

Fall, 2003

Bob Wise
Governor

John C. Musgrave
Director



The New Color Of Money

The most secure currency in U.S. history was introduced into the economy in October, as a newly redesigned, colorful \$20 bill was issued by the Federal Reserve System.

In dozens of communities from coast to coast, U.S. government officials and local business, banking and civic leaders participated in transactions with the new \$20 notes, marking the first opportunity for the public to spend the new currency. The new designs will co-circulate with old-design \$20 notes, until, gradually, the old-design notes become worn and are pulled from circulation.

Tom Ferguson, director of the U.S. Treasury's Bureau of Engraving and Printing (BEP) said. "This is an historic milestone on two fronts: for the first time in modern history, U.S. currency features background colors other than black and green, and, more importantly, this currency is the most secure U.S. currency ever, to protect against counterfeiting."



"While much of the public will be anxious to see and handle this newly designed \$20 bill, we want to emphasize that older-design \$20 notes are still in circulation, and still maintain their value," said Marsha Reidhill, the Federal Reserve Board's assistant director for cash and fiscal agency. A genuine U.S. \$20 bill - whether it has the new background colors or the familiar green and black - is legal tender, worth \$20. It is important to remember that all bills are good, for good. The stability and integrity of U.S. currency has kept worldwide trust and confidence high, and the government is committed to keeping it that way."

The most noticeable difference in the new \$20 notes is the subtle green, peach and blue colors featured in the background. New designs for the \$50 and \$100 notes are scheduled for introduction in 2004 and 2005, respectively. Different colors will be used for different denominations, which will help everyone - particularly those who are visually impaired - to tell denominations apart. Redesign of the \$5 and \$10 notes is under consideration, but the \$1 and \$2 notes will not be redesigned.

While consumers should not use color to check the authenticity of their currency (relying instead on user-friendly security features - see below), color does add complexity to the note, making counterfeiting more difficult.

The new \$20 bills maintain the traditional U.S. currency appearance, are the same size, and use the same, but enhanced portraits and historical images of Andrew Jackson on the face of the note and the White House on the back. The redesign also features new symbols of freedom - a blue eagle in the background, and a metallic green eagle and shield to the right of Jackson's portrait.

The new \$20 note design retains three important security features that were first introduced in the late 1990s and are easy for consumers and merchants alike to check:

- * The watermark - the faint image similar to the large portrait, which is part of the paper itself and is visible from both sides when held up to the light.
- * The security thread - also visible from both sides when held up to the light, this vertical strip of plastic is embedded in the paper. "USA TWENTY" and a small flag are visible along the thread.
- * The color-shifting ink - the numeral "20" in the lower-right corner on the face of the note changes from copper to green when the note is tilted. The color shift is more dramatic and easier to see on the new-design notes.

Because these features are difficult for counterfeiters to reproduce, they often do not try. Counterfeiters are hoping that cash-handlers and the public will not check their money closely.

As of this time, all software updates for authorized bill acceptors in licensed manufacturers' video lottery terminals have been approved by the Lottery.

Message from the Director



John C. Musgrave

By now, most of you know that Governor Wise has honored me with the privilege of appointing me to the position of Acting Cabinet Secretary of the State Department of Tax and Revenue. It is a large agency encompassing the State Tax Department, ABCA Administration, Banking Division, Insurance Commission, Municipal Bond Commission, Racing Commission, Office of Tax Appeals and, of course, the Lottery Commission. I am honored by the Governor's trust in my abilities, and I am confident that the challenge can be met considering the capable and dedicated staff members that work in each of the agencies.

During my tenure as Cabinet Secretary, I will remain Director of the West Virginia Lottery. Since my appointment as Director in 1997, I have seen the West Virginia Lottery grow from a traditional lottery jurisdiction with instant tickets, daily numbers and lotto, to one of the most diverse in products and most successful in both sales and subsequent revenues. Today, the West Virginia Lottery is viewed as one of the most successful government-run lotteries in the United States. Considering that our population is a mere 1.8 million, our fiscal year 2003 sales of over \$1 billion validate that success.

