

# Break Open Ticket Program Management Alliance



**2001 Annual Report**

[www.botpma.com](http://www.botpma.com)

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## **Our Mission**

*The Break Open Ticket Program Management Alliance is a professional association of entrepreneurs whose members provide fundraising products, services and leadership for the charitable gaming industry in Ontario.*

Adopted April 22<sup>nd</sup>, 1999

# Ontario's Break Open Ticket Industry

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**F**ounded in 1993, the Break Open Ticket Program Management Alliance (BOTPMA) is one of the partners in Ontario's charitable Break Open Ticket (BOT) industry. BOTPMA is the professional association that represents the registered suppliers of Break Open Tickets and services to Ontario's charitable sector.

Ontario's BOT industry is a unique combination of private sector firms providing quality products and services to charitable and not-for-profit organizations across Ontario. The Alcohol and Gaming Commission of Ontario (AGCO), an independent crown agency of the Government of Ontario, and municipalities, regulate the industry. The AGCO regulates all aspects of the industry under the authority of the *Gaming Control Act, 1992*.

Ontario is one of the largest charitable gaming jurisdictions in North America. The National Association of Fundraising Ticket Manufacturers estimated that in 1995, sales of BOT's in Ontario reached a record \$1.2 billion and generated in excess of \$120 million for charitable and not-for-profit organizations across Ontario.

Break Open Tickets (BOT's) provide unique benefits in communities across Ontario by supporting the work of thousands of charitable and not-for-profit organizations. Unlike government sponsored gaming such as casinos and slots, proceeds of BOT sales **remain** in our communities and support worthy charitable and not-for-profit organizations. BOT's also provide employment opportunities, including directly and indirectly supporting some 50,000 jobs across Ontario in manufacturing facilities, suppliers, distributors, municipalities, and retail locations.

BOT's also serve to encourage and foster Ontario's volunteer sector. By providing funding for charitable and not-for-profit organizations, volunteer opportunities are created and enhanced in communities across Ontario. Volunteers across Ontario benefit by providing them with the opportunity to contribute to their community, gain new experience and share fellowship.

Ontario's BOT industry consists of a number of partners who play a significant role in the industry:

## Charitable / Not-for-profit Organizations

Under the Criminal Code of Canada, only charitable or not-for-profit organizations can profit from gaming. In Ontario, charitable or not-for-profit organizations are licensed to conduct BOT events, and receive a guaranteed percentage of the gross profits.

# **Ontario's BOT Industry Continued**

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## **Manufacturers of Break Open Tickets**

Currently, two manufacturers are under contract with the Alcohol and Gaming Commission of Ontario (AGCO) to supply BOT's to the Ontario market. At present, Bazaar & Novelty of St. Catharines manufactures BOT's for sale in all third party locations. Specialty Print, also of St. Catharines, manufactures tickets exclusively for sale in bingo halls and charity-owned premises. These firms were selected as a result of a request for proposal issued by the AGCO in August of 1997.

## **Gaming Equipment Suppliers**

Gaming Equipment Suppliers are registered with the AGCO, and are permitted to distribute BOT's to charitable and not-for-profit organizations across Ontario. Gaming Equipment Suppliers purchase unimprinted stock from manufacturers, imprint licence numbers, and track the serial numbers of BOT's sold to charitable and not-for-profit organizations. In 1996, the AGCO, in consultation with BOTPMA, established a series of Standards for Gaming Equipment Suppliers that ensure the integrity of the supply of BOT's.

## **Gaming Service Suppliers**

Gaming Service Suppliers are registered with the AGCO, and provide a variety of professional services to charitable and not-for-profit organizations. Gaming Service Suppliers search out potential locations on behalf of charitable and not-for-profit organizations, and provide a series of administrative services. In 1996, the AGCO, in consultation with BOTPMA, established a series of Standards for Gaming Service Suppliers that established minimum standards for reporting and accountability.

## **Gaming Assistants**

Gaming Assistants are registered with the AGCO, and work with Gaming Service Suppliers and Gaming Equipment Suppliers. Gaming Assistants provide sales services, and undertake the administrative functions on behalf of charitable and not-for-profit organizations. All Gaming Assistants are investigated by the AGCO prior to registration to ensure the integrity of the industry.

# Ontario's BOT Industry Continued

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## Break Open Ticket Sellers

Also known as third party locations, break open ticket sellers are the thousands of retail locations that sell BOT's on behalf of charitable and not-for-profit organizations in Ontario. These sellers are registered with the AGCO, and are investigated prior to being registered to ensure the integrity of sales. There are approximately 13,000 registered BOT Sellers across Ontario.

## Municipalities

Municipalities provide the first level of regulation of the industry by issuing licenses to charitable and not-for-profit organizations to sell Break Open Tickets within their boundaries. Municipalities determine eligibility of organizations, and are responsible for scrutinizing reports submitted by organizations upon completion of sales. This authority is delegated by the AGCO to municipalities.

