

IN THE MATTER of the Gambling Act 2003
AND on an application by **OTAGO CASINOS LIMITED** for approval of a new game mix for the Wharf casino

BEFORE THE GAMBLING COMMISSION

Members: G L Reeves (Chief Gambling Commissioner)
P J Stanley
L M Hansen

Date of Application: 31 March, 13 June 2011

Date of Decision: 17 June 2011

Date of Notification
of Decision: 24th June 2011

**DECISION ON AN APPLICATION BY OTAGO CASINOS LIMITED
FOR APPROVAL OF A NEW GAME MIX FOR THE WHARF CASINO**

Introduction

1. Otago Casinos Limited ("**OCL**") applied to the Commission:
 - (a) for approval of one new game mix (game mix D) under condition 9 of OCL's operator's licence; and
 - (b) to deploy an automatic chipping machine on its Roulette table, under condition 10 of OCL's operator's licence.

Licence conditions

2. The relevant licence conditions are as follows:

Operator's licence

9. The Licence Holder may operate on casino gaming tables the game types and game mixes specified in Annex A attached to this Licence. The Licence Holder shall obtain the prior approval of the Commission for any change to the game types and/or game mixes specified.
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.



OCL's submissions

3. OCL submitted, in summary, as follows:
- (a) It presently has three approved game mixes – A, B and C, and seeks Commission approval for one more – game mix D. Game mix D includes an automatic shuffler on the Caribbean Stud Poker table.
- (b) The new game mix has fewer player spaces than the regulatory benchmark, as follows:

Game mix	Player spaces
A	200
D	175

- (c) The notional casino gambling opportunities associated with the new game mix are less than those associated with the regulatory benchmark, game mix A as follows:

Game mix	Opportunities
A	3669.75/4226.25
D	2532.75/2811

- (d) It is satisfied that the new game mix will not increase casino gambling opportunities.
- (e) Subject to Commission approval, it will provide the Commission and the DIA Inspectorate with a minimum of five days notice before adopting the new mix.
4. It currently uses a trained dealer to “chip up” on its Roulette table, in addition to a dealer dealing the game. It wants to replace the “chipping dealer” with an automatic chipping machine. This will not increase opportunities for casino gambling as it has always used a trained dealer to “chip up”, and a dealer can chip as fast as a chipping machine.

The Secretary's submissions

5. The Secretary submitted, in summary, as follows:
- (a) OCL's player space and opportunity figures include miscalculations, but he does not consider that the proposal will increase opportunities for casino gambling.
- (b) He has assessed the application on the basis that the Midi Baccarat table uses dealing style A.

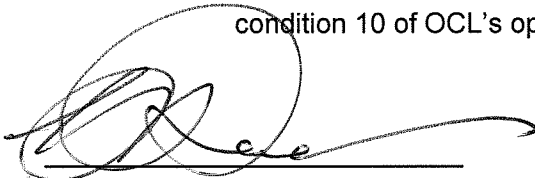
- (c) He does not have any regulatory concerns with the introduction of the automatic shuffler or the automatic chipper.

Analysis

6. OCL initially applied for approval of two new game mixes, D and E, but amended its application to seek approval only for game mix D.
7. The Commission's usual procedure when considering a new game mix is to compare what is proposed with the regulatory benchmark and form a view, in the round, on whether the proposal will increase opportunities for casino gambling. Game mix D will not increase opportunities for casino gambling compared to the regulatory benchmark.
8. The use of an automatic chipping machine to "chip up" on the Roulette table raised no issues of regulatory concern for the Commission. OCL submitted that it has always used a second dealer to "chip up", and that a dealer can chip up as fast as a chipping machine. The use of an automatic chipper will not, therefore, increase the speed of the Roulette game.

Decision of the Commission

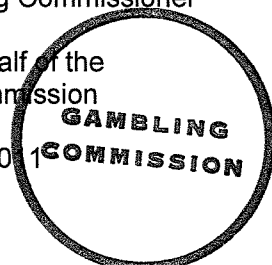
9. The Commission approved:
- (a) a new Annex (**attached**) which includes game mix D, under condition 9 of OCL's operator's licence; and
- (b) the deployment of an automatic chipping machine on the Roulette table, under condition 10 of OCL's operator's licence.



Graeme Reeves
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

24th June 2011



ANNEX A

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

- A. Black Jack – up to 3 games
Roulette – up to 1 game
Black Jack/Mini Baccarat – up to 2 games
- B. Black Jack – up to 3 games
Roulette – up to 1 game
Black Jack/Mini Baccarat – up to 1 game
Poker/Midi Baccarat – up to 1 game
- C. Poker – up to 4 games
Poker/Black Jack – up to 1 game
Poker/Midi Baccarat – up to 1 game
- D. Black Jack – up to 2 games
Black Jack/Mini Baccarat – up to 1 game
Roulette – up to 1 game
Caribbean Stud Poker – up to 1 game
Poker – up to 1 game

Notes

- (a) The Licence Holder is permitted to change between game mixes A, B, C and D subject to providing the Inspectorate with a minimum of five working days notice in writing of its intention to do so, unless a shorter notice period is agreed with the Inspectorate on a case-by-case basis.
- (b) The Licence Holder must comply with the notification and other requirements specified in the Casino's Minimum Operating Standards for Flip Top Tables when flipping tables.
- (c) The number of player spaces at the Midi Baccarat table may not exceed 18, with no more than two players per player wagering area (even if game rules provide for more spaces).
- (d) The Licence Holder is permitted to operate an automatic shuffler on the Caribbean Stud Poker table.