My work at the West Virginia Lottery is successful as a result of the excellent relationships forged among all who dedicate their time and energies to making it such. Our appointed Lottery Commission represents the finest West Virginia businessmen. Their dedication and the tremendous work they do, in addition to their private sector duties is commendable. My staff of deputies, managers, and employees represents some of the finest employees in the industry. At the September meeting of the National, State and Provincial Lotteries Association, West Virginia Lottery Deputy Director for Video Lottery Eliza Hall was the recipient of the highly coveted Powers Award for her work in lottery administration. Eliza was chosen above her peers in the United States and in Canada. At the same awards ceremony, the West Virginia Lottery received a Hickey Award for the best promotional marketing endeavor. In addition to those awards, the West Virginia Lottery has received five consecutive Certifications of Excellence in Accounting, and is the processes of being evaluated for its sixth award. There is no other lottery in North America that holds two full-time Security units – one for traditional and one for video lottery. Through the tremendous work and expertise of the security deputies, the licensing manager, and their staff members, West Virginia possesses the most technologically advanced licensing and security systems for both traditional and video lottery.

The relationships forged with the private sector are those that represent one of the critical components of a successful lottery. Our contracted vendors, consisting of Scientific Games, Inc., that provides traditional lottery products and systems; IGT, that maintains the software for our central video lottery computer system; Gaming Labs Inc., that provides all of our video lottery software; our licensed manufacturers; our licensed racetracks; our licensed operators and retailers; and our licensed service technicians all comprise a finely tuned, cooperative network representing the best in our nation's and in the world's gaming industry.

Fortunately, I have been granted the luxury of keeping the position of Director of this incredible lottery. With that position, I have retained my ability to complete the projects that began as dreams and culminated into the \$1 billion enterprise that we have, today. My aspirations for the West Virginia Lottery do not end with fiscal success. There remains a new, high-tech facility to be constructed. In Limited Video Lottery, there remain 1,900 terminal permits to be bid and to be put into operation. There remains the use of technology to upgrade our computer systems to the point where we not only have progressive video lottery among our tracks, but among other lottery jurisdictions, as well.

I look forward to more winners of \$300 million Powerball jackpots, and I look forward to the day when the results of our work assures a college education for every qualified young person in this state. West Virginia Lottery revenues have benefited us all – from the profits made by private enterprise, to the profits used by the State to fund programs for senior citizens, tourism development, economic development and enhanced educational opportunities for our elementary and secondary school children.

My work with the West Virginia Lottery is one of the most significant contributions that I have made to our state. I could not have accomplished this without your tremendous support and hard work. For that, I thank each and every one of you who are a part of the West Virginia Lottery family.

As we enter a new year, I hope that all of you share this sense of pride in accomplishment with me and with the staff of the West Virginia Lottery.

Sincerely,

A handwritten signature in blue ink that reads "John C. Musgrave". The signature is fluid and cursive, with a large initial "J" and "M".

John C. Musgrave
Cabinet Secretary, West Virginia Department of Tax and Revenue
Director, West Virginia Lottery

Governor Issues Executive Order No. 21-03

LVL Signage Limitations Effective January 1, 2004

Governor Bob Wise issued Executive Order 21-03 on October 29 in response to the growing number of gambling-related signs appearing across the state advertising Limited Video Lottery (LVL) retail outlets.

The Executive Order effectively curtails publicly visible gambling signs and symbols at retailer locations, whether they appear as a corporate name or as part of traditional lottery product identification. The Order becomes effective January 1, 2004 giving LVL retailers two months to alter or take down signs, billboards or other forms of advertising gambling. The Order does not prohibit corporations from having gambling-themed names or dba's as long as they are not used for public display.

