sold across all lanes in grocery stores. Quebec has multi-lane sales and British Columbia has internet lottery ticket sales options. Camelot UK Lotteries Ltd., the UK National Lottery operator, achieved strong results in about five years in conjunction with a fast-pay card. Responsible gambling research indicates that e-cards for play help to combat problem gambling.

Ontario's sales model does not fully meet the needs of today's customers. There are about 10,000 terminals across the province and the vast majority are in convenience stores. OLG continues to rely heavily on convenience (and convenience with gas) stores for the primary delivery of lottery tickets (some two-thirds of sales), while Ontarians are shopping more frequently at large retailers such as supermarkets and big box stores. Lottery sales have, though, become an increasingly critical component of the convenience store business.

### DESCRIPTION: CUSTOMER FOCUS

Like any commercial operator, OLG needs to be able to expand or contract gaming sites, based on customer interest—and always with consideration of OLG's responsible gambling priorities.

New or relocated gaming sites would only go to municipalities that have explicitly approved them and where there is a clear business case. OLG and the government would continue to have the right to approve new or relocated gaming sites.

In lottery, OLG needs to improve the customer experience by offering lottery tickets in more locations where people currently shop. This would mean expanding sales to multi-lanes in supermarkets and big box stores.

The Slots at Racetracks Program limits OLG's flexibility to locate gaming facilities near OLG customers. Furthermore, the formula restricts OLG's ability to maximize revenues for key government priorities. As such, the Slots at Racetracks Program should be drawn to a close.

To improve the ability to offer a mix of games at sites, OLG should establish a fair and simple funding model that would supply a portion of slot machine revenue to host municipalities, independent of the type of facility.

A straightforward formula would have two key benefits:

1. Make the formula consistent across municipalities.
2. Provide flexibility for the decision to add table games or other new games, based on customer interest, municipal consent and OLG's provincial market plan.

Once existing site holder agreements have been terminated, OLG will engage in negotiations on new arrangements for OLG and/or private sector vendors to occupy space at racetrack locations where there is customer interest.

Casinos that are operated in cooperation with First Nations have separate agreements that are subject to current contracts.

## KEY CONSIDERATIONS

- Convenience stores are expected to continue to be the source of the majority of lottery ticket sales.
- Convenience store lottery terminal locations will continue to be a priority.
- New games, enabled by third party developers, would add to lottery sales in convenience stores.
- Employment is growing annually in Ontario's digital media sector. With the addition of expanded opportunities in lottery, there would be additional growth in game design jobs.
- New lottery sales options must be consistent with Ontario responsible gambling standards.
- New contractual arrangements with racetracks and municipalities will require the re-negotiation of existing arrangements, with sufficient notice.
- The majority of host municipalities would continue to receive the same benefit under a revised formula.
- New arrangements should ensure that municipalities retain the ability to use funds as they see fit, as is current practice.
- With municipal council approval, a new facility in the Greater Toronto Area or elsewhere in the province would increase revenue to that municipal government.
- Explicit municipal consent would be required for any host community.
- Any new facility proposal would include government sign-off and oversight, AGCO registration, a business case completed by OLG, and the need for local community consultation, support and approval.

## RECOMMENDATION TWO

### Expand Regulated Private Sector Delivery of Lottery and Gaming

OLG needs to engage the private sector in building a new model for gaming in Ontario, while OLG maintains control and accountability. In order to enable efficient operations, avoid public expenditure on capital and address interest in land-based gaming, OLG should expand private sector participation in the efficient, effective delivery of casinos and gaming products. The first step would be for OLG to develop a competitive and transparent procurement process for these activities. The result would be regulated private operators selected to run existing and new sites.

OLG would manage the provincial market and the private sector would invest in it. New locations would be subject to the approval of host municipalities.

In lottery, OLG should shift the day-to-day operation of its lottery network. There should also be an expansion of retail options for lottery sales including multi-lanes in large stores, the internet and mobile devices. At the same time, OLG should allow for regulated private sector game development to foster innovation and increase responsiveness.

