



March 31, 2021

Ohio Senate Select Committee on Gaming

Testimony of Lindsay Slader, Managing Director, GeoComply

Chairman Schuring and members of the Committee, thank you for accepting our submitted testimony. Over the past two months, this committee has heard testimony from many stakeholders including Ohio's land-based gaming industry, online sportsbook operators and sports teams. During this time, geolocation technology has been a topic of discussion several times and we appreciate the opportunity to explain the central role geolocation plays in the regulated ecosystem of sports betting.

By way of background, GeoComply is a global leader in geolocation technology. The company currently supports regulated online sports betting, casino, poker, iLottery, advanced deposit horse wagering, and daily fantasy sports operators in 44 US states to ensure compliance with federal and state regulations.

GeoComply is an approved geolocation service provider in all states that regulate online sports betting and gaming (including Colorado, Delaware, Illinois, Indiana, Iowa, Michigan, Mississippi, Montana, Nevada, New Hampshire, New Jersey, Oregon, Pennsylvania, West Virginia, Rhode Island, Tennessee, Virginia, Washington D.C. and West Virginia). Our software is validated by both government and independent gaming testing laboratories. Each day, we process upwards of 20 million geolocation transactions.

Our company was founded solely for the purpose of delivering a geolocation system to support the US internet gaming market. From the company's inception, we recognized the challenge facing US Intra-State iGaming and the need for high caliber technology to act as the legal enabler and safety net for intra-state gaming. We exist to ringfence virtual state borders. Our technology enables online operators and regulators to meet the demands of federal law such as the Wire Act, Unlawful Internet Gambling Enforcement Act (UIGEA), and the sovereignty of states that choose to opt in or out of online wagering.

Members of this committee are likely familiar with location data sources such as GPS, wifi, and cell towers. This data is used to power many useful consumer applications that rely on geolocation such as Google Maps, UberEats and placing a coffee order at the closest Starbucks. However, the main difference between these open-door tools and compliance grade geolocation -- required for regulated internet betting -- is the way in which we interrogate that location data to ensure it is trusted and secure.



We cannot simply rely on IP data to determine a player's location. We dig far deeper. Our technology analyzes data sources based on a combination of WiFi, GPS, Cell tower, IP, and Bluetooth to verify a player's location.

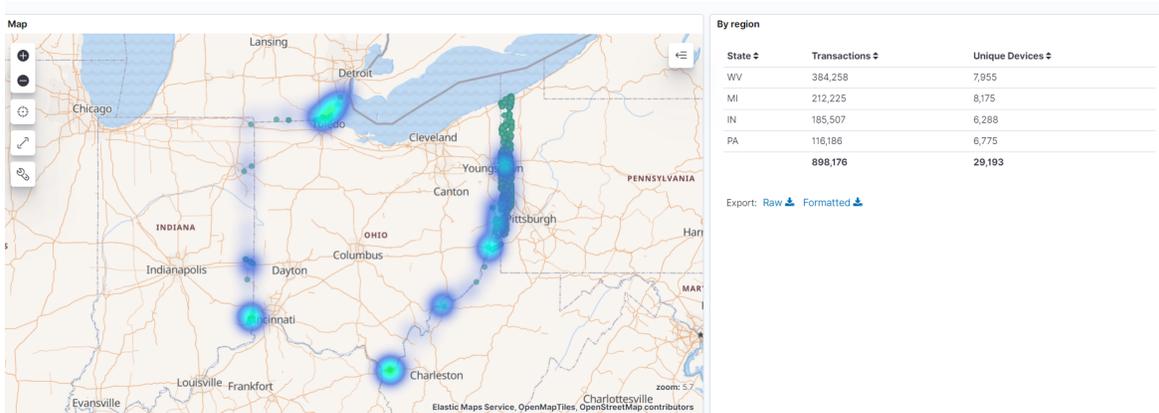
GeoComply's technology detects and blocks the use of proxies, VPNs, remote desktop software, virtual machines, jailbroken devices, mock location settings, developer tools; the list goes on. We employ a full-time team that keeps up to date in the latest spoofing technologies available and we regularly adjust our systems to detect them. By the time GeoComply's system approves or denies a transaction it will have been subjected to over 350 analytical checks to verify that only legal bets are permitted.

To help illustrate how geolocation works for regulated internet gaming we have recorded a live demonstration of our technology in action. You can access this informative session by going to this link: [Geolocation Live Demonstration](#)

The committee has heard from several witnesses about states with legal sports wagering that surround Ohio. On February 24th, a representative from iDEA Growth testified before the committee and shared a snapshot of our geolocation data from Super Bowl Sunday that showed more than 354,000 geolocation transactions occurred within just 10 miles of the Ohio border from the states with legal online betting.

We ran the same query to examine the first four days of the NCAA Men's Basketball Tournament and it revealed nearly 900,000 geolocation checks occurred within 10 miles of Ohio's borders. Based on our review of the data, it is easy to conclude that Ohio residents are regularly crossing the border into the four states to place an online bet.

Geolocation Transactions 03/19 - 03/22: Ten Miles from Ohio Border in IN, MI, PA & WV





The fact that some Ohio residents are already travelling to Michigan, Indiana, Pennsylvania, or West Virginia to place bets underscores the importance of effective geolocation that will still validate a user in a specific state, even if they are very near the border. Our system is flexible and dynamic enough to cope with the fact that users can and do place bets as they move from place to place, traveling between home, work, or school; across borders in neighboring states. This means that when Ohio does authorize online sports betting you can be sure that a player is in Toledo, Ohio and not Ann Arbor, Michigan.

GeoComply has built strong partnerships with operators and regulators in every state where our geolocation technologies are used. We are excited about the opportunity to extend our work to Ohio and to ensure that future online sports wagering is fully compliant with the demands of the law.

Thank you very much for the opportunity to submit testimony. I would be happy to address any questions you may have about the role geolocation technology will play to support Ohio's sports betting industry.

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