Specifically, the Order states, "If, however, a licensed limited video lottery retailer wishes to operate video lottery terminals under its license, on and after January 1, 2004, it shall not use a name that contains any word or wording commonly associated with video lottery and/or gambling/gaming, including, but not limited to, 'casino,' 'slots,' 'royal flush,' 'poker,' etc., or use symbols commonly associated with video lottery and/or gambling/gaming in any advertising, promotional materials, or on any exterior/outdoor signage. This Order does not preclude use of the legal name of the licensee inside the establishment if it cannot be seen from outside the building."

The Order prohibits use of the Lottery's logo, Powerball jackpot signs, and other traditional lottery advertising or signage, as well. In several retail locations, both traditional and limited video lottery products are offered. There will be no exceptions made for exterior advertising or signage viewed through store windows of the traditional games if the retail location offers limited video lottery, as well.

The Lottery's contracted vendor for traditional games, IGT-OES/SGL, has 16 sales representatives, statewide. Retailers who choose to turn in Lottery-issued signage may do so when their sales representative calls, but those who choose to keep the signage will be responsible for its removal on the evening of December 31, 2003. Powerball jackpot signs, lighted Keno signs, door decals and other items may be taken down and stored until sales representatives can pick them up.

Lottery officials have reviewed the list of corporate names and have found almost 100 bearing gambling-related wording. Most prominent is the word, "casino," but other names such as "Jacks," "Aces," "Video," and "Lucky" appear frequently. The Lottery has prepared and mailed a partial listing and a summary of prohibited words and symbols that will be issued to LVL operators and retailers. The list will always remain partial in order to encompass names, symbols or words that were not thought of at the initial compilation.

Prohibited terminology encompasses the obvious, but any attempts to circumvent the Order by using those terms that are less obvious will be thwarted, as well. A good example of less obvious wording would be "Triple 7's" or "Wheel of Fortune," the names of popular video lottery games. Unique spellings or foreign language renditions will be prohibited, as well. For example, spelling the word "keno" as "KEEENO" or using "Kaz'ino," the Greek word for "casino" will be prohibited as will use of all foreign characters not used in the English alphabet.

Lottery Staff

Former Video Lottery Security Supervisor, David Bradley, has been named Deputy Director for Traditional Security, replacing Dallas Staples. Staples joined ABCA as Enforcement Director.

In Video Lottery Security, Bruce Adkins has been named Supervisor, taking David Bradley's place. Gary Kincaid will replace Adkins as Limited Video Lottery field investigator. Patsy Johnson, formerly of Licensing, is now Video Lottery Administrative Assistant. John Jackson, former Supervisor in the Northern Panhandle, remains on active duty in Iraq. Dan Olexia is serving as Acting Supervisor in Jackson's absence. Mark Basil joined the staff in the Northern Panhandle area as a Video Lottery field security representative. Gary Kincaid joined the staff in the central area as a Video Lottery Investigator II Field Security Representative. Teri Withrow joined the staff as an Office Assistant III.

The Lottery's Computer Room has had two new operators since this summer. They are William Trainer and Briton Goebel.

Rose Cook has been named Office Assistant for the Lottery's Licensing Unit. Cook will handle all Limited Video Lottery licensing. Kris Radford now oversees Limited Video Lottery Service Technician licensing, racetrack licensing and LVL manufacturers licensing. Becky White, who formerly worked with Limited Video Lottery licensing, takes over Traditional lottery licensing.

Top Limited Video Lottery Retailers

Top Retailers for June 2003

Regular Retailers

1. Park Mart – Charleston
2. Elm Room – Weirton
3. Twin Taverns, dba Frank's Place – Westover
4. The Diner – Weirton
5. Sixties Café – Mineral Wells

Fraternal/Veterans

1. Improved Order of Redmen – Williamstown
2. VFW Post #6450 – Chester
3. American Legion Post #136 – Ridgeley
4. Moose Lodge #56 – Nitro
5. Eagles Aerie #2307 – Parkersburg

Top Retailers for July 2003

Regular Retailers

1. Park Mart – Charleston
2. Blazzin' 7's Lounge – Clarksburg
3. Keno and Casino – Wierton
4. Lucky Retreat Lounge – Bunker Hill
5. Keno Coffee Shop – Parkersburg

Fraternal/Veterans

1. Improved Order of Redment – Williamstown
2. VFW Post #6450 – Chester
3. Moose Lodge #56 – Nitro
4. American Legion Post #19 - Logan
5. VFW Post #6452 – Ridgeley

Top Retailers for August 2003

Regular Retailers1.