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#### CONTEXT

OLG is currently responsible for 23,000 slot machines and over 500 games tables in Ontario as well as 27 gaming facilities and over 10,000 lottery terminals. Currently, any maintenance and improvements to facilities or products require public sector investment. At the same time, the Ontario government has been using alternative financing and procurement processes to invest in public capital projects, such as hospitals.

OLG directly employs about 7,700 people at sites and facilities as well as at head offices sites. Through the privately-operated gaming sites, there are about 10,000 indirect employees. OLG assumes the cost of these employees as well.

Today, the commercial operators working with OLG compete with OLG for customers. A private sector provider will not invest in a market where it is asked to share customer information with OLG while competing with OLG's owned and operated sites.

At the same time, OLG facilities in need of capital improvements rely on public funds to do so. Any new facility, under current arrangements, would be built with public dollars. OLG could focus more clearly and more effectively on its role as the operating mind of the gaming sector by bringing in the private sector for capital investment and some operating expenses.

In consideration of maintaining profit to the Province, OLG has under-invested in the infrastructure required to run its lottery business over the last five to 10 years.

The lottery and shared services divisions of OLG are operating on a patchwork of outdated systems that require significant maintenance to keep running. Direct ownership of the technology has created extensive financial and labour commitments across the province.

The lottery terminals are also not being used at capacity—namely, they are only used for lottery tickets, though other options are technically available (such as phone cards and iTunes® cards). The terminals are almost fully depreciated and will soon need to be replaced.

#### DESCRIPTION: GAMING

OLG could engage regulated private operators to run the day-to-day operations of all existing OLG-operated gaming facilities and all new facilities. They would be paid a fee for this work.

To do so, OLG should implement a consistent set of terms and conditions for operating a land-based gaming site in Ontario that is fair, transparent and that encourages private sector investment. Location and site designs would be approved and overseen by OLG, but initiated, built and paid for by the private sector.

OLG needs to establish a level playing field by establishing a consistent private operating model that gives regulated providers the incentive to operate in their own interests, while OLG controls the parameters of gaming, maximizes Net Profit to the Province and ensures Ontario's responsible gambling standards are upheld.

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This would include identifying distinct gaming zones where existing or new gaming sites could be permitted. These defined gaming zones will help reduce the impact of one gaming site upon another. Customer interest should determine the size and genre of gaming facility in a zone.

The right to operate in a particular geographic area should also be determined by OLG. Regulated private sector operators would have defined rights to operate land-based gaming inside the boundaries of a zone. In advance of an open, transparent procurement process to obtain operating rights, a map of zones, their definitions and their parameters should be planned by OLG in consultation with stakeholders.

Should OLG move out of the daily operation of facilities, OLG's current direct employees at gaming sites could have the option of working at privately-operated facilities.

OLG could also transfer the assets that are required to operate business to the regulated private sector providers. And in the future, the private sector would build and own new capital assets. By reducing OLG's interest in capital assets, regulated operators could finance their expansion plans through capital markets.

OLG would be the sole steward of customer information and would determine market management principles for all sites.

#### **ONTARIO FIRST NATIONS**

The Province has a funding arrangement with Ontario First Nations whereby OLG distributes 1.7 percent of total revenue (estimated at \$117 million in 2011-12) to the Ontario First Nations Limited Partnership, 2008 (OFNLP, 2008). The funds are to be distributed to Ontario First Nations for use in education and health initiatives as well as economic, social and community development. With this plan, payments to OFNLP are expected to increase.

In addition to the two current gaming locations (Casino Rama and Great Blue Heron Charity Casino) on First Nations land, Ontario First Nations should be free to bid in OLG's procurement process, either as a solo proponent or in partnership with other organizations, for the opportunity to operate in a zone.

#### **DESCRIPTION: LOTTERY**

Based on defined criteria, customer interest and Ontario's responsible gambling standards, private operation of the lottery distribution network would enable a selected vendor to determine the distribution and location of future lottery terminals.

