

IN THE MATTER of the Gambling Act 2003
AND on an application by **SKYCITY CASINO MANAGEMENT LIMITED**
for approval of a digital video recording system

BEFORE THE GAMBLING COMMISSION

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

Date of Application: 21 July 2010

Date of Decision: 13 August 2010

Date of Notification
of Decision: 18 August 2010

**DECISION ON AN APPLICATION BY SKYCITY CASINO MANAGEMENT LIMITED FOR
APPROVAL OF A DIGITAL VIDEO RECORDING SYSTEM AT THE HAMILTON CASINO**

Introduction

1. SKYCITY Casino Management Limited ("**SCML**") applied to the Commission, under condition 21 of its operator's licence for the Hamilton casino, for approval to introduce new digital surveillance technology to the Hamilton casino.
2. Condition 21 of SCML's operator's licence for the Hamilton casino provides as follows:
 21. The Licence Holder shall obtain the approval of the Commission prior to the introduction into the Casino of new surveillance technology of a type not currently in operation in the casino. Camera upgrades that comply with the requirements of the Surveillance Standard do not require prior approval. When applying for approval, the Licence Holder shall supply sufficient information to enable the Commission properly to assess the application under the Surveillance Standard. Information will include details relating to equipment type and operation, and the proposed location of equipment. The Licence Holder shall allow the Commission or staff of the Commission Secretariat, or any other person authorised by the Commission, to test any technology or equipment.

Submissions by SHL

3. SHL submitted as follows:

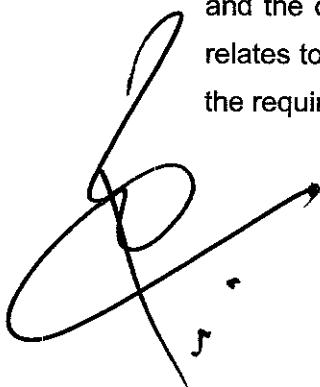
(a) It proposes purchasing a Digital Video Recording System to replace its obsolete video cassette recorders and video multiplexers. The Honeywell Enterprise

DVR system satisfies the requirements of the Surveillance Standard, and will store footage for a minimum of seven days.

- (b) Historically the Hamilton casino Surveillance Department has utilised VCRs and video multiplexers to record all of the CCTV cameras on-site. The introduction of the new system would replace 77 VCRs and seven multiplexers, and would be a full migration to digital recording.
- (c) All other casinos (with the possible exception of Lasseters Wharf casino) have already migrated to digital technology for surveillance purposes.
- (d) Analogue recording technology is becoming obsolete. This has created difficulties in replacing worn-out VCRs and sourcing suitable spare components. The situation will decline further as the production of VCRs is phased out over the short to medium term.
- (e) The DVR system offers improved recorded picture quality and frame rate, more efficient incident resolution and review processes, through instant time search.
- (f) It also intends replacing its obsolete HD series Matrix Switcher equipment with VideoBlox Matrix Switcher equipment and its obsolete MAXPRO Slave AT200 CPI with the new MAXPRO-Net CPI server.
- (g) The Honeywell Enterprise DVR is currently utilised at SKYCITY Adelaide.
- (h) It proposes to install the new technology in September.

The Secretary's submissions

4. The Secretary submitted that he had insufficient information to make a submission on whether the proposed technology would meet the requirements of the Surveillance Standard. Should the Commission approve the application, he would be satisfied that the requirements are met, but would expect SCML to apply to amend the relevant Minimum Operating Standards.
5. In reply, SCML submits that the technology is the same as that used in other NZ casinos, and the only aspect of the Surveillance Standard impacted by the proposed technology relates to the section on "Video Recording and Replay Facilities". The technology meets the requirements of that section.

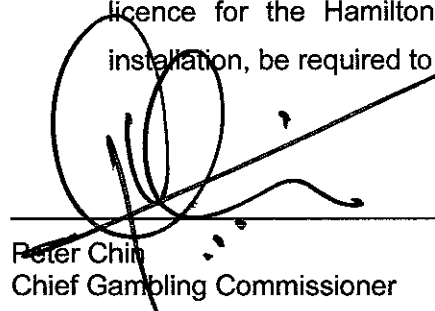


Analysis

6. SCML has applied to introduce digital recording technology to replace its current analogue equipment. The proposal represents an upgrade in facilities and technology, and raises no issues of regulatory concern for the Commission. The proposal would bring the Hamilton Casino's recording capabilities into line with those at the other NZ casinos.

Decision of the Commission

7. The Commission approved the application, under condition 21 of SCML's operator's licence for the Hamilton casino. The Commission notes that the system will, on installation, be required to meet the standards specified in the Surveillance Standard.



Peter Chin
Chief Gambling Commissioner

for and on behalf of the
Gambling Commission

18 August 2010