



# West Virginia Purchasing Division

2019 Washington Street, East  
Charleston, WV 25305  
Telephone: 304-558-2306  
General Fax: 304-558-6026  
Bid Fax: 304-558-3970

The following documentation is an electronically-submitted vendor response to an advertised solicitation from the *West Virginia Purchasing Bulletin* within the Vendor Self-Service portal at ***wvOASIS.gov***. As part of the State of West Virginia's procurement process, and to maintain the transparency of the bid-opening process, this documentation submitted online is publicly posted by the West Virginia Purchasing Division at ***WVPurchasing.gov*** with any other vendor responses to this solicitation submitted to the Purchasing Division in hard copy format.

## Header

 List View

**General Information** | [Contact](#) | [Default Values](#) | [Discount](#) | [Document Information](#)

**Procurement Folder:** 48110

**SO Doc Code:** CRFQ

**Procurement Type:** Central Purchase Order

**SO Dept:** 0705

**Vendor ID:**  

**SO Doc ID:** LOT1500000002

**Legal Name:** SPECTRUM GAMING GROUP LLC

**Published Date:** 11/17/14

**Alias/DBA:**

**Close Date:** 11/25/14



**Total Bid:** \$67,900.00

**Close Time:** 13:30

**Response Date:**  

**Status:** Closed

**Response Time:**

**Solicitation Description:**    


**Total of Header Attachments:** 0

**Total of All Attachments:** 0



Purchasing Division  
 2019 Washinton Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

**State Of West Virginia  
 Solicitation Response**

**Proc Folder :** 48110

**Solicitation Description :** ADDENDUM # 2- IMPACT STUDY OF SUBSIDIZED GREYHOUND RACING

**Proc Type :** Central Purchase Order

Date issued	Solicitation Closes	Solicitation No	Version
	2014-11-25 13:30:00	SR 0705 ESR11241400000001114	1

**VENDOR**

000000118311

SPECTRUM GAMING GROUP LLC

**FOR INFORMATION CONTACT THE BUYER**

Evelyn Melton  
 (304) 558-7023  
 evelyn.p.melton@wv.gov

**Signature X**

**FEIN #**

**DATE**

All offers subject to all terms and conditions contained in this solicitation

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
1	IMPACT STUDY OF SUBSIDIZED GREYHOUND RACING				\$0.00

Comm Code	Manufacturer	Specification	Model #
93131703			

**Extended Description :** COMPREHENSIVE STUDY OF SUBSIDIZED GREYHOUND RACING  
 ADDENDUM # 02 - TO PROVIDE RESPONSES TO VENDORS' QUESTIONS SUBMITTED REGARDING THE ABOVE SOLICITATION.



Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

State of West Virginia  
 Request for Quotation

Proc Folder: 48110

Doc Description: ADDENDUM # 1- IMPACT STUDY OF SUBSIDIZED GREYHOUND RACING

Proc Type: Central Purchase Order

Date Issued	Solicitation Closes	Solicitation No	Version
2014-10-28	2014-11-25 13:30:00	CRFQ 0705 LOT1500000002	2

**BID RECEIVING LOCATION**

BID CLERK  
 DEPARTMENT OF ADMINISTRATION  
 PURCHASING DIVISION  
 2019 WASHINGTON ST E  
 CHARLESTON WV 25305  
 US

**VENDOR**

Vendor Name, Address and Telephone Number:

Spectrum Gaming Group, LLC  
 1201 New Road, Suite 308  
 Linwood, NJ 08221  
 609-926-5100

**FOR INFORMATION CONTACT THE BUYER**

Evelyn Melton  
 (304) 558-7023  
 evelyn.p.melton@wv.gov

Signature X

FEIN # 22-3849767

DATE 11/24/2014

All offers subject to all terms and conditions contained in this solicitation

INVOICE TO		SHIP TO	
ACCOUNTS PAYABLE LOTTERY PO BOX 2067		PURCHASING LOTTERY 900 PENNSYLVANIA AVE	
CHARLESTON	WV25327-2067	CHARLESTON	WV 25302
US		US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
1	IMPACT STUDY OF SUBSIDIZED GREYHOUND RACING	1		\$67,900.00 Inclusive of all travel & expenses.	

Comm Code	Manufacturer	Specification	Model #
93131703			

**Extended Description :**

COMPREHENSIVE STUDY OF SUBSIDIZED GREYHOUND RACING

ADDENDUM # 01 - TO ATTACH ELECTRONIC INSTRUCTIONS TO BIDDERS, TERMS & CONDITIONS AND SPECIFICATIONS TO THE SOLICITATION.

(ATTACHMENT TYPE XML FROM ORIGINAL DOCUMENT CHANGED TO A STANDARD TYPE ATTACHMENT)

<b>LOT1500000002</b>	<b>Document Phase</b> Final	<b>Document Description</b> ADDENDUM # 1- IMPACT STUDY OF SUBSIDIZED GREYHOUND RACING	<b>Page 3</b> <b>of 3</b>
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**ADDITIONAL TERMS AND CONDITIONS**

See attached document(s) for additional Terms and Conditions

**VENDOR PREFERENCE CERTIFICATE**

Certification and application\* is hereby made for Preference in accordance with *West Virginia Code*, §5A-3-37. (Does not apply to construction contracts). *West Virginia Code*, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the *West Virginia Code*. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Vendor Preference, if applicable.