While maintaining the integrity of lottery games, OLG should shift the day-to-day operation of the lottery network to a regulated private sector operator. A private operator of the terminal network would have the incentive to work with convenience store owners to save money and expand the services they provide via lottery ticket terminals. This would also enable the introduction of new points-of-sale for lottery products including multi-lane checkouts in large stores, mobile devices and home personal computers.

Lottery terminals have the potential to provide many more services—and could do so with private sector investment. These services could include the ability to sell phone cards, gift cards and iTunes® cards. This would help retailers to reduce inventory costs.

OLG should also consider various approaches to reusable tickets such as stored value cards or RFID (Radio Frequency Identification) cards. A stored value card is similar to a phone card and an RFID card could store a customer's preferred numbers—and allow the customer to check his or her numbers. These innovations would be carried out in consultation with Ontario's Privacy Commissioner.

The introduction of new capabilities for lottery terminal devices should, first and foremost, maintain the integrity of games and could also focus on several areas:

- Effectiveness of store operations (automation of paperwork, just in time inventory management)
- Operational cost reductions (security/surveillance, monitoring, alarms)
- Connectivity for Point-Of-Sale (leveraging the high speed network)
- Communications ability (phone, fax, internet)
- New revenue generation (prepaid services, instant coupons, gift cards, digital signage, government services, etc.)
- Additional services (connectivity for micro payment solutions, Wi-Fi connectivity, etc.) and all while maintaining the integrity of the games.

OLG should set the standards for external developers to create new and innovative games. This should also encourage the faster development of new games that appeal to new customers.

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## KEY CONSIDERATIONS

- Considerable interest exists among private sector stakeholders to invest and to assume a greater role in operations.
- Private sector operators would be able to run operations more efficiently and effectively.
- Private sector experts in technology support and channel sales have indicated interest in working with the largest lottery jurisdiction in Canada—and one of the largest markets in North America.
- Competitive procurement process will need to consider parameters of geography, population, tourism zones and proximity to the U.S.
- The procurement process will also need to account for existing bingo locations and current private sector investments.
- OLG will continue to be responsible for setting the rules, the odds and the payments as well as conducting the draws for all lotteries in Ontario.
- It is important to OLG to make sure that lottery terminals maintain the highest security standards.
- OLG will control game integrity and design while managing the private sector's access to the market.
- OLG will work with the private sector to ensure that customers are served in all parts of the province.



## RECOMMENDATION THREE

### Renew OLG's Role in Oversight of Lottery and Gaming

OLG should improve both its business and infrastructure systems to appropriately manage all customer interaction from lottery to internet to casinos. This would allow the organization to more efficiently fulfill its function as a manager, protector and steward of customer information. OLG should become a leaner, more efficient organization focused on well-defined market management and oversight functions. The OLG will continue to work

positively with its regulator, the Alcohol and Gaming Commission of Ontario (AGCO). At the same time, Ontario should continue to lead the continent in responsible gambling standards and expand research and treatment support. In any expansion of lottery and gaming, OLG must continue to provide safe gaming options and commit to increased environmental practices.

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#### CONTEXT

The lottery and gaming marketplace is comprised of a number of different sectors, industries, regulated and unregulated operators, as well as provincial and federal bodies that oversee, regulate, and set standards in the lottery and gaming business.

OLG, often referred to as the "operator", is a Crown agency of the Ontario government with responsibility for "conducting and managing" lottery games, a number of casino gambling facilities and charitable gaming centres (i.e. bingo halls with electronic games). The *Criminal Code* sets out the parameters under which lottery and gaming is legal in Canada. Under the Code, gaming may only be "conducted and managed" by the province or certain licensed entities. OLG "conducts and manages" lottery and gaming on behalf of Ontario, in accordance with the Code.

AGCO, often referred to as the "regulator", is also a Crown agency of the Ontario government, responsible for the regulation of resort casinos, facilities directly operated by OLG: OLG casinos, slot facilities at racetracks, and lotteries conducted by OLG. AGCO's responsibilities also include a range of other responsibilities, such as administration of the *Liquor Licence Act*.

Historically, OLG has been responsible for the oversight and operation of its gaming sites. This has resulted in a large proportion of the organization dedicated to operations.