1. Keno Coffee Shop – Parkersburg
2. Park Mart – Charleston
3. Keno and Casino – Weirton
4. Elm Room – Weirton
5. Lucky Retreat Lounge – Bunker Hill

Fraternal/Veterans

1. Improved Order of Redmen – Williamstow
2. VFW Post # 6450 - Chester
3. VFW Post #6452 – Ridgeley
4. Moose Lodge #56 – Nitro
5. American Legion Post # 19 – Logan

Top Retailers for September 2003

Regular Retailers

1. Park Mart – Charleston
2. Keno and Casino – Weirton
3. Mimi's – St. Albans
4. Twin Taverns – Westover
5. Karen's Cookie Carnival – Huntington

Fraternal/Veterans

1. Improved Order of Redmen – Williamstown
2. VFW Post # 6450 – Chester
3. Owl's Nest #3030 – Parkersburg
4. Moose Lodge #948 – Charles Town
5. Moose Lodge #56 – Nitro

Top Retailers for October 2003

Regular Retailers

1. Keno and Casino – Weirton
2. Mimi's – St. Albans
3. The Diner - Weirton
4. Mimi's – Dunbar
5. Park Mart – Charleston

Fraternal/Veterans

1. Improved Order of Redmen – Williamstown
2. Moose Lodge #56 – Nitro
3. VFW Post #6452 – Ridgeley
4. Owl's Nest #3030 – Parkersburg
5. VFW Post # 6450 - Chester

Association Holds Annual Conference in South Charleston

Members of the West Virginia Amusement & Limited Video Lottery Operators Association (WVA&LVLOA) held their 49th Annual Convention and Expo at the South Charleston Ramada Inn, October 23 - 25. An array of vendors, including VLT manufacturers and security system suppliers, unveiled new games and devices for the membership. Suppliers from across the state and the nation gathered for training and certification programs.

A product of the conference was a press statement from the membership expressing concerns regarding the gaming-themed signage throughout the state at Limited Video Lottery retail locations. Tom Fittro, WVA&LVLOA President, emphasized the organization's commitment to improving and maintaining the industry's image. He stated, "We are working aggressively to deter the posting of signage displaying the word 'casino' and other gaming related names. It's clear that the legislature never intended that this objectionable practice occur. Our Association strongly supports efforts to remove such signs and preserve the standards our communities rightfully expect."

Fittro's statement came several days prior to Governor Bob Wise's Executive Order mandating removal of all gaming-related wording used on the exterior of Limited Video Lottery retailer locations or in billboards and directional signage.

The West Virginia Music & Vending Association was originally incorporated in 1954 and renamed to become the West Virginia Amusement & Limited Video Lottery Operators Association in 2002. The organization was formed "to foster and promote good will, harmonious action, mutual respect and fair dealing among firms and corporations associated as and or with Coin Device Operators and Video Lottery Operators, who are licensed under the West Virginia Limited Video Lottery Act.

WVA&LVLOA 2002-2003 officers include Tom Fittro of Trans-Allegheny Enterprises, president; A. "Herk" Sparachane of Wheeling Coin, vice-president; and Kenny Price of Welch LVL Video Service, treasurer.

Digital Fingerprinting Now Available

The days of paper fingerprints and lengthy turn-around times are coming to an end with the installation of the Lottery's new digital fingerprinting equipment. While the system of electronic transmission should be fully automated by January 2004, your fingerprints can be scanned and recorded on the Lottery's database, now.

With digital fingerprinting, you will never need to be "re-printed" for re-licensing or for changes in your current license. Your prints will remain on permanent file with the Lottery.