1. **Application is made for 2.5% vendor preference for the reason checked:**

\_\_\_\_\_ Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,

\_\_\_\_\_ Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,

\_\_\_\_\_ Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; **or**,

2. **Application is made for 2.5% vendor preference for the reason checked:**

\_\_\_\_\_ Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,

3. **Application is made for 2.5% vendor preference for the reason checked:**

\_\_\_\_\_ Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,

4. **Application is made for 5% vendor preference for the reason checked:**

\_\_\_\_\_ Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; **or**,

5. **Application is made for 3.5% vendor preference who is a veteran for the reason checked:**

\_\_\_\_\_ Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; **or**,

6. **Application is made for 3.5% vendor preference who is a veteran for the reason checked:**

\_\_\_\_\_ Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.

7. **Application is made for preference as a non-resident small, women- and minority-owned business, in accordance with *West Virginia Code* §5A-3-59 and *West Virginia Code of State Rules*.**

\_\_\_\_\_ Bidder has been or expects to be approved prior to contract award by the Purchasing Division as a certified small, women- and minority-owned business.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

**Under penalty of law for false swearing (*West Virginia Code*, §61-5-3), Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.**

**Bidder:** Spectrum Gaming Group, LLC

**Signed:** \_\_\_\_\_

**Date:** 11/24/2014

**Title:** Managing Director



REQUEST FOR QUOTATION  
LOT1500000002 - CONSULTING SERVICES FOR STUDY ON GOVERNMENT  
SUBSIDY TO GREYHOUND RACING

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**REFERENCES REQUESTED IN SECTION 3.3**

1.

<b>NAME</b>	Iowa Racing and Gaming Commission
<b>CONTACT PERSON</b>	Brian J. Ohorilko, Administrator
<b>PHONE NUMBER</b>	515-281-7352
<b>EMAIL ADDRESS</b>	Brian.Ohorilko@iowa.gov

2.

<b>NAME</b>	The Florida Senate
<b>CONTACT PERSON</b>	John Guthrie, Staff Director
<b>PHONE NUMBER</b>	850-487-5811
<b>EMAIL ADDRESS</b>	Guthrie.John@flsenate.gov

3.

<b>NAME</b>	Ohio Casino Control Commission
<b>CONTACT PERSON</b>	Matthew T. Schuler, Executive Director
<b>PHONE NUMBER</b>	614-387-5858
<b>EMAIL ADDRESS</b>	Matt.Schuler@casinocontrol.ohio.gov

**CERTIFICATION AND SIGNATURE PAGE**

By signing below, or submitting documentation through wvOASIS, I certify that I have reviewed this Solicitation in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this bid, offer or proposal for review and consideration; that I am authorized by the vendor to execute and submit this bid, offer, or proposal, or any documents related thereto on vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that to the best of my knowledge, the vendor has properly registered with any State agency that may require registration.

Spectrum Gaming Group, LLC

(Company)



Michael Pollock

(Authorized Signature) (Representative Name, Title)

609-926-5100 609-926-5121-Fax 11/24/2014

(Phone Number) (Fax Number) (Date)

STATE OF WEST VIRGINIA  
Purchasing Division

**PURCHASING AFFIDAVIT**

**MANDATE:** Under W. Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

**EXCEPTION:** The prohibition listed above does not apply where a vendor has contested any tax administered pursuant to chapter eleven of the W. Va. Code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

**DEFINITIONS:**

**"Debt"** means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

**"Employer default"** means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W. Va. Code § 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

**"Related party"** means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

**AFFIRMATION:** By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

**WITNESS THE FOLLOWING SIGNATURE:**

Vendor's Name: Spectrum Gaming Group, LLC

Authorized Signature: \_\_\_\_\_ Date: 11/24/2014

State of New Jersey

County of Atlantic, to-wit:

Taken, subscribed, and sworn to before me this 24 day of November, 2014.

My Commission expires November 24, 2015.

**AFFIX SEAL HERE**

**NOTARY PUBLIC** \_\_\_\_\_

STATE OF WEST VIRGINIA  
Purchasing Division

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**"Related party"** means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

**AFFIRMATION:** By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

**WITNESS THE FOLLOWING SIGNATURE:**

Vendor's Name: Spectrum Gaming Group, LLC

Authorized Signature: \_\_\_\_\_ Date: 11/24/2014

State of New Jersey

County of Atlantic, to-wit:

Taken, subscribed, and sworn to before me this 24 day of November, 2014.

My Commission expires November 24, 2015.

**AFFIX SEAL HERE**

**NOTARY PUBLIC** \_\_\_\_\_

**SPECIFICATIONS**

1. **PURPOSE AND SCOPE:** The West Virginia Purchasing Division is soliciting bids on behalf of the WEST VIRGINIA DEPARTMENT OF REVENUE for an experienced vendor to provide research and analytical services necessary to complete a comprehensive study requested by the legislature relating to the fiscal and budgetary impact of state subsidized greyhound racing.
  
