

IN THE MATTER of the Gambling Act 2003

AND on an application by **DUNEDIN CASINOS MANAGEMENT LIMITED** for approval to deploy automatic shufflers on its Black Jack tables

BEFORE THE GAMBLING COMMISSION

Members: G L Reeves (Chief Gambling Commissioner)
P J Stanley
L M Hansen
R D Bell
A K Foote

Date of Application: 10 April 2013

Date of Decision: 10 May 2013

Date of Notification
of Decision:  May 2013

DECISION ON AN APPLICATION BY DUNEDIN CASINOS MANAGEMENT LIMITED FOR APPROVAL TO DEPLOY AUTOMATIC SHUFFLERS ON ITS BLACK JACK TABLES

Introduction

1. Dunedin Casinos Management Limited ("DCML") applied to the Commission under condition 10 of DCML's operator's licence, for approval to deploy automatic shufflers on all of its Black Jack tables other than in its regulatory benchmark mix (game mix A).
2. The relevant licence condition is as follows:

DCML's operator's licence

10. The approval of the Commission is required prior to the introduction into the Gambling Area of any electronic version of the game types specified in condition 9 above or electronic aids or enhancements or changes to table game rules which create new wagering opportunities.

Submissions by DCML

3. DCML submitted, in summary, that:
 - (a) It is currently authorised to operate automatic shufflers on up to 50% of its open Black Jack tables. It wants to operate automatic shufflers on up to 100% of its Black Jack tables in approved game mixes B-I. This would permit the use of an



automatic shuffler when only one Black Jack table is in operation, and it will permit the introduction of additional automatic shufflers in the future, if so desired.

- (b) Introducing an automatic shuffler on all of its Black Jack tables will mean that its operational game mixes will still generate fewer opportunities than game mix A. DCML provided arithmetical data to support this submission.

The Secretary's submissions

4. The Secretary submitted, in summary, as follows:

- (a) The Commission has previously approved the deployment of automatic shufflers on all Black Jack tables outside of the benchmark game mix at the Auckland and Christchurch casinos. He has no objection to DCML doing so as well, and on the basis of the arithmetical figures supplied by DCML, did not consider that the use of automatic shufflers on the Black Jack tables would increase opportunities for casino gambling.
- (b) He noted, however, that DCML has provided arithmetical figures which indicate that an automatic shuffler is deployed on its Caribbean Stud Poker table. DCML has confirmed this but its use is not recorded in the notes to the games mix Annex.
- (c) The situation can be normalised by adding a note which recognises use of the shuffler, either with respect to the operational game mixes only, or all game mixes including the benchmark game mix. In response DCML stated that it has always operated an automatic shuffler on its Caribbean Stud Poker table, and it has probably done so since the casino opened in 1999. DCML was adamant that the shuffler was in place on 19 September 2003, when the Gambling Act 2003 came into effect, and had a former DIA gambling inspector confirm this to the Commission. DCML also provided photographs from 2001 showing the shuffler in place.

Analysis

- 5. DCML applied to deploy automatic shufflers on all of the Black Jack tables in its operational game mixes. At present it is permitted to operate automatic shufflers on up to 50% of its open Black Jack tables.
- 6. The Commission has previously considered this issue in relation to the Auckland and Christchurch casinos. In decision GC11/07, in which SCML sought, inter alia, approval to



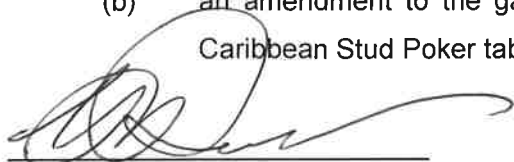
deploy automatic shufflers on all of the Black Jack tables on its operational game mixes, the Commission determined as follows:

16. The application for approval of game mixes B, C and D arises following a CCA restriction in July 2000 in which the CCA allowed the use of continuous automatic shufflers on Black Jack tables, subject to the proviso that they not be used on at least 50% of open tables. The CCA appears to have imposed this restriction as it formed the view that it would be unfair to skilled Black Jack players (who are sometimes known as "card-counters") if continuous shufflers were on all Black Jack tables.
 17. The Commission considered that there are benefits to introducing continuous automatic shufflers on all Black Jack tables, outweighing any detriment to skilled players, and that the partial restriction on the deployment of continuous automatic shufflers need not remain.
 18. The purpose of the Act includes (at section 3(e)) "ensuring the integrity and fairness of games" and (at section 3(f)) "limit[ing] opportunities for crimes and dishonesty". The introduction of continuous automatic shufflers on all Black Jack tables would help to achieve these purposes, and would not affect the vast majority of Black Jack players.
7. The Commission therefore formed the view that the CCA's restriction on automatic shufflers need not be retained, and that removing it would help promote the purpose of the Act. The Commission was of the view that these comments applied equally to DCML's application.
 8. The Commission next considered whether DCML's proposal would increase opportunities for casino gambling. The Commission's approach with applications of this nature is to compare a proposal with the approved game mix which provides the most opportunities for casino gambling and form a view, in the round, on whether that proposal will increase opportunities for casino gambling. The Commission makes the assessment on a commonsense, in the round, basis.
 9. The Commission compared operational game mixes B-I (with automatic shufflers on all Black Jack tables) with game mix A and was satisfied that, while the use of automatic shufflers increases game speed, that increase, in the round, did not increase opportunities for casino gambling above those in game mix A.
 10. The Commission was also satisfied that DCML was operating an automatic shuffler on its Caribbean Stud Poker table on 19 September 2003, based upon the evidence put forward by DCML. This included the independent verification of its use at that time by a former DIA gambling inspector from Dunedin. The Commission amended DCML's games mix Annex to include the Caribbean Stud Poker shuffler on all game mixes, including game mix A.
 11. Finally, DCML submitted that this approval would permit it not only to use an automatic shuffler when it had only one Black Jack game open, but to introduce additional automatic