Today it is more appropriate for OLG to focus on customer information, market management, oversight and responsible gambling. Other Canadian jurisdictions have moved to more modern approaches to the operation of lottery and gaming.

When Ontario expanded gaming beyond resort casinos, the most accessible way at the time to demonstrate control was to own and operate all facets of the gaming experience. Since then, technology has advanced considerably and OLG's experience in gaming has evolved.

Currently, OLG is working on a number of initiatives to help position the organization for change and help it function more efficiently.

For example, OLG's knowledge of its customers today is managed and secured across multiple business units and shared services, both internally and via third parties. OLG's customer database includes:

- almost 2 million Lottery players
- 2.6 million Slots & Casino players; and
- over 5 million Resort Casino players.

#### BCLC

The British Columbia Lottery Corporation (BCLC) determines where gaming facilities go. BCLC owns the games and the game management system as well as the loyalty program. BCLC works with the private sector on where and how gambling opportunities will be made available. Private sector providers supply the facilities and operate casinos.

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OLG is currently implementing an advanced gaming management system that will allow for an integrated view of all operations as well as all product and customer behaviour across all properties.

While the majority of Ontarians gamble without any detrimental impact, a small portion develop moderate to severe gambling problems.

Ontario is an acknowledged North American leader in Responsible Gambling prevention, research, and treatment. This province has one of the broadest networks of gambling counselors and some of the world's leading thinkers and practitioners in the field. These specialists and experts inform OLG's Responsible Gambling program.

#### **DESCRIPTION**

OLG should renew its approach (consistent with that of other provinces) to focus more on what is required for the successful operation of a modern gaming model including:

- customer and game management (customer touch points, databases, approval of marketing programs).
- market management (channel strategy, high-level planning for new gaming sites, product strategy);
- oversight (integrity, security, legal compliance);
- and responsible gambling.

#### **DESCRIPTION: CUSTOMER INFORMATION**

OLG should become a leader in customer information data. Reliable and consistent customer information is important from both a customer-preference and responsiveness point of view as well as for responsible gambling purposes.

OLG should adopt a "privacy by design" strategy to ensure careful stewardship of the personal information contained in OLG's customer database. This will safeguard customer privacy and ensure—among other things—that personal information is used only for defined and express purposes.

OLG will continue to seek the expertise and guidance of the Ontario Information and Privacy Commissioner on how best to embed best-in-class privacy protections in its data management systems.

#### **DESCRIPTION: OVERSIGHT**

It is important however, to retain a government presence where the public interest needs to be protected. Lottery and gaming are forms of entertainment widely enjoyed by millions of Ontarians so it is critical that OLG maintain a substantial degree of control over how they are run.

There must be OLG-set standards for access, integrity, security and responsible gambling. In the long term, OLG will likely have a small operational footprint—it will do less—but maintain oversight over the gaming experience in Ontario. Ultimately, Ontarians will benefit from a more modern, more sustainable and more valuable operation.

Under the transformed model for gaming, OLG would continue to define all policies and set thresholds for number of sites and games. For example, OLG would determine the maximum number of gaming devices in any site or geographic area. OLG would also set policies in relation to marketing activities and maintain the enterprise brand.

OLG would also help ensure legal compliance (along with AGCO and the OPP) in areas such as money laundering, investigations, fraud and collusion.

All told, OLG would be a much smaller organization focused on customer information, market management, the oversight of a portfolio of private operators as well as responsible gambling.

#### **RESPONSIBLE GAMBLING**

In a transformed industry, OLG would continue to set policies and help establish Ontario's Responsible Gambling standards—maintaining and improving its current leadership in the responsible gambling field.

OLG will continue to provide North American leadership in responsible gambling by:

- maintaining a strong funding base;
- ensuring all operations meet rigorous external standards
- advancing technology practices;
- integrating safe measures into overall customer experience; and
- continuing ongoing partnerships with independent provincially-funded agencies.

The evolution of technology to support customer decisions while gambling enables greater personal control and the collection of data. This information helps OLG better understand how it can encourage players to make informed choices. OLG plans to promote a new suite of individually-directed help services being developed by the Centre for Addiction and Mental Health, including a world-first internet counseling program for gamblers. Facial recognition technology, now being rolled out by OLG, allows facilities to better detect those who have signed up for the voluntary self-exclusion program.