2. **DEFINITIONS:** The terms listed below shall have the meanings assigned to them below. Additional definitions can be found in section 2 of the General Terms and Conditions.
  - 2.1 **“Contract Services”** or **“Consulting Services”** means research and fiscal analysis services necessary for a comprehensive study on the fiscal impact of state subsidies to greyhound racing and any other services required to accomplish the current directive or future directives from the legislature relating to this study.
  
  - 2.2 **“Pricing Section”** means the pages upon which Vendor should list its proposed price for the Contract Services.
  
  - 2.3 **“CRFQ”** means the official request for quotation published by the Purchasing Division and identified as LOT1500000002.
  
3. **QUALIFICATIONS:** Vendor must meet the following minimum qualification standards:
  - 3.1. Vendor must have ten years of experience conducting economic impact studies or other financial or budgetary analysis for government entities in the gaming or live animal racing industries.
  
  - 3.2. Vendor must have prepared economic impact studies on state subsidies to greyhound racing as such subsidies relate to budgetary matters for at least one (1) U.S. government entity or regulatory body. Vendor must provide the name of the government entity or regulatory body and a description of the services provided to the client in its response as well as contact information for references from each.

- 3.3. Vendor shall have knowledge of political, demographic, technological, regulatory, and competitive industry standards and trends and utilize such knowledge in the methodology utilized to perform services.
- 3.4. Vendor must provide a statement that certifies the study is an independent analysis and Vendor has no conflict of interest that would impact its ability to be objective.
- 3.5. Vendor's personnel that may be involved in making presentations must be preapproved by the Agency.

#### 4. MANDATORY REQUIREMENTS:

**4.1 Mandatory Contract Services Requirements and Deliverables:** Contract Services must meet or exceed the mandatory requirements listed below.

##### Services

**4.1.1 RESEARCH AND INDEPENDENT OBJECTIVE ANALYSIS OF GOVERNMENT SUBSIDY TO GREYHOUND RACING SHALL INCLUDE:**

**4.1.1.1 HISTORICAL ASSESSMENT REVIEW AND FIVE (5) YEAR PROJECTED ANALYSIS OF THE ECONOMIC STRUCTURE AND PERFORMANCE OF THE EXISTING INDUSTRY IDENTIFYING OPPORTUNITIES AND CHALLENGES**

**4.1.1.2 ASSESSMENT OF POTENTIAL CHANGES AND ECONOMIC BUDGET EFFECTS BY MODIFYING OR REPEALING LIVE RACING REQUIREMENTS FOR GREYHOUND RACING FACILITIES INCLUDING EVALUATION OF IMPACTS ON PURSES, AWARDS, AND SUBSIDIES.**

**4.1.1.3 THE FISCAL ANALYSIS SHALL EVALUATE ECONOMIES OF LEVERAGING EQUITY AND PROFITS AS SOURCES FOR PUBLIC FUNDING AND UNDERWRITING RISKS.**

**4.1.1.4 STUDY SHALL ADDRESS AND MAKE RECOMMENDATIONS ON THE FOLLOWING:**

**4.1.1.4.1 DETERMINE IF THE BENEFITS OF REGULATION  
JUSTIFY THE COST**

- 4.1.2 Methodology:** Analysis shall describe any sources of variation including but not limited to inputs to the study's fiscal impact models or calculations uses to estimate fiscal impacts.

**DEADLINE:** IMPACT STUDY SHALL BE DELIVERED TO THE DEPARTMENT OF REVENUE ON OR BEFORE DECEMBER 31, 2014.

**PRESENTATION:** AUTHORS OF THE STUDY SHALL BE AVAILABLE TO DISCUSS THE STUDY IN PERSON WITH THE DEPARTMENT OF REVENUE CABINET SECRETARY AND TO PRESENT THE STUDY TO THE LEGISLATURE IF REQUIRED.

**PRODUCTION/DELIVERABLES:** SIX (6) COPIES OF THE STUDY SHALL BE COLOR PRINTED AND BOUND IN A THREE-RING BINDER AND SHALL ALSO BE COPIED AND PROVIDED ON A CD.

**5. CONTRACT AWARD:**

**5.1 Contract Award:** The Contract is intended to provide Agency with a purchase price for the Contract Services. The Contract shall be awarded to the Vendor that provides the Contract Services meeting the required specifications for the lowest overall total cost as shown on the Pricing Section.

**5.2 Pricing Section:** Vendor should complete the Pricing Section by providing a total price for all services that includes all travel costs and incidental expenses. Vendor should complete the Pricing Section in full as failure to complete the Pricing Section in its entirety may result in Vendor's bid being disqualified.

Notwithstanding the foregoing, the Purchasing Division may correct errors as it deems appropriate. Vendor should type or electronically enter the information into the Pricing Section to prevent errors in the evaluation.