At this time, the Lottery is focusing on new entries to the Limited Video Lottery database. The Lottery will send letters in December/January to all operators that should obtain digital prints instead of paper ones.

Seven locations, listed below, are available to have your digital prints taken. A Lottery Security staff member must be present when your prints are scanned; therefore, it is **mandatory that you contact Lottery Security to schedule an appointment before you go to be printed.**

Limited Video Lottery operators, retailers and service technicians should contact Jonie DeBruyn, at 304-558-0500, Ext. 231 to schedule a fingerprint session.

List of locations where you may be fingerprinted:

West Virginia Lottery
312 MacCorkle Ave. SE
Charleston, WV 25327

Huntington Regional Office
2699 Park Avenue
Huntington, WV 25704

Parkersburg Regional Office
State Office Building
400 5th Street
Parkersburg, WV 26101

Beckley Regional Office
407 Neville Street
Beckley, WV 25801

North Central Regional Office
(CLARKSBURG)
230 West Pike Street
Huntington Bank
Clarksburg, WV 26301

Wheeling Regional Office
Central Union Building
Suite 101
40 14th Street
Wheeling, WV 26003

Martinsburg Regional Office
397 Mid-Atlantic Pkwy
Martinsburg, WV 25401

NOTICE

Improperly marked Bid Bond envelopes for the LVL terminal permits will be rejected, starting with the next scheduled bid opening, February 6, 2004.

Notes From LVL Operators Advisory Board Meeting

Limited Video Lottery Operators Advisory Board Meeting Held in October

Members of the Limited Video Lottery (LVL) Operators Advisory Board held their second meeting with Lottery Director John C. Musgrave and his staff on October 23 at Lottery Headquarters in Charleston. Operators Brian Woodward, Tom Fittro, Anthony "Herc" Sparachane, Joe C. Ferrell, and Randy Kiser attended.

Director Musgrave reported that LVL operations had grown to 5,745 operating terminals with 6,300 acquired terminal permits as of that day. According to Musgrave, LVL Operators and Retailers had earned nearly \$36 million since the beginning of fiscal year 2004.



Secretary John C. Musgrave

Financial information is considered public information -

Operators expressed concern over a newspaper article that appeared listing LVL retail locations and the gross amount played. Director Musgrave explained that while the Lottery does not proactively release retailers' financial information, the subject matter was considered "public information" that must be supplied to the media upon request.

Obtaining parts from manufacturers -

Operators reported that they had been able to obtain parts from manufacturers more readily than in the past, and they expressed appreciation for the work the Lottery had undertaken to assist in this matter. Director Musgrave cautioned Board members that they could legally purchase parts from licensed manufacturers, only.

Using name of business to advertise -

Director Musgrave told members of the LVL Advisory Board that the practice of using business name signage to advertise gambling had to stop. Musgrave referred to billboards using names such as "Bill's Casino," as an example of how LVL retailers were misusing the privilege of posting their location names in an attempt to advertise limited video lottery games. Operators agreed that the situation had escalated to unacceptable proportions. (Note: Governor Wise's Executive Order No. 21-03 was issued shortly after this meeting. See related story in this newsletter.)

VLT hard meters -

Eliza Hall, Deputy Director for Video Lottery, spoke about the use of hard meters in the video lottery terminals. Hall stated that there had been problems with hard meters, and that they should be used only as the last resort for information. She explained that there were variances in hard meters and that not all machines positioned meters in the same location. Hall added that the Lottery had sent correspondence to IGT requesting corrections for some hard meter issues, and that Gaming Labs, Inc., should have completed testing the new hard meter software in time for the November or December Lottery Commission Meeting.

Assistance from Lottery Auditors -

Hall discussed the role of the Lottery's field auditors in LVL operations. She requested that retailers and operators contact the audit staff at headquarters or when players pose allegations of terminal failure or when players attempt to falsify winnings. They can run

reports from the central system to verify information and will work with field staff to investigate problems. Hall reminded the Board that auditors could investigate game payouts if there are questions of frequent hits. Video Lottery Auditing Supervisor, Tacy Donovan, can be reached at 304-558-0500, ext. 216.

