

PS 57: IGT Annual Review 2019 | Vermont and Virginia Slots in 2019

Opening

Hello! Today's episode #57 of the Professor Slots podcast is an annual review of slots manufacturer International Game Technology PLC. Plus, in this episode I'll be covering the current state of slot machine casino gambling in the great U.S. states of Vermont and Virginia.

Thank you for joining me for the Professor Slots podcast show. I'm Jon Friedl and this is the podcast about slot machine casino gambling. It is where I provide knowledge, insights, and tools for helping you improve your slot machine gambling performance.

On Last Week's Episode...

In case you missed it, on my last episode I went over how to start your own recreational gambling podcast.

Further, I reviewed the U.S. Virgin Islands and Utah slot machine casino gambling in 2019.

I hope you enjoyed listening to my last episode as much as I enjoyed making it for you.

Call to Action #1 (add sound effect afterward)

Remember to visit professorslots.com/subscribe to get my Free Report Revealing ... The top 7 online resources for improving your gambling performance, including the one I've used as a top-tier slot machine casino gambler.

Introduction to International Game Technology PLC 2019

Let's start with the first segment of the show: International Game Technology PLC 2019.

International Game Technology PLC (IGT PLC) filed their most recent annual financial report with the U.S. Securities Exchange Commission (SEC) on March 8, 2019. IGT is one of the largest gaming manufacturers in the world.

I review IGT's annual financial report for valuable insights each year. I do this for all our interest in IGT, from slot machine manufacturing to their casino operating systems. Why? Because knowledge of significant changes and trends in the gaming industry allows us a glimpse into the future of slot machine gambling in the U.S. and abroad.

This segment has the following sections:

1. Introduction
2. Overall Risk Factors for IGT PLC
3. Overview of Slots Manufacturer IGT PLC
4. Lottery
5. Machine Gaming
6. Sports Betting
7. Digital
8. Commercial Services
9. Summary

Overall Risk Factors for IGT PLC

Every company's annual SEC report has the legal requirement of providing easy-to-read statements. These reports include details of the company's financial performance as well as, an important element for you and I, their so-called forward-looking statements.

Reviewing these forward-looking statements allows you and I to learn from the best minds in the business. We discover all their thoughts on the current condition and immediate future of the gaming industry.

Each year around mid-March, slots manufacturer International Game Technology PLC files their annual financial report for the previous calendar year. Because IGT is an international company with its headquarters not based in the U.S., this annual report is a Form 20-F rather than the more usual Form 10-Q for U.S.-based companies.

I mention these form numbers so you know which to look for. Companies generate a lot of financial reports every year, for various reasons, but a Form 20-F is what you want. Look for it on either the SEC website or at IGT PLC's webpage for Investor Relations.

IGT's Form 20-F for the fiscal year 2018 is available for download at Investor Relations. It's only 175 pages this year, down from 267 pages last year. The bulk of the report is many tables of standard financial data as well as other necessary sections which are not the focus of this episode segment.

Again, our focus is their forward-looking statements, all easy-to-read as required by the Private Securities Litigation Reform Act of 1995. These statements include known and specific economic and political risks to IGT, but not as a profit forecast. IGT intends to provide a clear understanding for investors of the current financial condition of their company within the context of a global market.

Let's start reviewing them. At first glance, IGT has some interesting overall concerns. A new risk this year comes from its largest shareholder. IGT now has a single shareholder

owning over 50% of the stock. As of February 28, 2019, De Agostini controls the company with an economic interest of 50.64%.

As majority shareholder, De Agostini may make decisions which all other stakeholders may disagree. The power of a majority stakeholder includes influencing a change of control and different business combinations such as:

- Potential mergers
- Consolidation
- Takeover

While De Agostini now has a 50.64% controlling interest in IGT, they also have a group of other stockholders loyal to them. De Agostini **has** even more than a controlling shareholder because of this additional loyalty voting structure. Altogether, they control 67.23% of the total voting rights.

The risks associated with having a controlling stockholder with the support of other stockholders is uncertainty. What will these stockholders decide to do with the direction of the company? With more than 2/3 control, there is much they could do.

There is also uncertainty regarding the tax consequences of a loyalty voting structure. No guidance exists which directly addresses this situation. Details are on page 18 of the report.