- 
6. **PERFORMANCE:** Vendor and Agency shall agree upon a schedule for performance of Contract Services and Contract Services Deliverables, unless such a schedule is already included herein by Agency. In the event that this Contract is designated as an open-end contract, Vendor shall perform in accordance with the release orders that may be issued against this Contract.
7. **PAYMENT:** Agency shall pay an hourly rate, as shown on the Pricing Pages, for all Contract Services performed and accepted under this Contract. Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia.
8. **TRAVEL:** Vendor shall be responsible for all mileage and travel costs, including travel time, associated with performance of this Contract. Any anticipated mileage or travel costs may be included in the flat fee or hourly rate listed on Vendor's bid, but such costs will not be paid by the Agency separately.
9. **FACILITIES ACCESS:** Performance of Contract Services may require access cards and/or keys to gain entrance to Agency's facilities. In the event that access cards and/or keys are required:
- 9.1. Vendor must identify principal service personnel which will be issued access cards and/or keys to perform service.
  - 9.2. Vendor will be responsible for controlling cards and keys and will pay replacement fee, if the cards or keys become lost or stolen.
  - 9.3. Vendor shall notify Agency immediately of any lost, stolen, or missing card or key.
  - 9.4. Anyone performing under this Contract will be subject to Agency's security protocol and procedures.
  - 9.5. Vendor shall inform all staff of Agency's security protocol and procedures.



**10. VENDOR DEFAULT:**

10.1. The following shall be considered a vendor default under this Contract.

10.1.1. Failure to perform Contract Services in accordance with the requirements contained herein.

10.1.2. Failure to comply with other specifications and requirements contained herein.

10.1.3. Failure to comply with any laws, rules, and ordinances applicable to the Contract Services provided under this Contract.

10.1.4. Failure to remedy deficient performance upon request.

10.2. The following remedies shall be available to Agency upon default.

10.2.1. Cancellation of the Contract.

10.2.2. Cancellation of one or more release orders issued under this Contract.

10.2.3. Any other remedies available in law or equity.

**11. MISCELLANEOUS:**

11.1. **Contract Manager:** During its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer service or other issues related to this Contract. Vendor should list its Contract manager and his or her contact information below.

**Contract Manager:** Michael Pollock

**Vendor's Address:** 1201 New Road, Suite 308  
Linwood, NJ 08221

**Telephone Number:** 609-926-5100

**Fax Number:** 609-926-5121

**Email Address:** Pollock@spectrumgaming.com



# Spectrum Gaming Group

Experience. Integrity. Independence.

## REQUEST FOR QUOTATION

**Solicitation Number: CRFQ 0705 LOT1500000002**

***CONSULTING SERVICES FOR STUDY ON  
GOVERNMENT SUBSIDY TO GREYHOUND RACING***

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November 24, 2014

Prepared for: West Virginia Purchasing Division

WEST VIRGINIA DEPARTMENT OF REVENUE



1201 New Road, Suite 308  
Linwood, NJ 08221 USA

November 24, 2014

Evelyn Melton  
State of West Virginia  
Purchasing Division  
2019 Washington Street East  
Charleston, WV 25305-0130

Dear Ms. Melton:

The West Virginia Purchasing Division, on behalf of the West Virginia Department of Revenue, is seeking an independent, authoritative and comprehensive analysis requested by the Legislature regarding fiscal and budgetary impacts of the state's subsidized greyhound racing program.

Spectrum Gaming Group LLC ("Spectrum," "we" or "our") recognizes that such a comprehensive study must be rigorous in its research while commanding the respect of all interested stakeholders. To meet those critical goals, we must demonstrate both a knowledge of greyhound racing as well as a proven commitment to fairness.

We share your values and are prepared to exceed your expectations for this critically important engagement.

The Spectrum team assembled for this engagement has met those high standards in numerous engagements throughout the United States and around the world for more than three decades. We have produced a high-quality work product in numerous studies, largely by combining unchallenged experience with extensive on-the-ground research, designed to ensure that the views of this wide variety of stakeholders are heard and understood.

We have earned credibility around the nation with legislators, regulators, operators, the media and the general public.

Our team combines the highest degree of experience and capabilities with proven commitment to integrity. Our core group of veteran gaming research professionals has been carefully selected for this specific engagement. This group has a proven track record of efficiently delivering the desired goal in engagements that are similar in nature, size, and scope to that being contemplated in this RFQ.

***"Thanks to a report prepared for the (Florida) Legislature by the Spectrum Gaming Group, we now know that these (greyhound) facilities lost a combined \$35 million in 2012. More, the state lost as much as \$3.3 million on this cruel and unpopular activity that year, because regulatory costs exceeded revenues."***

***– Sen. Maria Sachs, Vice Chair of Florida Senate Gaming Committee***

The Spectrum team for this engagement includes:

- **Michael Pollock, Spectrum Managing Director** – oversees a broad portfolio of Spectrum services, including policy and impact studies for country, state and local governments including studies in Iowa, Florida, Pennsylvania, Louisiana and Indiana to Guam, Korea, Massachusetts, Illinois and Connecticut.
- **Joseph Weinert, Spectrum Executive Vice President** – served as project manager for the *Socioeconomic Impact of Gambling on Iowans: A Study for the Iowa Racing and Gaming Commission*, and he presented the findings to the report to the IRGC in June 2014.
- **Michael Diamond, Spectrum Senior Research Associate** – has extensive investigative research experience, both in journalism and in government. He headed the Spectrum research team’s study of greyhound racing in Florida and is currently leading our engagement in Iowa regarding a fiscal analysis of the state’s greyhound racing industry.
- **Adam Steinberg, Spectrum Gaming Capital** – has provided strategic capital markets advice and solutions for a number of Wall Street investment firms. He was Senior Vice President at FBR Capital Markets, where he was the high yield gaming, restaurant and leisure analyst, responsible for concise written research, as well as verbal trading recommendations. Adam is currently providing critical financial expertise in Spectrum’s fiscal analysis of Iowa’s greyhound racing industry.