Stand-alone progressive games -

Hall noted that Board members had expressed interest in stand-alone progressive games in the past. She expressed concerns over the fact that the Lottery's central computer system could not account for a jackpot amount without real-time communications and an additional CVT for such. Hall stated that implementation of stand-alone progressives would be costly for operators in terms of communication lines and specialized equipment.

New M.E.A.L. books to be developed -

Lottery Deputy Director for Video Lottery, Al Rose and Eliza Hall discussed planned changes to the Machine Entry Authorization Logs ["meal" books] used by licensed technicians to record activity. Hall explained that meter positioning often differed from manufacture to manufacturer and that often-erroneous information was recorded. Rose confirmed that the Lottery used standardized meal books in the field, but stated that the books would be customized in the future to help technicians record meters accurately.

Ensuring player payment -

Board members expressed concern regarding reports that players were sometimes not paid in a timely manner because retailers lacked funds. Member Tom Fittro provided literature about IGT's "EZ-Safe" mechanism that could be purchased to interact with the CVT in the validation process. According to Fittro, an operator could place cash in the "EZ-Safe" and money would be dispensed only when the CVT communicated an amount to be paid. Director Musgrave added that a complaint had been received from a player who alleged that a voucher was taken by a retailer and not paid. He stated that it would be advisable to provide some type of receipt for players to confirm that they had received their winnings.

Upgrades for bill acceptors -

Director Musgrave informed the Board that he and the Lottery Commission had approved the software upgrades for a variety of software changes to allow bill acceptors to take the newly issued \$20 bill. Musgrave emphasized that operators could not purchase software directly from the non-licensed manufacturers. He added that licensed manufacturers such as IGT, Summit and others had paid for the labor of software testing by Gaming Labs, Inc., (GLI) and that non-licensed entities did not have GLI or Lottery approval.



Operators Tom Fittro and Randy Kiser.

Recap of class action lawsuit outcome -

The Lottery's Legal Counsel, John Melton, updated the Board concerning the recent lawsuit and the subsequent State Supreme Court hearing initiated by Jackson County lawyer, Larry Harless. Melton said that the majority of complaints cited by Harless were those involving lack of mandatory information postings related to cautions,



LVL Operator Advisory Meeting, Oct. 23, 2003

problem gamblers' hotline numbers and the house percentage take. Melton asked if members were aware of infractions among their retailers. Board members responded that there were problems created by customers who often took signage – particularly the 1-800-GAMBLER decals – off the machines. Director Musgrave stated that each LVL Field Investigator had a large inventory of decals and signs to continuously supply to operators and retailers. Musgrave also noted that the Video Lottery field investigators were monitoring mandatory signage on compliance reports and that retail establishments found in violation could be fined or lose their LVL license to operate. The Investigators are equipped with digital cameras to document infractions.

Operator financial information requirements -

Virgil Helton, Lottery CFO and Deputy Director for Finance and Administration, requested that Board members and all operators submit year-end financial information as soon as possible and not wait until the due date. Helton stated that he needed tax returns and other financial documents to ensure that no operator would risk losing his or her license. Helton explained that the documentation is cumulated in the Lottery files for the purpose of preventing a “crunch time episode” at re-licensing. Director Musgrave reiterated Helton’s request and told the Board that there would be no future grace periods for operators or retailers who failed to meet the State’s deadlines.



Operator Brian Woodward

Helton introduced his accountant, Lisa Braum Jehlicka, who handles operator accounting. Jehlicka told the Board of her plan to help facilitate communications using emails for urgent messaging. She also stated that operators would have to provide new contracts whenever their retailers underwent reorganization.

Helton explained the LVL bonding process and the subsequent cost to operators and retailers. When asked if individual operators could “opt out” of the group bond, Helton stated that the legislative rule would not allow for independent bonds.

