

BRC Consulting

Brian Carr - BRC Consulting

Chairmen Gebhard and Williams and members of the committee, thank you for allowing me to speak to you today on the issue of skill game regulation.

My name is Brian Carr and I am president and founder of BRC Consulting located in Lehigh County. I am a consultant for Pace-O-Matic.

I come to this topic from a unique perspective. As I spent nearly 20 years in casino gaming in five different states including Pennsylvania. In that time, I worked with premier companies including Las Vegas Sands as well as Caesars. I came up in the industry via the Finance route as a Controller, VP of Finance, Regional vice president of Finance, senior vice president of Finance and Administration, and eventually President and COO of Sands Bethlehem. In all of those roles, Regulatory Compliance was an important part of my day-to-day responsibilities.

In 2019, I led Sands Bethlehem through the \$1.3 billion sale to Wind Creek while maintaining our regulatory compliance, retaining our top talent to ensure a smooth transition and working to get the Commonwealth comfortable with an unknown entity taking over the largest Table Games operation in the Commonwealth. None of which was easy. But one thing that we always focused on was the responsibility of being in compliance with Gaming Laws and doing the right thing at all times.

Over the past few years, I have been an observer of the gaming industry and its expansion into Sports Betting, Online casinos, etc. I was intrigued with Skill Gaming and what it could mean for the Commonwealth and small business owners. As I looked further into the industry, one company rose to the top time after time. That company was Pace-O-Matic. Their Pennsylvania Skill games are legal, provide quality entertainment, and benefit local businesses. Additionally, they take compliance seriously and were leading the charge to be regulated and taxed. I reached out to them in July 2022. In August 2022, I visited their headquarters in Georgia and met their Senior Leadership team as well as the company founder Michael Pace. After this meeting, I agreed to become a consultant for them.

Pace-O-Matic is a first-class organization. They imposed their own strict rules on the games from the start and didn't shy away from ending relationships with locations and operators who did not follow those rules. They also asked to be regulated and pay taxes.

I see regulation setting up a fair playing field. All legal skill games will fall under the same enforcement, standardized reporting, and taxation structure – no exceptions.

It is especially important to provide protection for the public. Consumers should know without question what is a real -- a legal -- skill game. If games are not regulated, either because they

don't meet the standards of the legislation or they are not in an approved location, they can't operate in the state. This will mean thousands of fewer games in Pennsylvania.

Working with Pace-O-Matic, I will help guide them through the regulation process, using my previous experience in the casino industry. Including:

- Internal Controls Creation and Implementation
- Responsible Gaming Programs
- Site Training
- Tax payment processes and timing
- Audit process

In closing, Pennsylvania has an opportunity to be the leader in skill game regulation. Passing this legislation will provide a significant source of revenue for the Commonwealth, economic opportunities for local Pennsylvania businesses and legal/ regulated entertainment for our guests.

I have had the honor of working with some of the largest and most respected gaming companies in Las Vegas Sands, Harrah's and Caesars. I do not doubt that Pace-O-Matic will become the Gold Standard for Compliance not only for Skill Games but for all regulated industries in the Commonwealth.

Thank you.