Our proposal rests on the following essential attributes:

**Knowledge of West Virginia:** The professionals at Spectrum have been working in, and studying, West Virginia gaming for many years, and our work has taken us to locales throughout the state. The West Virginia Lottery retained Spectrum to manage and implement the highly sensitive and complex task of implementing live table games on an expedited basis in a market that had previously authorized only slot machines. Spectrum oversaw all critical aspects of this task to ensure that table games were implemented in a manner that was comprehensive, timely and fair, and that the regulations were drafted to ensure that the rules protect the public interest, as well as the interests of the casino operators.

**Knowledge of greyhound racing and the pari-mutuel industry:** Officials in states ranging from Florida to Iowa have trusted Spectrum with the delicate task of analyzing greyhound racing and suggesting solutions that are fair and workable. Moreover, we have conducted pari-mutuel studies in states ranging from New Jersey and Connecticut to Massachusetts, and our credentials are unchallenged.

**Credibility:** Spectrum – which is neither pro-gaming nor anti-gaming – takes particular pride in its credibility among government officials and the media, and we have gained that credibility through a concerted, unyielding effort to be independent and candid in all our analyses.

**Approach:** In any such engagement, we listen to all relevant stakeholders, and we are committed to ensuring that all such viewpoints are considered and reflected in our findings. Additionally, Spectrum is not beholden to any outside interests. We devote painstaking attention to avoiding even the appearance of a potential conflict of interest. Any potential,

actual or perceived conflicts of interest are immediately disclosed to the appropriate officials so that the highest levels of integrity will always be maintained in order to maintain the highest level of integrity and avoid any conflicts of interest, whether real or perceived.

- **Results:** As part of Spectrum’s two-part study designed to help Florida lawmakers understand the economic, fiscal, and social impacts of any potential changes in Florida’s gaming environment, Spectrum conducted an analysis of the state’s pari-mutuel industry including, horse racing and greyhound racing. Spectrum analyzed Florida’s greyhound racing purse structure and the extent to which purses came from state’s purse subsidies program. The six-month study was made public and analyzed performance of the greyhound sector and ability of regulators to oversee operators, including greyhound racing operators. The study cited the regulatory agency for a number of shortcomings in attempting to oversee the greyhound sector that included inaccurate data in its annual reports and a failure to enforce its own regulations. The study prompted legislative hearings to examine the need for reform of the regulatory system of greyhound racing in Florida.

***“Greyhound racing is a ‘dying sport’ that has been hemorrhaging revenue for years, according to a (Spectrum Gaming Group) study commissioned by the Florida Legislature.”***

***– Florida Times-Union***

The individual authorized to legally bind Spectrum Gaming Group is:

Michael J. Pollock, Managing Director  
Spectrum Gaming Group LLC  
Cornerstone Commerce Center  
1201 New Road, Suite 308  
Linwood, NJ 08221  
Direct: 609.233.9590  
Office: 609.926.5100  
Email: [pollock@spectrumgaming.com](mailto:pollock@spectrumgaming.com)

On behalf of our team of outstanding professionals, we look forward to your evaluation of our credentials. Thank you for considering Spectrum Gaming Group.

Sincerely,



Michael J. Pollock, Managing Director

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### 3. QUALIFICATIONS:

**Vendor must meet the following minimum qualification standards:**

**3.1. Vendor must have ten years of experience conducting economic impact studies or other financial or budgetary analysis for government entities in the gaming or live animal racing industries.**

Spectrum Gaming Group LLC, founded in 1993, is an independent research and professional services firm serving public- and private-sector clients worldwide. Our principals have backgrounds in gaming operations, economic analysis, law enforcement, due diligence, gaming regulation, compliance and journalism.

Independence and integrity are our hallmarks. We assiduously avoid conflicts of interest, and we hold no beneficial interest in any casino operating companies or gaming equipment manufacturers or suppliers. We employ only senior-level executives and associates who have earned reputations for honesty, integrity and the highest standards of professional conduct.

Spectrum was honored by Inc. Magazine, which named Spectrum to the 2008, 2009 and 2014 *Inc. 5000* List of the Fastest Growing Companies in the United States. In offering such recognition, Inc. Magazine noted that “A focus on integrity has allowed Spectrum to thrive.”

Each Spectrum project is customized to our client’s specific requirements and developed from the ground up. Our findings, conclusions and recommendations are based solely on our research, analysis and experience. We do not tell clients necessarily what they want to hear; we tell them what they need to know. We will not accept, and have never accepted, engagements that seek a preferred result.

Spectrum is a full-service firm. We are a certified New Jersey Domestic Limited Liability Company and an active business in good standing in the State of New Jersey. Spectrum is owned and managed by Principals and Managing Directors Fredric E. Gushin and Michael J. Pollock, both of whom are former high-level New Jersey gaming regulators.

