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The

MICHIGAN GAMING

Newsletter



STATE BOARD APPROVES iLOTTERY CONTRACT

On Tuesday, January 14, 2014, the State Administrative Board for the State of Michigan ("Board") approved a contract between the Michigan Lottery and Pollard Banknote Limited ("Pollard") for the provision of Internet and mobile gaming services.

The Michigan Lottery selected Pollard on November 25, 2013 to assist in developing mobile and Internet platforms for patrons to play lottery games via the Internet. Pollard, which submitted a joint proposal with its subcontractor NeoGames Network Limited ("NeoGames"), was one of five groups that submitted responses to a Request for Proposal issued by the Lottery on January 8, 2013 and received the highest combined score from the Lottery's evaluation committee. The other groups included GTECH Corporation, Scientific Games, Incomm, and NDeX. Proposals submitted by the companies Incomm and NDeX were considered "non-responsive" and were not considered in the final evaluation by the Lottery.

In its recommendation, the Lottery's evaluation committee stated that Pollard and NeoGames "have deep experience in the implementation and operation of iLottery systems and games. [Pollard] provides instant game products and services to more than 50 clients worldwide and has nearly 30 years of experience in the industry. NeoGames has more than 40 different clients worldwide that utilize its internet games, internet gaming platform, and operational services....[Pollard], along with NeoGames, illustrated a solution and past experience that indicates both feasibility and flexibility of the proposed iLottery system." According to a press release from the Lottery on the matter, the contract is valued at approximately \$23.2 Million over the first four years, based on a projection of the 19.6% percent of gross profits from digital sales that Pollard is set to receive under the terms of the agreement.

According to the Michigan Lottery, offering its existing games online will result in anticipated growth in sales. Based upon figures from other states, the growth is estimated to increase contributions to the state School Aid Fund by nearly \$480 million over the next eight years.

Notably, legislation was introduced in the House and Senate to ban online lottery ticket sales in April of 2013, but neither bill has made it out of committee. (See [House Bill 4531](#) and [Senate Bill 0294](#)).

AAA AWARDS INCLUDE 3 MICHIGAN CASINO PROPERTIES

On Friday, January 17, 2014, AAA announced its list of Michigan properties that have been awarded the AAA Four-Diamond Award for 2014. The list includes a total of sixteen Michigan hotels and five restaurants across the state.

Of these award-winners, four Michigan casino properties were recognized:

- MotorCity Casino Hotel (Outstanding Property)
- MGM Grand Detroit (Outstanding Property)
- Iridescence restaurant at MotorCity Casino Hotel (Outstanding Property)
- Soaring Eagle Casino and Resort

Each of the above properties have received consecutive four-diamond awards for several years. MotorCity Casino Hotel and MGM Grand Detroit have received the AAA recognition for the past five and six years, respectively. In addition, Iridescence is receiving the award for the 13th consecutive year and Soaring Eagle Casino and Resort has been an award recipient for the past 16 years.

According to its website, the AAA Four-Diamond designation is awarded to “establishments that are upscale in all areas...[t]he fundamental hallmarks at this level include an extensive array of amenities combined with a high degree of hospitality, service, and attention to detail.” It is the second highest rating that a hotel can receive from the AAA, which rates approximately 29,000 hotels and 30,000 restaurants across North

America. Less than 6% of hotels and less than 3% of restaurants approved by AAA are rated as a Four-Diamond property.

An awards presentation will be held at the 2014 Pure Michigan Governor’s Conference on Tourism at the Grand Traverse Resort and Spa on Monday, March 10, 2014.

iGAMING NORTH AMERICA CONFERENCE TO BE HELD MARCH 19-21, 2014 IN LAS VEGAS

On March 19-21, 2014, iGaming North America will be hosting its fourth industry event at Planet Hollywood in Las Vegas, Nevada. The conference will focus specifically on issues in the iGaming industry and is supported by Reed Exhibitions, the Association of Gaming Equipment Manufacturers, the Canadian Gaming Association, the Gaming Standards Association, the International Masters of Gaming Law, the Remote Gambling Association, and the Interactive Gaming Council.

The conference will include educational seminars presented by industry experts on a variety of iGaming-related topics, including US federal and state policy, the relationship between iGaming and brick-and-mortar operations, presentations by established European operators, game design, tribal and commercial operations, and other issues. In addition to these educational events, there will be numerous networking and social programs throughout the 3-day event.

For more information on the 2014 iGaming North America conference, or to register for the event, please visit the conference’s website at: <http://www.igamingnorthamerica.com/>

SIGN UP FOR RMC’S DAILY GAMING NEWS FEED

Regulatory Management Counselors, P.C. (RMC Legal), authors of *The Michigan Gaming Newsletter*, would like to extend an invitation to sign up for the complimentary *RMC*

Daily Gaming News Feed. The Daily News Feed delivers Michigan and gaming-industry specific news links directly to you each morning.

To sign up to receive the RMC Daily Gaming News Feed, simply visit: [http://rmclegal.com/
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