How to deal with malfunctioning terminals –

Video Lottery Security Deputy, Al Rose, asked Board members and all operators not to turn off malfunctioning video lottery terminals. Rose instructed the members to convert the machine’s screen to the “Out of Service” message and to call the Lottery’s computer

room. A fully disabled terminal cannot communicate with the central computer system and diagnostic studies cannot be performed. Rose reminded the members that a disabled terminal could be offline only five days without being pulled by the Lottery.

LVL players clubs prohibited –

Rose circulated a plastic, wallet-size players club card to Board members and Lottery staff. The card had been confiscated from an LVL retail location. Rose and Melton explained that the law prohibited LVL players clubs, since they were a part of a promotional activity.

Preliminary site survey help from LVL field investigators -

Rose stated that his LVL field investigators would help retail locations with preliminary site surveys to ensure that remodeling or new construction would be in compliance with the law. He also warned members that any alterations to retail location floor plans must be approved by his office prior to the initiation of construction.

Several members questioned the survey methods used to determine the “150’ rule.” Director Musgrave told the members that the Lottery recommended that retailers use licensed surveyors, but in the event of survey disputes, the Lottery would employ State Engineers for a final determination.

Maintenance for retailer surveillance equipment -

One member asked Rose if he could pay for maintenance on a retailer’s security camera and video/digital recording equipment. John Melton joined Rose in emphasizing that operators may hold leases with retailers if they reflected fair market value and if the equipment lease cost was calculated in the financial dispersion of monthly revenue as set forth in the operator-retailer contract. Melton explained that if the operator’s equipment lease included maintenance, the operator could pay for such. However, he stated that if no maintenance provisions were included in a lease-purchase agreement, the retailer would have to pay for repairs. Rose added that the Lottery field investigators were working with the manufacturer to help upgrade elements of some surveillance systems.

Digital fingerprinting now available -

Director Musgrave announced that former Video Lottery Security Field Supervisor David Bradley had been named Deputy Director of Traditional Lottery. Bradley now handles the Lottery’s digital fingerprinting system. Bradley informed the members of locations and appointment protocols for obtaining digital fingerprints (see related story in this newsletter).



Lottery Licensing Supervisor Roberta Somerville.

LVL retailer licensing issues -

Licensing Supervisor, Roberta Somerville, introduced Rose Cook who will take over Becky White’s position in LVL licensing. Somerville stated that the LVL retailer licensing renewal process proved to be difficult this year due to the failure of retailers to meet the Lottery’s information deadlines. She added that retailers were not submitting corporate name changes and reorganization information as needed, and requested the help of operators when dealing with situations concerning retailer licenses. Somerville cautioned operators concerning requests for retailer license surrender. She told operators that she couldn’t authorize their requests unless the retailer agrees to surrender a license and provides authority to do such by signature.

CIVIL PENALTIES and WARNINGS

Video Lottery Advertising/ Promotional Activity:

East River Mountain Properties, Inc., dba *Bailey's Restaurant Lounge & Dome*, Bluefield – first offense, \$100 penalty (7-03)
Nitro Food Service LLC, dba *Patty's*, Charleston – first offense, \$100 penalty (7-03)
Gold and Blue Restaurant, Inc., dba *Classic's Restaurant Lounge*, Dellslow – first offense, \$100 penalty (7-03)
Joli, Inc., dba *Cross Lanes Lottery*, Charleston – first offense, \$100 penalty (7-03)
4 & R, Inc., dba *Journeez*, Elkins – first offense, \$100 penalty (8-03)
Valentino's Hideaway LLC, Elkins – first offense, \$100 penalty (8-03)
Legion of Guardsmen #003, Parkersburg – first offense, \$100 penalty (8-03)
Kom Pak Good Luck Shop, Parkersburg – second offense, \$1,000 penalty (8-03)
The Owls Nest 1230, Inc., dba *Owls Nest 1230*, Parkersburg – first offense, \$100 penalty (9-03)
Ajax Amusement Machines, Inc., Martinsburg - second offense, \$10,000 penalty (9-03)
Cheaper Cigs, Inc., dba *Bailey's*, Huntington – first offense, \$100 penalty (promotion) (9-03)