We maintain a network of leading experts in all disciplines relating to the gaming industry, and we do this through our offices in Atlantic City, Bangkok, Hong Kong, Las Vegas, New York and Tokyo. We provide our clients with an array of services, including:

- Financial analysis
- Economic impact reports
- Market analyses
- Restructurings, distressed properties/acquisition services
- Drafting of legislation and regulation
- Anti-money laundering controls
- Internet gambling research and analysis
- Public-policy analysis
- Investigations and due diligence (financial and Integrity)
- Establishment of investigative procedures
- Evaluation of public policy
- Legal support service
- Gaming regulatory services



For this engagement, Spectrum will utilize the resources of our sister firm, Spectrum Gaming Capital LLC (“SGC”). SGC is organized as a Limited Liability Company registered in New York. As in previous projects, the two companies will operate as one fully-integrated and seamless project team designed for the most effective use of resources.

The SGC team includes Adam Steinberg, an equity research analyst with 15 years of experience evaluating public gaming, lodging and leisure companies; and David Isaacson, a debt research analyst who worked for Moody’s Investor Services, one of the primary rating agencies, evaluating private, tribal and public company gaming debt issuances. This complementary set of experiences and capabilities enables SGC to provide comprehensive and unbiased guidance to governments, developers that are new to gaming, investors, boards of directors, courts and established gaming companies with respect to complex evaluative, strategic and finance matters.

Our reports have been used by clients to shape public policy, secure financing, formulate marketing plans, determine scope and size of development, establish gaming regulations, and make licensing decisions, among many other purposes.

Governments regularly call on Spectrum’s expertise when debating public policy. Our principals have testified before the following government bodies:

- British Columbia Lottery Corporation
- Florida House Select Committee on Gaming
- Florida Senate Gaming Committee
- Georgia Joint Committee on Economic Development and Tourism
- Illinois Gaming Board
- Indiana Gaming Study Commission
- Indiana Horse Racing Commission
- International Tribunal, The Hague
- Iowa Racing and Gaming Commission
- Louisiana House and Senate Joint Criminal Justice Committee
- Massachusetts Gaming Commission
- Massachusetts Joint Committee on Bonding, Capital Expenditures, and State Assets New Jersey Assembly Tourism and Gaming Committee
- National Gambling Impact Study Commission
- New Hampshire Gaming Study Commission
- New Jersey Assembly Regulatory Oversight and Gaming Committee
- New Jersey Senate Legislative Oversight Committee
- New Jersey Senate Wagering, Tourism & Historic Preservation Committee
- Ohio House Economic Development Committee
- Ohio Senate Oversight Committee
- Pennsylvania House Gaming Oversight Committee
- Pennsylvania Gaming Control Board
- Puerto Rico Racing Board
- U.S. House Congressional Gaming Caucus
- US Senate Permanent Subcommittee on Investigations
- U.S. Senate Indian Affairs Committee
- U.S. Senate Select Committee on Indian Gaming
- U.S. Senate Subcommittee on Organized Crime



Spectrum is consistently retained by national, state, local and tribal governments, casino operators, developers, architects, Wall Street firms, investors and law firms. Among our recent clients that we can disclose:

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**PUBLIC SECTOR**

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Atlantic City Convention & Visitors Authority	Ohio Lottery Commission
Broward County, Florida	Ohio Casino Control Commission
Comm. of Financial Institutions – Puerto Rico	Pennsylvania Department of Revenue
Connecticut Division of Special Revenue	Philippine Amusement & Gaming Control Corp.
Delaware State Lottery	Puerto Rico Tourism Company, Gaming Division
Florida Legislature	Republic of Croatia
Georgia Lottery	Rostov Oblast, Russia
Iowa Racing and Gaming Commission	Saint Lucia Gaming Authority
Kansas Racing & Gaming Commission	San Jose, CA, Office of City Manager
Maine Harness Racing Commission	Singapore Ministry of Home Affairs
Maryland Lottery Commission	South Jersey Transportation Authority
MA Office Housing & Economic Development	U.S. Virgin Islands Casino Control Commission
Netherlands Gaming Control Agency	West Virginia Lottery
NJ Casino Reinvestment Development Authority	

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**PRIVATE SECTOR**

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Aristocrat Leisure	Gensler Architects
Avista Capital	Genting
Boyd Gaming	Good for Oregon Committee
Bloomerry Investment Holdings	Greenberg-Traurig, PA
Cappelli Enterprises	Hard Rock International
Carnival Corporation	Hard Rock Casino, Las Vegas
Caesars Entertainment	Herzog Fox & Neeman
Casino Association of New Jersey	Hialeah Park
Casino Association of Indiana	House of Blues Entertainment
Centaur Gaming	Illinois Jobs and Revenue Alliance
Churchill Downs	Indiana Live! Casino
CIBC World Markets	International Game Technology
Clairvest Group	Jefferies & Co.
Cosmopolitan Las Vegas	Landry's
Credit Suisse	Las Vegas Sands
Delaware North Companies	Marriott Aruba Casino
Dickinson Wright	Morgan Stanley
Empire City at Yonkers Raceway	Mount Airy Casino Resort
Empire Resorts	New York Gaming Association
Eton Park Capital Management	Occidental Hotel Corporation
Gateway Casinos and Entertainment Ltd.	Parx Casino

Pinnacle Entertainment  
Regulatory Management Counselors  
Revel Entertainment  
Ritz Carlton Casino Resort, San Juan, PR  
Sandell Asset Management  
Scientific Games  
Shuffle Master  
Sokha Hotels

