

**Testimony of David P. Corey, Executive VP  
Bowling Centers Association of Ohio  
Senate Select Committee on Gaming  
Wednesday, March 10, 2021**

Chairman Schuring, Vice Chair Manning and members of the Senate Select Committee on Gaming, thank you for the opportunity to speak with you today regarding gaming - specifically sports gaming and e-Bingo. My name is David Corey, and I've been the Executive Vice President of the Bowling Centers Association of Ohio for almost 25 years. BCAO is a trade association consisting of 150 of the 200 bowling centers in the state of Ohio, and we represent approximately 5,000 Bowling Center employees.

Our efforts to be included in Ohio's expanded gaming programs started back in 1994 when we stated our position that if Ohio is going to expand gaming, then Ohio's small business hospitality establishments, that have been the backbone of the Lottery's success, should be provided an opportunity to be involved in the expansion of gaming. Our position since that time has not changed, but past General Assemblies have not allowed it. In March of 2010 and in December of 2011 - we testified as interested parties on bills that allowed VLTs at Ohio's Racetracks. During those hearings, we suggested (and implored the General Assembly) that if Ohio expanded gaming, that Ohio's beleaguered small hospitality businesses be part of any expansion plans. So, fast forward 25 years and what has happened? Four casinos monopolize slot machines and table games. Seven horseracing tracks have a monopoly on VLTs and 600+ fraternal & veteran organizations have electronic charity devices. All are very lucrative and are thriving.

Then again, as many of you probably remember, we testified on May 30, 2019 and on May 27, 2020 on the various gaming bills introduced last session and respectfully requested that those bills be amended to include Bowling Centers to offer Sports Betting on Ohio Lottery Kiosks and since we already have charities selling instant pull-tabs in our locations, we also feel those charities that we currently work with should also be able to modernize their paper instant pull tabs by offering E-Bingo in our locations. And now, here we are again, standing arm in arm with our fellow hospitality coalition partners to respectfully request that now, more than ever, Ohio's small businesses need the Legislature to allow for Sports Betting through Lottery Kiosks in Bowling Centers and E-Bingo for the many Ohio charities our bowling centers have supported for many decades.

As Ohio's hospitality businesses struggle to reopen and regain sound financial footing amid the COVID-19 pandemic, it would be another fatal blow if the General Assembly doesn't allow these forms of gaming that would help us attract and retain customers inside our facilities. Allowing sports betting at our facilities is NOT a COVID-19 bailout for us; rather, it is a long-term opportunity for our Centers to thrive and be a part of this new strategy in Ohio.

As you know, we are already swimming upstream in getting our patrons to once again visit our locations. To have you not allow us to offer other forms of entertainment inside our bowling centers, that will be prevalent in other establishments will further hurt our industry and put us at another competitive disadvantage. We trust you will agree that times have changed since we last were able to have a discussion with you on gaming issues. Small Ohio businesses, who employ Ohioans, need help in attracting customers to their locations and the state should want to maximize state revenue for these new forms of entertainment.

Remember these facts when analyzing Sports Gaming:

1. Out of state casino operators oversold their impact regarding the number of Ohio jobs they would create and the amount of revenue generated for the state by almost half. They already wrote themselves one monopoly, Ohio shouldn't allow it to happen again.
2. Out of state casino operators keep talking about a \$100k cash bet from a motorcycle rider with a duffle bag of cash. We know that won't/can't happen in Ohio because the Lottery has limits on the size of bet Lottery retailers can take.
3. Some of the Lottery's highest grossing KENO locations are Bowling Centers, so Sports Gaming would be a natural homerun for the Lottery and Ohio's homegrown bowling centers.
4. Bowling Centers currently raise hundreds of thousands of dollars under the regulatory framework of the AG's Charitable Section through the sale of pull-tab instant tickets for charities such as Bowl For Kids Sake, High School Bowling Teams, Special Olympics, Senior Centers, Food Banks and a plethora of other local youth and senior citizen charities. Allowing Bowling Centers to update their instant ticket offerings to an electronic format will only help those local charities when they need it most.