shufflers in the future, if it so desired. To avoid any misunderstanding, the Commission wishes to make clear that this approval entitles DCML to deploy automatic shufflers on all Black Jack games in game mixes B-I but does not automatically entitle DCML to deploy shufflers on Black Jack tables in future game mixes which are yet to be approved.

Decision of the Commission

12. The Commission approved:
- (a) the use of automatic shufflers on all of DCML's Black Jack tables in game mixes B-I, under condition 10 of DCML's operator's licence; and
 - (b) an amendment to the game mix Annex to record the use of a shuffler on the Caribbean Stud Poker table for game mixes A-I. The new Annex is **attached**.



Graeme Reeves
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

30th May 2013



ANNEX A

Pursuant to condition 9 the following game mixes may be operated by the Licence Holder on casino gaming tables subject to the following conditions and requirements:

- A. Roulette – 3 games
Black Jack – 6 games
Midi Baccarat – 1 game
Mini Baccarat – 1 game
Caribbean Stud Poker – 1 game
- B. Roulette – 2 games
Black Jack – 5 games
Midi Baccarat – 2 games
Caribbean Stud Poker – 1 game
Poker (up to 10 player spaces) – 1 game
Electronic Roulette (up to 11 player spaces and no manual table) – 1 game
- C. Roulette – 2 games
Black Jack – 4 games
Midi Baccarat – 1 game
Caribbean Stud Poker – 1 game
Poker (up to 10 player spaces) – 3 games
Electronic Roulette (up to 11 player spaces and no manual table) – 1 game
- D. Roulette – 2 games
Black Jack – 4 games
Midi Baccarat – 2 games
Caribbean Stud Poker – 1 game
Poker (up to 10 player spaces) – 2 games
Electronic Roulette (up to 11 player spaces and no manual table) – 1 game
- E. Roulette – 2 games
Black Jack – 4 games
Midi Baccarat – 2 games
Mini Baccarat – 1 game
Caribbean Stud Poker – 1 game
Poker (up to 10 player spaces) – 1 game
Electronic Roulette (up to 11 player spaces and no manual table) – 1 game
- F. Roulette – 2 games
Black Jack – 3 games
Midi Baccarat – 1 game
Mini Baccarat – 1 game
Caribbean Stud Poker – 1 game
Poker (up to 10 player spaces) – 3 games
Electronic Roulette (up to 11 player spaces and no manual table) – 1 game
- G. Roulette – 2 games
Black Jack – 3 games
Midi Baccarat – 2 games
Mini Baccarat – 1 game
Caribbean Stud Poker – 1 game
Poker (up to 10 player spaces) – 2 games
Electronic Roulette (up to 11 player spaces and no manual table) – 1 game



- H. Roulette – 2 games
 Black Jack – 4 games
 Midi Baccarat – 1 game
 Mini Baccarat – 1 game
 Caribbean Stud Poker – 1 game
 Poker (up to 10 player spaces) – 2 games
 Electronic Roulette (up to 11 player spaces and no manual table) – 1 game
- I. Roulette – 2 games
 Black Jack – 5 games
 Midi Baccarat – 1 game
 Caribbean Stud Poker – 1 game
 Poker (up to 10 player spaces) – 2 games
 Electronic Roulette (up to 11 player spaces and no manual table) – 1 game

Notes

- (a) The Licence Holder must comply with the notification, and other, requirements specified in MOS C-C 1.12 when changing the game mix by “flipping” tables. Otherwise the Licence Holder is permitted to change between the above table game mixes, subject to providing the Inspectorate with a minimum of five working days notice in writing of its intention to do so.
- (b) For the avoidance of doubt, the Promotional Wheel may be used only for promotional purposes in accordance with the Act, and must not be used to conduct casino gambling.
- (c) The Licence Holder is permitted to operate automatic shufflers on:
- no more than 50% of open Black Jack games specified in game mix A; and
 - all Black Jack games in game mixes B-I; and
 - on the Caribbean Stud Poker table specified in game mixes A-I.
- (d) The Licence Holder is permitted to change between the above table game mixes, subject to providing the Inspectorate with weekly advice of the table game mix to be used for the forthcoming week, and five working days notice of any change from one approved game mix to another.