Other risk factors relative to the economic risks of doing business globally include, but not limited to:

- New tariffs
- High interest rates
- Severe natural events disrupting operations

Political risks include:

- Political instability
- Change in regulations and enforcement policies
- Political unrest, such as war or acts of terrorism.

Specifically called out in the financial report is uncertainty due to the United Kingdom's exit of the European Union, i.e., Brexit. IGT is based in Italy, a member of the E.U. The company is headquartered in London, meaning it has a significant business presence in the U.K. Brexit is a less than ideal situation for IGT.

Another risk to the company is a large customer base in certain business segments, such as 34.9% of company revenues coming through the gaming control commission of Italy.

IGT depends on this income revenue. If Italy makes significant changes to its gaming regulations, the dependence may negatively impact IGT revenue and profits.

Similarly, IGT's top 10 customers outside of Italy accounted for 17.5% of its total revenues in 2018. This dependence could result in company revenue reduction, business prospects, and operations if IGT loses any one of these significant customers.

More year-to-year potential business risks include:

1. Penalties for failure to perform obligations of current contracts
2. Inability to complete and integrate future acquisitions for future growth
3. Lower revenues due to a slowdown in the lottery and gaming markets
4. Reduced demand and level of play due to changes in social mores
5. Being unable to protect intellectual property may harm its ability to compete
6. Inability to license intellectual property from third parties to compete in the market
7. Third-party intellectual property infringement claims against IGT
8. Adverse effects of a highly competitive environment
 - a. Proliferation of gaming destinations including online
 - b. Aggressive price competition from other enterprises to gain market share
 - c. Legal challenges to awarding significant contracts
 - d. Consolidation among gaming equipment and technology companies allowing them to better compete through increased scale and efficiency
 - e. Entry of new competitors into the internet gaming market due to low costs of entry
 - f. Consolidation among casino operators with capital spending cutbacks
 - g. Less overall leisure time and discretionary spending by players creates other forms of entertainment as competition
9. Inability to develop and manage frequent introductions of innovative products and respond to technological changes in the gaming industry
10. The illegal gaming market negatively affects business
11. The use of social media including negative commentary

Legal and compliance risks include:

1. Changing enforcement of the U.S. Interstate Wire Act of 1961
2. Extensive and complex governmental regulations as applied to operations
3. Investigations by gaming jurisdictions due to adverse finds or negative publicity
4. Failure to comply with the E.U. General Data Protection Regulations (GDPR)
5. Increased gaming regulations due to negative perceptions and publicity
6. Risk exposure to compliance with anti-corruption laws and regulations
7. Recent and future changes to U.S. and foreign tax laws
8. Unfavorable outcome to pending legal proceedings

Other areas include operational and financial risks. These risks include attracting, retaining, and motivating IGT personnel in a competitive market. Further, hazards include maintaining their supply chain, cybersecurity, and failures of business technology.

Overview of Slots Manufacturer IGT PLC

If IGT seems familiar to you, they should be. Perhaps you've seen a few of the 343 versions of their popular Wheel of Fortune slot machines? But they also provide more.

We are interested in their slot machine manufacturing business. Of course, we are. But IGT also provides other business solutions for the gaming industry of which we should be aware.

IGT's software operating systems control slot machines in a casino from a central computer server. Further, their lottery distribution systems are relevant to those states with video lottery systems (VLTs).

International Game Technology PLC has its headquarters in London with facilities in Providence, Las Vegas, and Rome. IGT's over 12,000 employees at the end of 2018 remains roughly the same number since the end of 2016.

The company's portfolio of products and services include:

1. Lottery
2. Management services
3. Online and instant lottery systems
4. Instant ticket printing
5. Electronic gaming machines
6. Sports betting
7. Digital
8. Gaming
9. Commercial services

IGT's four corporate business segments are:

- North America Gaming and Interactive (NAGI) with \$1.0B in revenue
- North America Lottery (NALO) with \$1.2B in revenue
- International with \$820M in revenue
- Italy with \$1.8B in revenue

From their balance sheet, International Game Technology PLC has total assets of just over \$13.6 billion and total equity of \$2.75 billion attributable to IGT PLC. Total revenue

in 2018 was \$4.81 billion. Since the end of 2017, total assets decreased by 10% while total equity increased by nearly 17%. Revenue dropped only 2.2%.