Warnings:

Bee Recca, Inc., dba *Muttley's Downtown* (6-03)
Block & Barrel Two, Inc., dba *Block & Barrel Deli and Casino*, Bridgeport (9-03)
D.C.R. Corporation dba *Old Log Cabin Club*, Kearneysville (9-03)

Underage Person(s) in Limited Video Lottery Area:

Lamb Chops Club, Martinsburg – first offense, \$100 penalty (6-03)
D.C.R. Corporation, dba *Log Cabin Club*, Kearneysville – first offense, \$100 penalty (6-03)
LA Lakeview Associates, L.P., dba *Lakeview Resort*, Morgantown – first offense, \$100 penalty (6-03)
Pride, Inc., dba *Southern Pride*, Hurricane – first offense, \$200 penalty (under-aged playing lvl games) (6-03)
Hi-Lad, Inc, dba *Comfort Zone & Comfort Inn*, Parkersburg – first offense, \$100 penalty (7-03)
Brewster's Pub, Cross Lanes – first offense, \$100 penalty (7-03)
Shenanigan's, Inc., dba *Johnny & Ramona's Lounge*, Huntington – first offense, \$100 penalty (7-03)

Non-Compliance with Surveillance Equipment:

M.T.M. Omelet Stoppe, dba *Omelet Stoppe*, Ona – first offense, \$100 penalty (9-03)

Warnings:

Hummer Enterprises, Inc., dba *Icon*, Huntington (8-03)
The Café, Inc., Crab Orchard (8-03)
Mountain State Regular Veterans Association #57, dba *Raffles*, Bluefield (8-03)
Ceredo-Kenova American Legion Post 93, Kenova (8-03)
Oasis Lounge, Weirton (8-03)
Warwood Veterans Association, Wheeling (8-03)
Lynn Street Tavern Club, Inc., Parkersburg (9-03)
Tap Room of Buckhannon, Buckhannon (9-03)
The Winner Circle Club, Inc., Ranson (9-03)
The Friendly Lounge Assoc., dba *The Friendly Lounge*, Sistersville (9-03)

LVL Terminals Visible:

JMA, Inc., dba *Stats Sports Bar*, Barboursville – first offense, \$100 (6-03)
Joli, Inc., dba *Cross Lanes Lottery*, Charleston – first offense, \$100 penalty (7-03)
Krauts Creek Corp., dba *Spring Valley Golf Club*, Huntington – first offense, \$100 penalty (9-03)

Warnings:

Old Mill Club, Inc., dba *Kegler's Sports Bar*, Morgantown (8-03)
M & A Enterprises, LLC, dba *Pines Restaurant*, Keyser (9-03)
Joker's Wild, LLC, Clarksburg (9-03)

Miscellaneous Infractions:

G & S Tobacco Dealers, LLC, dba *High Roller Club V*, Weston (ATM in LVL game room) – first offense, \$100 penalty (9-03)

Miscellaneous Warnings:

Geno's Bar & Grille, Inc., Inwood – "CAUTION" Gambling sign not posted (8-03)
Chesapeake Volunteer Fire Dept., dba *CVFD Gaming Center*, Chesapeake - non-payment upon presentation of valid winning tickets (9-03)
Oasis Club, Inc., Martinsburg – Unauthorized change of floor plan (9-03)
Elkins Metro Corp., dba *Sunken Garden Restaurant*, Elkins - "CAUTION" and "House Percentages" signs not posted (9-03)

WEST VIRGINIA LOTTERY
P. O. BOX 2067
CHARLESTON, WV 25327

PRE-SORT STANDARD
U.S. POSTAGE PAID
PERMIT NO. 1141
CHARLESTON, WV
25301

IMPORTANT VIDEO LOTTERY INFORMATION INSIDE