“OLG supports and engages with a wide range of stakeholders, and demonstrates its commitment to innovation through its support for players ... by actively reaching out to support and counselling services.”

World Lottery Association's award letter to OLG for Highest Certification for Responsible Gambling programs

These external controls will ensure that OLG's program is continually evaluated and improved so that it meets the best interests of Ontarians.

OLG's role is to help prevent problems from occurring and to assist those who need it. In order for gaming to continue to be a safe, sustainable option for Ontarians and visitors, OLG wants to ensure a broad base of sustainable players who can gamble safely and play for many years. It is not in the interest of OLG or Ontario to attract problem gamblers.

OLG's future role should be to continue to build on a culture of responsibility where front line staff can identify and respond to players who need help as part of basic customer service. At the same time, OLG will direct and require operators of lottery channels and gaming sites to exceed regulatory compliance standards. OLG will provide operators with strategic and tactical support, performance evaluations, incentives, and plans for improvement. Ontario must continue to expand its leadership in the responsible gambling field, so OLG recommends increasing funding.

#### **SAFE PLAY**

Fair gambling is the foundation of player trust. In Ontario, games of chance are run with regulated and transparent odds, pay-out ratios, game mechanics and money management. Facilities and sales channels are monitored and well supported by licensed security officers, EMS trained staff, and as part of the oversight of the AGCO (Alcohol and Gaming Commission of Ontario), by the presence of the Ontario Provincial Police. All gaming staff in Ontario are “Smart Serve” trained on the service of alcohol, and strict age verification requirements support lottery sales and access to gaming facilities. This would continue in a transformed gaming industry.

#### **GREEN GAMING**

Gaming in Ontario is going green. For over four years, OLG's Bet On Green program has been lessening the environmental impact of OLG's operations, promoting environmental awareness to employees, increasing green awareness among customers and helping OLG become a global leader in energy-efficient gaming. The program focuses on paper reduction, employee engagement, customer education and reducing energy consumption.

In new and renewed facilities, OLG will have the opportunity to increase environmental efforts. New buildings are likely to be LEED (Leadership in Energy and Environmental Design) certified—as are OLG's most recent gaming site developments. Other current strategies could also extend to any new operations, including:

- ongoing paper reductions;
- and the use of environment-friendly certified cleaning products.

#### **KEY CONSIDERATIONS**

- Employees would be affected by OLG's focus on oversight instead of all direct operations. Depending on decisions, there would be a transition period as many employees move from OLG to a private sector operator.
- Consider appropriate balance between customer knowledge for responsible gambling and business marketing purposes and privacy concerns.
- While increasing the role of the private sector in the delivery of lottery and gaming, it is even more important to focus on oversight and responsible gambling.
- Security and safe lottery and gaming are critical values to Ontario and must be maintained by OLG.



## APPENDIX I

### Internet and Charitable Gaming

#### INTERNET GAMING

While only provinces or their designates are allowed to operate betting or lottery schemes under the *Criminal Code of Canada*, Ontarians wager an estimated \$400 million on gambling websites that are not authorized in Ontario. The British Columbia Lottery Corporation and the Atlantic Lottery Corporation have created authorized internet lottery and gaming sites and Loto-Québec also recently initiated "espacejeux" for online gaming in December of 2010.

When it is first launched in late 2012 (and fully in 2013), OLG's internet gaming site will uphold standards aimed at protecting players from risks such as problem gambling

and identity theft or financial fraud. Over the first five years of operation, internet gaming is estimated to deliver a cumulative \$375 million in Net Profit to the Province and create about 50 jobs (both at OLG and in the industry) in Ontario.

Following a staged rollout of products, OLG will deliver a full range of games on the internet through an online site accessible by computers and other internet-connected devices offering lottery ticket sales, interactive casino-style games (against the house) and peer-to-peer games like poker.