International Game Technology PLC began in 2014, although it was initially the shell company Georgia Worldwide Limited for its first seven months of existence. The parent company name change occurred after purchasing the original International Game Technology from GTECH. No public takeovers had occurred before 2019.

International Game Technology PLC has five categories of products and services:

1. Lottery
2. Machine Gaming
3. Sports Betting
4. Interactive and Social Gaming
5. Commercial Services

Lottery

IGT PLC has more than 100 lottery systems customers worldwide, including with 37 of the 45 U.S. lotteries. The company supports over 450,000 lottery devices worldwide and provide secure processing systems capable of up to 500,000 transactions per minute.

Lottery services from IGT PLC include:

- Licenses and facilities management contracts
- Lottery management agreements
- Instant ticket printing contracts
- Product sales and services contracts

Most of the company's revenue comes from licenses and management contracts. These contracts include designing, installing, and operating the lottery system and retail terminal network for five to ten years. Contract extension options are one to five years.

Many contracts include providing additional services for instant lottery ticket games such as marketing, automated validation, inventory, and accounting. In return, IGT PLC gets either a fixed fee or a percentage of sales of all instant ticket games.

IGT PLC also gains revenue from lottery management agreements based on lottery game performance metrics as well as a percentage of ticket sales. Deals include lottery systems and day-to-day activities along the lottery supply chain. These activities can be:

1. Collecting wagers
2. Managing accounting office functions
3. Running advertising and promotions

4. Operating data transmission networks and processing centers
5. Training staff
6. Assisting retailers
7. Supplying games materials

Instant ticket contracts provide revenue based on a fixed price per ticket or a percentage of ticket sales. Printing contracts last two to five years with contract extension options. Government-sponsored contracts may be either exclusive or non-exclusive.

A primary contract results in a complete end-to-end production process from concept development to production and shipment. Such agreements include supporting marketing and research. If a secondary contract, printing functions as a backup service and alternate product source.

International Game Technology PLC invested in a state-of-the-art printing press which became operational in February of 2018. By early 2019, IGT PLC had instant ticket printing contracts with 27 U.S. states and 25 customers in international jurisdictions.

Product sales and services contracts include constructing, selling, delivering, and installing lottery systems and equipment, along with related services and software. In these contracts, the lottery authority is responsible for lottery operations. IGT PLC also provides equipment and services contracts to expand existing lottery systems. Case-by-case negotiations determine the revenue from sales and services.

IGT PLC's primary competitors for lottery systems include Camelot, Intralot, Pollard, SAZKA, Sisal, Scientific Games, and Tattersalls.

Machine Gaming

International Game Technology PLC's machine gaming business category is all about slot machines, including their design, development, manufacturing, and distribution. Revenue from regulated gaming markets includes fixed fee, participation, and product sales contracts. IGT PLC holds more than 450 global gaming licenses.

Machine gaming includes physical hardware such as the slots cabinets and electronic systems such as the operating software with its game theme. IGT PLC's primary competitors for machine gaming include Aristocrat, Konami, Novomatic, and Scientific Games.

International Game Technology PLC offers machine gaming products and services, which include:

- Gaming machines and game content
- Video lottery terminals (VLTs) and amusement with prize machines (AWPs)

- Gaming management systems

Physical gaming machine cabinets provide land-based casino operators with maximum functionality, flexibility, and player comfort. Developed game themes match local gaming regulations, market dynamics, and player preferences. Overall, IGT PLC designs gaming products for player appeal and entertainment.

IGT PLC's games are either premium games or core games. Premium games are two types of progressive slot machines: wide-area and multi-level.

Wide-area progressives are machines linked across several casinos or jurisdictions. Multi-level progressives link to other machines within the casino as well as offers different levels of jackpots.

Core games are non-progressive machines. These machines are slots with a video reel, slots with a mechanical reel, or video poker machines. Core machines are usually sold but occasionally leased.

Other types of games include:

- Centrally-determined games
- Class II games
- Random number generated and live dealer electronic table games

Centrally-determined games are games connected to a central server that determines the game outcome. Class II games are electronic video bingo games found in tribal casinos as well as South Africa. Electronic table games include baccarat and roulette.