## Alcohol and Gaming Commission of Ontario

The Alcohol and Gaming Commission of Ontario (AGCO) is an independent crown agency of the Government of Ontario responsible for administering the *Liquor Licence Act*, 1990, and the *Gaming Control Act*, 1992. The AGCO reports to the Government of Ontario through the Minister of Consumer and Business Services. In partnership with the industry, the AGCO establishes the rules and regulations that govern the BOT industry, including registration of suppliers, enforcement of regulations and policy development.

A key partner in the BOT industry, BOTPMA represents registered Gaming Equipment Suppliers and Gaming Service Suppliers.

# **BOTPMA Membership**

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As of May 1<sup>st</sup>, 2000, the following registered Gaming Equipment Suppliers and registered Gaming Service Suppliers are members of the Break Open Ticket Program Management Alliance:

- Arrow Games Inc.
- B.D.C. Consulting, Pickering
- Bazaar Marketing, St. Catharines
- Bingo Pro, Sudbury
- Callaghan Distribution, Frankford
- Campbell Marketing, Brantford
- Cedar Island Sales and Service, Kingston
- Health Promotions Strategies, Burlington
- HLM Enterprises, Thorold
- Hospital Auxiliaries Association of Ontario, Toronto
- Infoplacé Ticket Centres Ltd., North York
- Mister Nevada (Kitchener/Waterloo) Ltd., Kitchener
- Mister Nevada (Niagara) Inc., Thorold
- Mister Nevada / Fun Time Games, Strathroy
- Nevada Plus, Timmins
- Nevada Ticket Services Inc., St. Catharines
- Party Novelties (Sudbury), Sudbury
- Play-All (Ontario), Mt. Bridges
- Pro Nevada Pull Tickets, North Bay
- Service Club Promotions, Lansdowne
- Stephen Robert Culig, Tillsonburg

## Board of Directors

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In May of 2000, the membership of BOTPMA gathered and elected the following individuals to serve on the BOTPMA Executive for 2000 - 2001:

<b>Name</b>	<b>Position</b>	<b>Firm</b>
Marie Kordos	President	HLM Enterprises
Terry Jarrell	Vice-President	Mister Nevada (Niagara)
Ron Shepard	Secretary	Mister Nevada Kitchener/Waterloo
Brenda Custance	Treasurer	Play-All (Ontario)
Ron Callaghan	Past-President	Callaghan Distribution
Jack Thomson	Ethics & Education Director	Cedar Island Sales & Service
Doug Burke	Membership Director	Bingo Pro
Ron Vanderlip	Industry Standards Director	Nevada Ticket Services
Scott Wallace	Communications Director	Bazaar Marketing

## BOTPMA Presidents

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<b>Name</b>	<b>Term</b>	<b>Firm</b>
Craig Hurst	1994 – 1995	Health Promotion Strategies
Terry Sisson	1995 – 1996	Sisson Marketing
Ron Callaghan	1996 – 1997	Callaghan Distribution
Marie Kordos	1997 – 2001	HLM Enterprises

# President's Report

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Welcome to BOTPMA's 2000 – 2001 Annual Report!

As I reflect back on the year that has just passed, I can't help but think of the challenges that we encountered, and the enormous work that still remains to be done.

First, let me express my sincere appreciation to all of the members of BOTPMA for their support over the past year. BOTPMA members drive Ontario's Break Open Ticket industry day in and out, working with their charity and retail partners. With the prolonged decline in sales, the entrepreneurial spirit and commitment of our members is required more than ever.

During the past year, the Executive and Directors have worked tirelessly on behalf of our Association, giving up an extraordinary amount of their time, as well as attending ten executive and four general meetings. I salute them for their commitment and dedication.

I was extremely pleased when our BOT Management Council evolved into a BOT Working Group. Over the course of the past year, our Working Group completed its work by developing a new vision for Ontario's Break Open Ticket industry. This Working Group had representatives from BOTPMA, Provincial Bingo Charities Activities Association (PBCAA), retail sector and manufacturers. We thank the Alcohol and Gaming Commission of Ontario (AGCO) representatives who facilitated the meetings for us.

I would like to take this opportunity to thank my Vice-President, Terry Jarrell for preparing for and/or carrying out so many of my BOTPMA duties during the time that I was involved in the BOT Working Group meetings.

One of the benefits of the working group process was the development of very positive relationships with our partners in the charitable gaming industry. Several of our members attended the joint PBCAA/RGSO (Registered Gaming Suppliers of Ontario) Conference held in Toronto, and I was very pleased when two of our members were asked to participate on their BOT panel – Jack Thomson, Director of Ethics and Education and Ken Clarke, a Gaming Service Supplier and BOTPMA Member. I was very proud of both of these members.