#### EXPANDED CHARITABLE GAMING

OLG will roll out a standardized suite of paper and electronic games to all interested bingo halls in Ontario. (The suite of games will not include slot machines.) OLG will offer Bingo, Break-Open Tickets, Raffles and Lottery games or variations of these games to be played on paper, electronic devices or delivered through electronic

dispensing units. Over eight years of operation, this Charitable Bingo and Gaming initiative will deliver about \$475 million for Ontario charities. This initiative will create hundreds of part-time jobs while preserving the role of the thousands of volunteers who are currently involved in community-based charitable activity.

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## APPENDIX II

### Stakeholder Consultations

To support Strategic Business Review, from January 2011 to June 2011, OLG conducted a stakeholder consultation to:

- hear stakeholder perceptions on the future of lottery and gaming in Ontario;
- learn about best practices from within the province and around the world; and
- identify opportunities to work with the private sector or stakeholders in new ways.

The Strategic Business Review team met with over 50 stakeholder groups from across the province and in a number of other jurisdictions. The consistent message from stakeholders was that the current model of lottery and land-based gaming in Ontario needs to change substantially in order to meet customers' needs.

The Review team met with representatives from First Nations, casino owners, responsible gambling researchers, racetrack owners, horsepeople, industry leaders, operators in other jurisdictions, convenience store operators as well as related government organizations.

Stakeholders raised three major issues:

#### 1. Market Demand

Stakeholders felt that the future of gaming should be determined by the market. Expansion or reduction in the number of sites, slot machines, table games and lottery distribution must be considered in the context of under- or over-served markets in the province. The GTA is one of the most under-served gaming markets in North America.

“Economics should drive the thinking, and it has not. Historical thinking has been ‘slots are less than full casinos...’ Both slots per adult and tables per adult are dramatically under proportion in the GTA compared to other large Canadian cities.”

Great Canadian Gaming Corporation, Consultation, March 11, 2011

“OLG should be encouraging more private sector involvement or investment.”

Chippewas of Rama First Nation, Consultation, June 2, 2011

#### 2. Private Sector Involvement

OLG should take advantage of the expertise of the private sector to reduce the burden of capital investment on a government agency. It should increase third party operators' participation in the market. The result would be a return based on a reasonable risk/reward and substantially smaller costs.

#### 3. Re-define Purpose

OLG should re-define its role as an operator, focusing on minimizing social costs while improving customer knowledge. This should also include clarification of OLG's role in responsible gambling.

Stakeholders also raised concerns about:

- The need for clarity in the roles and purpose of OLG relationship with stakeholders
- Transparency of where funds are allocated
- Transparency of relationships across the sector
- Efficiency of process
- Effective use of technology
- Fair implementation of rules and restrictions
- Communication from OLG should be consistent, respectful and timely
- Government should be at the forefront of responsible gambling initiatives (particularly in regard to online gaming)