IGT PLC's machine gaming revenue primarily comes from premium, i.e., progressive, game content and cabinets. Services fees include percent wagered, net win, or fixed daily fee.

International Game Technology PLC offers video lottery terminals (VLTs), VLT central systems, and VLT games worldwide. The company also offers amusement for prize machines (AWPs), low-denomination gaming machines, at retail outlets in Italy and Europe.

Casino management systems offered by IGT PLC are comprehensive. IGT PLC offers infrastructure systems and applications for all areas of the casino including:

- Casino management
- Customer relationship management
- Patron management
- Server-based gaming

These casino operating systems included customized applications for:

- Player messaging
- Tournament management
- Integrated marketing and business intelligence modules

The modules include analytical, predictive, and management tools for maximizing casino operational effectiveness. The server-based applications include electronic game delivery and configuration of slot machines.

These solutions allow casino operators the opportunity to increase profits. Why? Because, with these tools, casinos can enhance the playing experience, including by connecting players interactively.

This enhancement creates operational efficiencies for the casino and, therefore, higher gaming revenue. How? Because casino operators are now able to advertise to patrons with in-screen messaging while they are playing a slot machine.

Casino management systems include providing two mobile solutions. First, IGT PLC offers an App to players, which allows a cardless players club loyalty program.

Rather than receiving promotional offers by email or mail flyer, players can receive comp offers via smartphone notification. This solution provides casino operators with instantaneous and direct access to players.

The second mobile solution is for casino employees. This application drives casino efficiencies by improving casino floor monitoring and decreasing response time to player needs. Three solutions exist for various needs, including mobile apps for hosts, slot attendants, and floor managers.

As I'd also mentioned in last year's review post, IGT PLC clearly states these gaming management systems are for "maximizing casino operational effectiveness ... with opportunities to increase profits." See page 23 of the report.

For slot machines, increasing casino profits means controlling the odds of winning. If they'd meant to say increasing gameplay, they would have. They didn't. By that single word choice, profits instead of gameplay, they signal to casino operators what they are offering.

Sometimes, in addition to analyzing statements provided, it is worth considering what is missing. Yes, something is missing from this annual financial report when compared to last year's report.

What's missing from this financial report is any mention of real-time business analytics. Last year, it was there. This year, it's gone.

In other posts, I have discussed how difficult it would be to have real-time business analytics. These reports are accurate to the best of their knowledge. That's a legal requirement.

If they took out the wording about real-time business analytics, it's because they can't do it. IGT PLC can't mislead customers that way in annual financial reports submitted to the SEC without getting in serious trouble.

I have no doubt they are fast. But, fast is not the same as real-time. Some of my winning slots strategies depend upon casinos not yet using real-time analytics.

Once they do become real-time, it'll negatively impact one or two of my strategies, perhaps significantly so. Someday a slots manufacturer will achieve real-time analytics. When that happens, we'll have to look for a replacement advantage to win at slots. But today is not that day.

Sports Betting

The company category for sports betting products and services is new this year to International Game Technology PLC. Sports betting was a minor business opportunity, as reported in last year's annual report.

Why? Because IGT PLC earned little revenue from sport betting in Italy and Europe. This year, it's a major business category because the U.S. sports betting market has gotten underway. In May of 2018, the U.S. Supreme Court removed the federal ban on sports betting.

However, any gaming activity, including sports betting, requires appropriate state gaming regulations. Some states prepared for the lifting of the sports betting ban. Other states are still working on updating their gaming regulations.

In any case, the International Game Technology PLC is ready for them. IGT PLC's sports betting customers include BetFred, DraftKings, and MGM Resorts International.

The company's primary sports betting services competitors include BET365, Betfair/PaddyPower, Eurobet, Sisal, SNAITECH, and William Hill.

Digital

Last year, the digital category of products and services from International Game Technology PLC was Interactive and Social Gaming. Such iGaming enables gameplay via the internet for real money (interactive gaming) or for fun (social gaming).

IGT PLC designs, manufactures, and distributes products, systems, and services for interactive gaming. They have 20 digital gaming licenses worldwide, with a minimal presence in the U.S.

Social gaming solutions are in partnership with DoubleU Games. Being social gaming, players spend real money but cannot win it. By many interpretations of gaming, social gaming is not gambling and, therefore, not illegal.