Sonco Gaming Inc.  
Strategic Value Partners  
Sunrise Sports & Entertainment  
Trump Entertainment Resorts  
Volterra Fietta  
Virgin Group  
Western Development Corporation  
Wynn Resorts

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#### **NATIVE AMERICAN**

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Agua Caliente  
Cherokee Nation  
Gila River Indian Community  
Little River Band of Ottawa Indians  
Mashantucket Pequot Tribal Nation  
National Indian Gaming Association  
Navajo Gaming Enterprises  
Oneida Indian Nation

Pechanga Development Corp.  
Pokagon Band of Potawatomi Indians  
Pueblo of Ohkay Owingeh  
Seminole Tribe of Florida  
Seneca Gaming Corporation  
Seneca Nation of Indians  
Tohono O'odham Nation

The following recent relevant engagements demonstrate our experience and capabilities as well as the trust placed in Spectrum Gaming Group by a wide variety of clients:

- The Massachusetts Gaming Commission ("MGC") retained Spectrum to conduct a holistic overview of the Massachusetts racing industry to prepare for the transfer of duties and responsibilities held by the State Racing Commission ("SRC"). As a result of Spectrum's study, the MGC now regulates the Commonwealth's racing industry through a newly created Racing Division. Spectrum and its partner, created a multi-faceted work plan including data analysis of public records, literature/article review, and interviews with key stakeholders and industry experts. This work plan allowed Spectrum to provide the MGC with the requested overview as well as develop strategic insights for consideration by the MGC as it sought to bring best practices to Massachusetts racing regulation. As a result of our research and analysis, Spectrum recommend the following courses of action as the MGC prepared to absorb the SRC:
  - Adopt the Association of Racing Commissioners International Model Rules of Racing.
  - Outsource testing to an accredited laboratory.
  - Upgrade the audit/financial system.
  - Update the licensing system and utilize technology to enhance/streamline information management.

- Invest in Human Resources to enhance the professional profile of the SRC/MGC Racing Division.
- Arrange for an independent audit of the SRC/MGC-Racing Division.
- The Casino Association of New Jersey retained Spectrum to perform several comprehensive studies, including evaluating the potential impact of slot machines at New Jersey racetracks on the casino industry. The in-depth study examined pari-mutuel racing in New York, Pennsylvania, Maryland, West Virginia and several other states in regard to how the regulatory system operates and its effect on pari-mutuel racing and racetrack slot machines.

“Spectrum has a depth of knowledge and understanding of our industry and also has the resources necessary to complete in-depth data assemblage and analysis. [We] retained Spectrum because of their reputation for integrity and the credibility that it enjoys within both industry and government circles.”

– Joseph Corbo, then-President, Casino Association of New Jersey

- Hoosier Park retained Spectrum in advance of its proposed merger with Indiana Live! to provide a detailed assessment as to how such a combination would affect competition and state revenue in Indiana. As part of its engagement, Spectrum testified before the Indiana Horse Racing Commission. The proposed merger was approved by all regulatory authorities in Indiana.
- Spectrum performed a detailed study for the Kentucky racing industry that projected gross gaming revenues as well as the total economic impact on the Commonwealth from the legalization of casinos. The report also estimated how much Kentucky adults were gambling in other states, and how much would be retained if casinos at tracks were approved.
- The Maine Harness Racing Commission annually retains Spectrum for thorough, confidential and reliable licensing investigations of gaming licensees, suppliers and applicants.
- The Kansas Racing and Gaming Commission retained Spectrum to advise on gaming and regulatory issues in advance of the State implementing casino gambling.
- Spectrum completed a detailed examination for the State of Connecticut of the social and economic impacts of all forms of gambling in the state, including casinos, lottery and pari-mutuel wagering. The study includes a 3,000-response survey of adults, and examines such trends as migration patterns of adults into and out of Connecticut in counties that host casinos.

“This [Spectrum] report should be required reading by every state official. ... [T]he report reads like a good investigative series, and takes a big-picture view.”

– *Hartford Courant* editorial, July 5, 2009

- Spectrum Gaming Group and Strategic Economics Group recently submitted the report “Socioeconomic Impact of Gambling on Iowans: A Study for the Iowa Racing and Gaming Commission.” The study included an overview of prior casino and gaming socioeconomic impact studies that provided the groundwork for the Iowa study. Spectrum provided a detailed review of the academic literature on the economic and social impacts of casinos in the United States. The review highlighted key controversies in the literature and summarized the general state of knowledge on the socioeconomics of gambling. It also includes discussions of the economic growth, employment, and wage impacts of casinos; the prevalence of problem and pathological gambling; the definition and measurement of the social costs of gambling; and various other potentially negative social impacts of legalized gambling.
- The Governor of Massachusetts retained Spectrum to conduct a comprehensive study that examined the potential economic and social impact of three casino resorts in the state. This study examined a wide variety of areas, from projecting revenue and employment to suggesting strategies to maximize the benefit of gaming for restaurants and other small businesses. The report offered comprehensive analyses on several critical subjects, from crime to problem gambling.

“The administration ought to revive the proposal to reflect the findings in the independent analysis conducted by Spectrum Gaming.”