5. Other states are beginning to look at sports gaming differently in the wake of COVID. Tennessee allows Lottery retailers to offer sports betting. Massachusetts is looking into it also. There will be many others since COVID has changed the way states are looking at helping local businesses recover and thrive moving forward in untraditional manners.
6. Casinos have talked about “Marketing Relationships” with hospitality establishments to sign up patrons for their mobile app, but c’mon, they’ve been lying to us for so long, I can’t believe we will be so gullible to believe them again.

As stated earlier, Ohio’s Bowling Centers have some of the highest grossing Lottery KENO locations in the entire state that we have managed very responsibly and safely for years. As we stated last year, we are a little confused - If you are going to allow mobile sports betting, it doesn’t seem very consistent to exclude current lottery brick and mortar retail locations. Bowling Centers will now, more than ever, be at a competitive disadvantage with casinos, racinos and fraternal clubs that have already siphoned many of our customers away and ultimately hurt Ohio’s small businesses. All we want is to be able to compete at a somewhat level playing field.

Casinos and racinos have already stated that their mobile platforms will capture 85%-90% of this new form of gaming. The “in-person” bets that they will take will capture another 5%-10%. So, all we’re talking about are the scraps that will be left (but those scraps are so important to our local Ohio businesses). We do not believe that Ohio should continue to give out of state operators yet another monopoly.

We realize Sports Betting and Charitable E-Bingo will not be big direct money makers for our Bowling Centers. But our goal is to attract and keep our patrons “in their seats”, so they buy that extra pop, beer, pizza or sandwich and maybe even bowl a couple more games. We think you can all agree that Ohio’s hospitality industry, especially in the wake of COVID-19, needs every product partner possible in order to avoid further economic decay. And, by allowing Sports Betting on Lottery Kiosks in Bowling Centers, it would send a strong message that you actually do care about small businesses in the entertainment sector of Ohio’s economy.

We’ve already displayed that we are good, solid and successful Lottery partners. If Sports Betting at Lottery retailers who offer KENO have the same financial parameters as KENO, we know it can be successful with minimal issues.

As we stated last year, let the Big Boys take the Big Bets and Extravagant Bets that cater to the major gamblers – let us take care of the local casual bettor like we currently do with KENO...and let Ohio's school children reap the financial rewards that will be better materialized by allowing us to participate. "Same day betting" and "Parlay betting" is all that needs to be offered on Lottery Kiosks, that's what other states are proposing as to not directly compete with the casinos and racinos. All we want is the ability to offer another entertainment option on the day of the sports event, it's a very simple concept.

Additionally, there is a 2018 study by the American Gaming Association that estimates Ohio will lose MILLIONS of dollars by not allowing the Lottery to place Sports Betting Kiosks in retail establishments (why would Ohio leave THAT much money on the table when we will be scrambling for years to overcome the economic downturn that COVID-19 has created?)

The bottom line for Ohio's Hospitality community is this – if not NOW, and if not Sports Betting and Charitable E-Bingo then what and when will the Legislature authorize Ohio's primarily family-owned small hospitality businesses to be able to participate in Ohio's huge gambling pie? The Big Boys don't want us to ever have a piece of the pie, let alone the very small piece that we are suggesting today. They also take pleasure in making this much more confusing than it is in order to keep their monopoly on everything related to gaming in Ohio. Again, our track record on KENO dismisses those arguments, especially since we've been so successful in operating KENO for years. We can make payouts like we do with KENO, below the \$599 Lottery mandated level, but anything above that would have to be paid out by the Lottery Office (like is currently the case).

In conclusion, the world has changed since COVID-19. We appreciate how the Senate is looking at all aspects of the gaming pie (E-Bingo, Sports Betting and don't forget i-Lottery, which our members are even more concerned about because just last week the Ohio Lottery Director spoke to the House Finance Committee in his budget testimony about how i-Lottery will be great for the state – but again, at who's expense – Ohio's bricks and mortar lottery retailers for sure). We respectfully urge you to include us and to not create an additional impediment to any chance of a robust economic recovery for Ohio's hospitality businesses. This time around we truly hope you will do the right thing by Ohio's small business community.

As always, thank you and I'd be happy to answer any questions you may have at this time.

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