IGT PLC is a mostly business-to-business provider of their digital products and services. Italy is the exception, where the company acts as both an internet gaming operator as well as a mobile casino operator.

The competitors to digital products and services are from other operators, including 888 Holdings, bwin.party, Playtech PLC, and Microgaming. Competitors in the digital space from other gaming suppliers include Scientific Games Corporation.

Commercial Services

Because of their in-depth knowledge of lottery technologies, International Game Technology PLC offers innovative commercial services. These products and services leverage their distribution and secure transaction networks.

With this infrastructure in place, the company offers high-volume processing of commercial transactions including:

- Prepaid cellular telephone recharges
- Bill payments
- E-vouchers and retail-based programs
- Electronic tax payments
- Stamp duty services
- Prepaid card recharges
- Money transfers

These business services are primarily outside of the U.S. and Canada. In Italy, tobacco shops, bars, petrol stations, newspaper stands, and motorway restaurants commonly use these commercial retail services.

Summary of *International Game Technology PLC*

International Game Technology PLC is a world leader in the gaming industry, including slot machine manufacturing of physical cabinets and game themes. By reviewing IGT PLC's latest annual financial report, we learned of company risks from their forward-looking statements.

This financial report for the fiscal year 2018 has taught us that IGT PLC has a single stockholder, De Agostini, with a 50.64% controlling interest in the company. Combined with other stockholders, De Agostini leads a group having an astonishing 67.23% control over total voting rights. This company takeover is indeed a risk well worth knowing.

I hadn't yet started this podcast when I reviewed their fiscal year 2015 financial report. But the next two reviews became podcast episodes 17 and 39, if you're interested in going back to listen to them, perhaps again.

Whether you've heard or read my previous annual reviews on IGT, much as remained the same over the last three years. We expect little to no change in \$10 billion companies. Change is hard, like changing the direction of a massive ship at sea.

But change has happened. Or, to keep with the ship metaphor, that massive ship at sea has a new captain. Or, better yet, an influential passenger, now gets to tell the captain what to do. That poor captain.

The most important bit of information we've learned in this review, completely new, is that group of stockholders who have taken a controlling interest. Yes, one stockholder has just over 50% control. That's De Agostini.

But De Agostini is aided by another 17% of stockholder votes, so any changes needing the 67% controlling interest must be something of a group decision. And there my mind boggles. What might such a group do to the company?

To start, according to my reading of the financial report, they can prevent another such change in control of the company. This group can make sure they stay in control. They can block anyone else from doing what they did. It's reasonable to assume that they will.

So, these controlling stockholders have some time. What might they do? What would be in their interest to do? Well, answering these questions means finding out who they are. Who is De Agostini, anyway? Well, first of all, the company name is De Agostini, S.p.A.

I've run a quick internet search on De Agostini, S.p.A. This company has a Wikipedia article about them. It is a family-owned, private company founded in 1901. It's an Italian holding company which operates three publishing, communications, and financial investment businesses. Ha. It got its start in the 1900 with world maps. Their initial success combined a pocket calendar with world maps.

They're big into radio, television, new media, films, publishing magazines in 13 languages. The Wikipedia article is definitely out-of-date, in part as it doesn't mention gaming.

Their company website has added a fourth business area after Publishing, Media, and Finance. They've added Gaming and Services to that list. Okay, that's interesting. It isn't the De Agostini family that owns this holding company.

Yes, it's a family-owned, private company – but the family part is two families. De Agostini S.p.A. is controlled by B&D Holding S.p.A., a joint-stock company entirely owned by the Boroli and Drago families.

Boroli took control of the company in 1919 along with the Rossi family. Rossi dropped out in 1946. In 1959, they became famous for the world's most complete geographical encyclopedia. It was only in 1997 that the Drago family became partners.

Okay, this is interesting and somewhat reassuring. The original IGT was owned by GTECH before being acquired by a company that would quickly change its name to International Game Technology PLC. Guess who was the owner of GTECH.

That's right, De Agostini. They acquired GTECH in 2006 and owned it until 2014. De Agostini has already owned the first IGT company for eight years. I haven't dug back five years to learn what the merger agreement included, annual financial reports usually include such details after they happen, but there's no doubt this is where De Agostini picked up much of the 50-some percent interest in the company.