BOTPMA's new Product Committee has been very active during the past year and has produced good results. My thanks go to the Chair, Scott Wallace, and his committee members, for taking the initiative, and heading up this important area for us. The Ticket Committee meets regularly with representatives of Bazaar & Novelty to discuss new ticket designs, payouts, graphics and

promotional materials. This positive step is recognition of the talent and knowledge of the market that BOTPMA members possess.

I would be remiss in not indicating that the past year has been a challenging one for BOTPMA members across the province given the reduced sales levels. I congratulate members for keeping the faith in our industry and the work that we do. We are hoping that we will see a number of positive changes coming forward over the next year that will benefit our members, and all stakeholders within the charitable gaming industry.

As we move into the coming year, we do so with confidence and the knowledge that we are making progress in meeting our challenges, and building a better break open ticket industry for all stakeholders.

It has been my sincere honour and privilege to have the opportunity to represent the members of BOTPMA over the past year.

Marie Kordos  
President

## Vice-President's Report

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As an Executive member of BOTPMA for the past few years, I have attended all general and executive meetings, and have witnessed first hand, the dedication and commitment of our members for the Break Open Ticket industry. Their determination is evident in their desire to grow and improve charitable gaming in Ontario.

I was a member of the Break Open Ticket Management Council and attended monthly meetings in Toronto for industry stakeholders to share concerns, and make recommendations to increase sales and charity profits.

BOTPMA's web site [www.botpma.com](http://www.botpma.com) was introduced several months ago and is becoming a regular source of information for our members, various charities, and licensing authorities. I have kept the web site updated to include some of the following: links to other related web sites, new ticket styles and games, recent bulletins, and policy changes. It provides an effective tool for change to easily be introduced and communicated to charities, retailers, licensing authorities, and players.

We invite industry stakeholders, partners, charities, retailers, and government officials to visit the web site regularly as updates and changes are continuously made to the site.

Every day our members receive positive and negative feedback from charities, retailers, and municipal licensing authorities. From their experiences, many ideas for positive change have been recommended by BOTPMA to the Alcohol and Gaming Commission of Ontario as a key partner and industry regulator. Some of these recommendations, though minor, may have a major impact on the success of the industry.

With the combined efforts of all industry partners, I share in BOTPMA's confidence that the Break Open Ticket industry can be rejuvenated to the levels of 1995 once again making it one of the largest in North America.

Terry Jarrell  
Vice-President

# Treasurer's Report

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## B.O.T.P.M.A. STATEMENT OF INCOME & EXPENSES For the Period of April 1, 2000 to March 31, 2001

### Revenue

#### Sales

Membership Dues	\$13,000.00
Advertising	\$0.00
Donations Received	\$2,500.00
<b>Total Sales</b>	<b>\$15,500.00</b>

**Total Revenue** \$15,500.00

### Expenses

#### Operating Expenses

Photo Copies	\$120.70
Telephone	\$1,107.19
Fax	\$261.99
Mileage	\$6,216.06
Postage	\$49.00
Hotel	\$4,749.96
Office & Supplies	\$235.83
Donations	\$5,500.00
Bank Charges	\$123.45
Parking	\$252.50
Web Site	\$1,811.14
Consulting	\$1,733.41
<b>Total Operating Expenses</b>	<b>\$22,161.23</b>

**Total Expense** \$22,161.23

**Net Income** -\$6,661.23

**BALANCE SHEET At March 31st, 2001**

**ASSETS**

Petty Cash	\$0.00
Bank - Scotia Bank	\$4,256.17
Accounts Receivable	<u>\$10,650.00</u>
<b>TOTAL CURRENT ASSETS</b>	<b>\$14,906.17</b>

**TOTAL ASSETS** \$14,906.17

**LIABILITIES**

Accounts Payable	\$0.00
GST Payable	\$0.00
PST Payable	<u>\$0.00</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$0.00</b>

**TOTAL LIABILITIES** \$0.00

**EQUITY**

Retained Earnings	<u>\$14,906.17</u>
<b>TOTAL BOTPMA EQUITY</b>	<b>\$14,906.17</b>

**TOTAL EQUITY** \$14,906.17

Brenda Custance  
Treasurer

# Ethics & Education Report

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It is evident from the low number of minor AGCO ethical problems during 2001, that BOTPMA members are much more aware of the intent of our ethical guidelines as reflected in our manual "Making Ethical Decisions". These guidelines, along with our "Code of Ethics", establish the cornerstone of our association.

This cornerstone provides BOTPMA members with a foundation from which each of us can work hard and build upon. Members should take pride in being a part of BOTPMA. We know what's right. We do what's right!