## LIST OF STAKEHOLDERS

- A** **Alberta Gaming and Liquor Commission (AGLC)**, Gerry McClennan  
**Alcohol and Gaming Commission of Ontario (AGCO)**, Jean Major, Don Bourgeois, George Sweny  
**Aristocrat Technologies**, Seamus McGill, Christopher C. Rowe, Keith Wood, Robert A. Perry, Brendan McCarthy, Ron Baryoseph
- B** **Bally Technologies**, Bruce C. Rowe, Robert J. Parente, Tina M. Kilmer, Stan Kozlowski, James Marino, Derik Mooberry  
**Boardwalk Gaming and Entertainment**, Jordan Gnat  
**Boyd Gaming Corporation**, Laura De La Cruz, Samuel Johnson  
**British Columbia Lottery Corporation (BCLC)**, Michael Graydon, Marsha Walden
- C** **Caesars Entertainment Inc.**, Tom Jenkin  
**Caesars Windsor**, Kevin LaForet  
**Camelot Global Services Limited**, Richard Wheeler, Mark Biscoe  
**Canadian Gaming Association (CGA)**, Bill Rutsey, Paul Burns  
**Canadian Niagara Hotels Inc.**, Dino DiCienzo Sr., Dino DiCienzo Jr.  
**Casinos Austria**, Great Blue Heron Charity Casino, Arnold Block  
**Central Ontario Standardbred Association (COSA)**, Bill O'Donnell  
**Centre for Addiction and Mental Health (CAMH)**, Wayne Skinner, Barney Savage, Robert Murray, Nina Littman-Sharp, Nigel Turner  
**Chippewas of Rama First Nation**, Chief Sharon Stinson Henry  
**City of Niagara Falls**, Mayor Jim Diodati, Ken Todd  
**City of Windsor**, Mayor Eddie Francis, Onoerio Colucci  
**Commercial Gaming Association of Ontario (CGAO)**, Peter McMahon
- D** **Delta Bingo**, Cameron Johnstone  
**Draft FCB**, Sophie Mair, John Boniface, David Williams
- F** **Falls Management Company (FMC)**, Clare Copeland, Bruce Caughill
- G** **Golden Eagle Charitable Entertainment Centre**, Patrick Brett, Eric Luke, Chief Skead  
**Great Canadian Gaming (GCG)**, Vic Poleschuck, Rod Baker  
**GTech Corporation**, Tom Dawley, Jay Gendron, Tim Simonson
- H** **HLT Toronto**, Lyle Hall, Rob Scarpelli, Drew Chamberlain
- I** **IGT**, Eric Tom, Chad Helm, Duane Frahm, Jeff Millar  
**Inter provincial Lottery Corporation**, Liz Kneible
- K** **Konami Digital Entertainment Inc.**, Sam Constantine, Ross O'Hanley
- M** **Ministry of Tourism**, Steven Davidson, Michael Kurts  
**Mississaugas of Scugog Island First Nation and Great Blue Heron Charity Casino**, Chief Tracy Gauthier, Kelly Larocca, Dela Charles  
**Mississauga First Nation #8**, Chief Daybutch

- O** **Office of the Information and Privacy Commissioner (IPC)**, Brian Beamish, Michelle Chibba  
**Ontario Bingo Development Fund (OBDF)**, Peter McMahon  
**Ontario Charitable Gaming Association (OCGA)**, Lynn Cassidy  
**Ontario Convenience Stores Association (OCSA)**, Dave Bryans, Steve Tennant  
**Ontario First Nations Limited Partnership, 2008 (OFNLP, 2008)**, Randy Sault  
**Ontario Harness Horse Association (OHHA)**, Ken Hardy, Brian Tropea, Jim Whelan  
**Ontario Horse Racing Industry Association (OHRIA)**, Sue Leslie, Dr. Ted Clark, R. Glenn Sikura  
**Ontario Korean Businessmen's Association (OKBA)**, Kenneth Kim  
**Ontario Problem Gambling Research Centre**, Judith Glynn  
**Ontario Teacher's Pension Plan (OTPP)**, Lee Sienna  
**Ontario Racing Commission**, Rod Selling, John Blakney, Steven Lehman
- R** **R2 Gaming**, Rocco DiPaola, Ravi Sharma  
**Racetracks Ontario (for profit)**, Jamie Deacey, Robert Locke, Bruce Barbour, Alex Lawryk, Andrew MacIssac  
**Responsible Gambling Council (RGC)**, Jon Kelly
- S** **Saskatchewan Gaming Corporation (SGC)**, Twyla Meredith, Tony Coppola  
**Saskatchewan Liquor and Gaming Authority (SLGA)**, Barry Lacey  
**Scientific Gaming**, Lorne Weil  
**Six Nations of the Grand River**, Matt Jamieson  
**Standardbred Breeders of Ontario Association (SBOA)**, Anna DeMarchi-Meyers, Liz Wappels  
**Standardbred Canada**, John Gallinger, Pat Kennedy, Tami McNivon, Doug McIntosh, Chris Roberts
- W** **Wauzhushk Onigum First Nation**, Chief Skead  
**WMS Gaming Inc.**, Dean Hendrickson, Dean Ehrlich, Amy Lipton, Bob Hayes  
**Woodbine Entertainment Group (WEG)**, Nick Eaves, Jane Holmes

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