I'm reassured by this. Not only did they once run the original IGT when it was part of GTECH, they've been a significant stockholder since IGT PLC has been running the show.

I guess my last question is how did IGT PLC manage to let De Agostini gain controlling interest? Oh, I see. It's those other shareholders with 17.5% of voting shares. They must have voted with De Agostini's less than 50% interest to get them that greater than 50% controlling interest.

I guess this means De Agostini owes them? Big time, I think. I guess that's why the financial report calls those stockholders with a combined 17.5% interest in the company as a loyalty voting structure.

What did we learn from this additional analysis only found in this podcast episode? Evidence suggests things won't go poorly for International Game Technology PLC over this next year. Of course, we'll need to check the financial report which comes out in early March, 2020. Unless we keep an eye on the company stock in the meantime.

Call to Action #2 (add sound effect afterward)

Remember to visit professorslots.com/subscribe to get my Free Report Revealing ... The top 7 online resources for improving your gambling performance, including the one I've used as a top-tier slot machine casino gambler.

Introduction

Up next is the second segment of the show on slot machine casino gambling. Here, I provide a brief overview of the current state of gambling in two U.S. states, territories, or federal district emphasizing, by far, anything of interest to slot machine casino gamblers.

Up first is Vermont slot machine casino gambling in 2019. Here goes!

Vermont slot machine casino gambling does not exist. This state has no casinos or racetracks. Vermont's gambling laws prohibit professional gambling while allowing nonprofit and fraternal organizations to operate games of chance.

However, casino options are available across its state and international borders. These locations include Quebec, Massachusetts, New Hampshire, and New York.

Relevant Legal Statutes on Gambling in Vermont

The minimum legal gambling age in Vermont depends upon the gambling activity:

- Charitable Fundraisers: 21
- Poker Rooms: Not available
- Bingo: 18
- Lottery: 18
- Pari-Mutuel Wagering: Not available

The state explicitly prohibits slot machines and all other mechanical gambling devices.

Under state law, only qualified nonprofit and fraternal organizations can operate games of chance in Vermont. All games of chance proceeds must be for charitable, religious, educational, or civil undertakings.

Limitations include only one "casino night" per calendar month for each organization. The frequency limitation for bingo, raffles, and lotteries is twice per week and for three consecutive days twice per year.

Furthermore, political organizations can offer raffles. However, any proceeds must be consistent with the purpose of the party.

Slot Machine Private Ownership in Vermont

Next up is a usually short statement about slot machine private ownership, which I have included in case you live in this U.S. state and are considering owning a slot machine. Here it is:

In Vermont, it is legal to privately own a slot machine if manufactured before 1954.

Gaming Control Board in Vermont

Vermont does not have a state gaming commission. However, the Office of the Vermont Attorney General answers common questions about Vermont Gambling laws.

The Vermont Lottery Commission regulates the state lottery.

Casinos in Vermont

There are no casinos or racetracks in Vermont.

American Indian Casinos in Vermont

Vermont has three state-recognized American Indian tribes. However, none of them are federally-recognized tribes. Consequently, Vermont has no tribal casinos.

Other Gambling Establishments

As an alternative to enjoying *Vermont slot machine casino gambling*, consider exploring casino options in a nearby state. Bordering Vermont is:

- North: Canadian Province of Quebec
- East: New Hampshire
- South: Massachusetts
- West: New York

To visit any of my articles on these U.S. states, simply visit ProfessorSlots.com followed by its two-letter postal designation. For example, my New Hampshire slots article is available at ProfessorSlots.com/NH.

Our Vermont Slots Facebook Group

[Are you interested in sharing and learning with other slots enthusiasts? If so, join our new slots communities on Facebook. All you'll need is a Facebook profile to freely join this closed Facebook Group.](#)

Enter this URL for Vermont: ProfessorSlots.com/FBVT. You can join any of my 56 slots communities by using ProfessorSlots.com slash F-B for Facebook followed by any two-letter U.S. postal designation. Or just search Facebook for the state, territory, or federal district followed by “slot machine casino gamblers.”

There, you'll be able to privately share your slots experiences as well as chat with players about slots gambling. Come join us!

Payout Returns in Vermont

Vermont does not allow slot machines or other gambling devices or have a state gaming commission. Neither does Vermont have tribal casinos.