Take the time to review our "**Code of Ethics**":

The following "Code of Ethics" was unanimously approved and accepted by Break Open Ticket Program Management Alliance (BOTPMA) on May 18<sup>th</sup>, 1994:

- a. We, as members of BOTPMA, will be guided in all our activities by truth, fairness and the highest integrity;
- b. We will, at all times, provide quality products and quality professional services that assure maximum effectiveness for our clients' investment of time and money;
- c. We will keep fully informed of the latest techniques, developments and knowledge that pertain to the industry's effectiveness;
- d. We will, in all of our business activities, conduct ourselves in a manner that will enhance the public image and growth of the industry as a professional service;
- e. We will not use our membership in the Alliance or official position within the Alliance in any manner that would suggest the seeking of unwarranted financial gain or unwarranted benefits, advantages or privileges for ourselves;
- f. We accept this "**CODE OF ETHICS**" as a condition of membership in the Alliance. As professionals, we share the responsibility for the impact of our activities with all sectors served by the industry;
- g. We signify our agreement by membership in this Alliance that standards must be maintained which are acceptable to **ALL** segments of the industry from supplier through to the users of the product and services provided; and
- h. We will pledge to maintain these standards in all our business activities and to work diligently to follow the "Terms of Conditions".

We must continuously execute the highest level of performance and integrity within our membership. We must create an environment where people are valued as individuals, treated with respect and dignity, fairness and quality. We must strive to create opportunities for our members to develop and reach their full potential in order for them to achieve their professional and personal goals.

Jack Thomson  
Director  
Ethics and Education

# Membership Report

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BOTPMA continues to maintain an excellent representation of Ontario's Gaming Suppliers. Collectively, our members service an overwhelming majority of the third party market throughout the province as well as Royal Canadian Legions, service clubs, and other own premise Break Open Ticket locations.

During the year, an information package was sent to all other eligible Registered Gaming Suppliers explaining BOTPMA as an organization. Also, included in the package was BOTPMA's Code of Ethics, a summary of BOTPMA's accomplishments, a letter from the president, and a 2000/2001 Membership form.

At the end of March 2001, BOTPMA had 21 members.

BOTPMA's goal remains to broaden our membership and provide a vehicle for all members to be up-to-date with the latest developments in the industry. Our goals in the coming year will be to continue to provide value for our members, and increase our membership base.

Doug Burke  
Director of Membership

# Industry Standards Report

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Once again, BOTPMA members have faced a challenging year. In an industry faced with constant change, gaming suppliers remain the leader in the industry in ensuring their charity clients manage and conduct profitable BOT fundraising programs.

TURNOVER, is a critical element in our industry, which our members continue to manage effectively. Typically, the third party retail sector selling BOT's experiences about a one-third turnover each year. Statistics indicate that operators of convenience stores and food services survive an average of three years, with an end result of a change in ownership or closure, often with new businesses taking their place. Similarly our members are continuously faced with new fundraisers and volunteers representing our charity and non-profit partners. Our Members have met this challenge of turnover, continuing our standard of excellence, in our services and products to our clients.

Over this past year, we have also been challenged with municipal amalgamations. BOTPMA has not only aided their charity clients in evaluating their BOT programs in the light of amalgamations, but has also been a source of information to the municipal licensing departments, which have often undergone staffing changes. As municipal staff change, often so does their policy and procedures. BOTPMA's Executive and Members has been there to educate municipalities as to the logistics of managing and conducting BOT licenses and other industry issues such as new products.

BOTPMA has also been at the table with positive input and construction of a new BOT Application and Report that permits a variety of "types of BOT's" to be sold under a single license. This option is now available for use by Bingo Sponsor Associations for BOT sales in bingo halls and with further development, we hope to use this same format to permit various "types" of BOT's to be sold at third party ticket sellers. This will enhance introduction of new games to our clients.

BOTPMA Members have clearly been the stable force in the BOT industry that continues to seek and develop improved systems and products to deliver to the stakeholders of our industry.

Ron Vanderlip  
Director of Industry Standards

# Communications Report

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As my first term on the BOTPMA executive comes to a close it is apparent that we have a lot of positive agenda items to look forward to in the coming year.

We have all sat back and waited in anticipation for changes to take place within our industry and it appears that they are on the near horizon. We need to continue to be patient and let the process take its course. This statement coming from a person whom is probably one of the most impatient people sitting around the table. With that said, we all have worked with the very best intentions of our membership in mind, while striving for survival within our industry.

We need to recognize the hard work and dedication of our President, Marie Kordos. Marie has put countless hours into our industry for our membership. She has done a remarkable job and will soon see the fruits of her labour. Thanks Marie!

The time is now for change. We need to remember that we are the experts in our field. We need full membership agreement and input for these changes to materialize. Please attend your membership meetings and share your thoughts. We all need to communicate better. Lets start now!

Scott Wallace  
Communication Director


# Contact Us!


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For more information on the Break Open Ticket Program Management Alliance, please contact:

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