Therefore, there are no legal limits for payout returns. Furthermore, payout return statistics for Vermont are also not applicable.

Vermont is another state where there are no casinos. With casinos coming to Virginia, the pressure is likely building in Vermont to figure out a way to introduce casinos.

Whatever or whenever casinos begin in Vermont, as with other states, it will likely happen fast. First commercial casinos, then tribal casinos. As they do not have racetracks, Vermont will have to build gaming facilities rather than expand existing sites.

Even if authorized, it can take several years just to build a large facility. And figuring out the right gaming regulations takes awhile before that. And before state establishing gaming regulations, the legislature needs to decide if residents want gaming.

Other states have offered a referendum to voters to get their approval. And before a vote comes the proposal to have a vote, often sponsored by interested parties. And, finally, before the proposal is years of lobbying of state legislators by potential casino operators.

This process is not the same in every state, but it's typical. If it applies to Vermont, my question is this: Do you know if Vermont legislators are being lobbied to propose a voting referendum to authorize a state gaming commission?

Summary of Vermont Slots in 2019

Vermont slot machine casino gambling does not exist. It has no casinos or pari-mutuel wagering racetracks. This state explicitly prohibits slot machines and other mechanical gambling devices.

Nonprofit and fraternal organizations can offer limited games of chance fundraising events. Vermont has had a state lottery since 1978. Otherwise, casino options exist across Vermont's state and international borders.

Annual Progress in Vermont Slot Machine Casino Gambling

There has been no change in Vermont's gaming industry over the last year.

Call to Action #3 (add sound effect afterward)

Remember to visit professorslots.com/subscribe to get my Free Report Revealing ... The top 7 online resources for improving your gambling performance, including the one I've used as a top-tier slot machine casino gambler.

Introduction

Up next is the second state comprising this episode segment: Virginia Slot Machine Casino Gambling in 2019. Here goes!

Virginia slot machine casino gambling does not exist. However, significant progress has occurred to have casinos in Virginia. Currently, pari-mutuel wagering is legal. One such facility has historical horse racing (HHR) electronic gaming machines.

In March 2019, Virginia's legislature approved establishing casino gambling in their state. However, among other requirements, city residents still need to approve any local casinos via referendum. These referenda begin in November 2020.

Relevant Legal Statutes on Gambling in Virginia

The minimum legal gambling age in Virginia depends upon the gambling activity:

- Land-Based Casinos: 21 (expected)
- Poker Rooms: Not Available
- Bingo: 18
- Lottery: 18
- Pari-Mutuel Wagering: 18

On March 22, 2019, Virginia Governor Ralph Northam signed SB 1126 into law. This state law does not authorize casinos in Virginia. However, in effect, it establishes

- A Commission to study casino gaming regulations
- A framework for the Lottery Board to oversee gaming
- How eligible cities conduct a local casino approval referendum

Regarding timing, the first city referendum could occur as early as November 2020. Details of the state bill suggest eligible cities are Danville, Bristol, and Portsmouth.

Slot Machine Private Ownership in Virginia

Regarding slot machine private ownership, it is legal to own a slot machine in the Commonwealth of Virginia privately.

Gaming Control Boards in Virginia

The gaming control commissions in this state are the Virginia Racing Commission and the over 30-year-old Virginia Lottery.

The framework included in the 2019 passing of Virginia state bill 1126 includes giving oversight of sports betting regulations to the Virginia Racing Commission. This expansion of its responsibilities is in addition to its current responsibilities overseeing horserace pari-mutuel wagering.

The Virginia Lottery Board will obtain responsibility for casino gambling, but specific gaming regulations are unknown. Establishing these gaming regulations is currently underway by Virginia's Joint Legislative and Review Commission.

Casinos in Virginia

There are currently no casinos with slot machines in Virginia.

Non-Tribal Casinos in Virginia

However, three eligible cities may have casinos as early as late 2020 if approved by voters. In part, localities are available to host a casino if they currently have significant economic difficulties.

These three potential casino locations include the cities of:

- Danville located 144 miles southwest of Richmond near North Carolina
- Bristol located 113 miles northeast of Knoxville near Tennessee
- Portsmouth located 97 miles southeast of Richmond near Chesapeake

American Indian Casinos in Virginia

The Pamunkey Indian Tribe gained federal recognition in 2015 and is pursuing establishing a tribal casino. They intend to have improved educational and employment opportunities to ensure the long-term success of the tribe.

At this time, the tribe is searching for a suitable site for a casino resort located within Virginia. Potential sites for a tribal casino now include Richmond and Norfolk.

However, continually and effectively opposing tribal casinos in Virginia is the casino operator of MGM National Harbor in nearby Maryland.

Other Gambling Establishments

As an alternative to enjoying *Virginia slot machine casino gambling*, consider exploring casino options in a nearby state. Bordering Virginia is:

- North: Maryland and District of Columbia
- East: Atlantic Ocean
- South: North Carolina and Tennessee
- West: Kentucky and West Virginia

To visit any of my articles on these U.S. states, simply visit ProfessorSlots.com followed by its two-letter postal designation. For example, my Maryland slots article is available at ProfessorSlots.com/MD.

Otherwise, Virginia currently offers horseracing, simulcasting, and off-track betting at Riverboat on the Potomac OTB in Colonial Beach on the Potomac River located 33 miles east of colonial Fredericksburg.

Colonial Downs Racetrack is a horseracing facility located in the eastern part of Virginia located 30 miles east of Richmond. It offers slot-like historical horse racing (HHR) electronic gaming machines.

Our Virginia Slots Facebook Group

Are you interested in sharing and learning with other slots enthusiasts? If so, join our new slots communities on Facebook. All you'll need is a Facebook profile to freely join this closed Facebook Group.

Enter this URL for Virginia: ProfessorSlots.com/FBVA. You can join any of my 56 slots communities by using ProfessorSlots.com slash F-B for Facebook followed any two-letter U.S. postal designation. Or just search Facebook for the state, territory, or federal district followed by "slot machine casino gamblers."

There, you'll be able to privately share your slots experiences as well as chat with players about slots gambling. Come join us!

Payout Returns in Virginia

As Virginia does not yet have slot machines, it has no payout return limits or statistics.

Summary to Virginia Slots in 2019

Virginia slot machine casino gambling does not yet exist, but it is now on the horizon. Perhaps as soon as November 2020, non-tribal casinos in three cities may receive approval. Otherwise, two other towns may potentially receive a tribal casino.

Annual Progress in Virginia Slot Machine Casino Gambling

In March 2019, Virginia's legislature approved establishing a gaming control commission, casino gambling, expanding its state lottery, online gambling, and sports betting. For casinos, city residents will need to vote to approve any near them beginning in November 2020.

Otherwise, Colonial Downs Racetrack located east of Richmond has re-opened as expected.

Call to Action #4 (add sound effect afterward)

Remember to visit professorslots.com/subscribe to get my Free Report Revealing ... The top 7 online resources for improving your gambling performance, including the one I've used as a top-tier slot machine casino gambler.

On the Next Episode of Professor Slots

Part I of the next episode of the Professor Slots podcast is not yet determined. It's likely to be something useful about tribal casinos or a review of someone else's slots-related YouTube video.

To suggest a topic or ask a question which might end up as a blog article or **on** a podcast episode, email it to jon@professorslots.com where Jon is spelled J-O-N or by calling 702-90-SLOTS to leave a voicemail.

Part II of the next episode of the Professor Slots podcast are more brief overviews of the current state of gambling in two U.S. states, territories, or federal district. Next time, I'll be talking to you about the great U.S. states of Washington and West Virginia.

Closing (closing music)

That's the end of another great episode of the Professor Slots podcast. Thanks so much for listening!

Show notes for this episode are now available within most podcast Apps, but are also available on my website at professorslots.com/e57.

I plan to have the next episode come out very soon for you, where I'll have more amazing content for the show.

Until the next episode: Have fun, be safe, and make good choices! Bye.

320-character description:

My IGT Annual Review 2019 explores a world leader in the gaming industry including slot machine manufacturing of physical cabinets and game themes. From International Game Technology PLC's latest annual financial report, we learn of company risks from their forward-looking statements. Plus, Vermont and Virginia slots in 2019.

156-character description:

International Game Technology PLC is a world leader in the gaming industry including slots cabinets and game themes. Plus, Vermont & Virginia slots in 2019.