– *Boston Herald* editorial, August 8, 2008

“[The Spectrum study] provides each side with plenty of objective analysis to consider. ... The Spectrum study makes the essential point ... The study makes a powerful case ... The report issues another important warning ... The report's authors know all the angles played by casino developers.”

– *Boston Globe* editorial, August 15, 2008

- Massachusetts House Speaker Robert A. DeLeo subsequently retained Spectrum in 2010 to update its 2008 report and to advise the Commonwealth in drafting legislation for the proposed expansion of gaming.
- The Massachusetts State Lottery Commission retained Spectrum to provide detailed advice as to whether it should consider offering online wagering and, if so, how it could proceed. The Lottery – the most successful in the United States on a per capita basis – required Spectrum to provide advice that would protect both the interests of its 7,400 retailers and the value of forthcoming casino

licenses. Spectrum produced a detailed report that is serving as a blueprint for all relevant aspects as to how the Lottery should venture carefully and methodically into online gambling.

- The State of Ohio for myriad services, including a statewide and regional market analyses; analysis of gaming public policy; analysis of gaming-tax rates, capital investment and licensing fees; drafting of gaming regulations; due diligence investigations of license applicants and qualifiers; developing table of organization for Casino Control Commission.

“It was obvious to the evaluation team that ... Spectrum possessed unrivaled expertise in the nuts-and-bolts operations of regulating the casino industry.”

– Dan Kaman, legislative liaison and spokesman for the Ohio Department of Administrative Services (quoted in *Columbus Dispatch*, July 29, 2011)

- The Maryland Lottery Commission retains Spectrum to conduct suitability background investigations for the entities and employees that apply for licenses for the state’s VLT casinos. We investigate companies that applied for operator licenses, as well as vendors and employees.
- The Georgia Lottery Corporation retained Spectrum Gaming Group to provide gross gaming revenue projections that would illustrate the market potential for video lottery terminal casinos at various locations throughout the state.

**3.2. Vendor must have prepared economic impact studies on state subsidies to greyhound racing as such subsidies relate to budgetary matters for at least one (1) U.S. government entity or regulatory body. Vendor must provide the name of the government entity or regulatory body and a description of the services provided to the client in its response as well as contact information for references from each.**

- In October 2014, the Iowa Racing and Gaming Commission selected Spectrum to prepare an independent, authoritative and comprehensive analysis in regard to the Distribution of Iowa Greyhound Pari-Mutuel Racing Fund. Spectrum’s successful bid in a competitive procurement solicitation centered on our team’s combined high degree of experience and capabilities with proven commitment to integrity. This same core group of veteran gaming research professionals has been carefully selected for this specific West Virginia engagement. This group has a proven track record of efficiently delivering the desired goal in engagements that are similar in nature, size, and scope to that being contemplated in this RFQ.

**Contact:** Iowa Racing and Gaming Commission  
Brian J. Ohorilko, Administrator  
(515) 281-7352 | [Brian.Ohorilko@iowa.gov](mailto:Brian.Ohorilko@iowa.gov)

- In April 2013, the Florida Legislature retained Spectrum to complete a two-part study designed to help lawmakers understand the economic, fiscal, and social impacts of any potential changes in Florida’s gaming environment. This project included an analysis of the state’s pari-mutuel industry including, horse racing and greyhound racing in Florida. Spectrum analyzed Florida’s greyhound racing purse structure and the extent to which purses came from state’s purse subsidies program. The six-month study was made public and analyzed performance of the greyhound sector and ability of regulators to oversee operators, including greyhound racing operators. The study cited the regulatory agency for a number of shortcomings in attempting to oversee the greyhound sector that included inaccurate data in its annual reports and a failure to enforce its own regulations. The study prompted legislative hearings to examine the need for reform of the regulatory system of greyhound racing in Florida.

“Spectrum has extensive experience in providing independent studies of gaming in a variety of jurisdictions, including Massachusetts, Connecticut, Illinois, Kentucky, Louisiana, and Ohio,”

- Florida House Speaker Will Weatherford

**Contact:** The Florida Senate  
John Guthrie, Staff Director, Gaming Committee  
(850) 487-5811 | [GUTHRIE.JOHN@flsenate.gov](mailto:GUTHRIE.JOHN@flsenate.gov)

**3.3. Vendor shall have knowledge of political, demographic, technological, regulatory, and competitive industry standards and trends and utilize such knowledge in the methodology utilized to perform services.**

As demonstrated, we have significant experience with the greyhound industry around the nation. Michael Diamond, Spectrum Senior Research Associate, has extensive investigative research experience, both in journalism and in government. He headed the Spectrum research team's study of greyhound racing in Florida and is currently leading our engagement in Iowa regarding a fiscal analysis of the state's greyhound racing industry.

Adam Steinberg, as an investment analyst for over 15 years, has tracked and followed the returns on investment, and racing and gaming trends at Horseshoe Bluffs Run and Dubuque Greyhound Park. He has visited the facilities and met with customers of the casino and racetrack. Adam's work in the Iowa greyhound field was quite thorough. Indeed, his work and recommendations were relied on by institutional investors and others who needed independent, comprehensive analysis.

Our experience in the distribution of funds is global in its breadth, and dates back several decades. For example, Adam Steinberg is a senior vice president with Spectrum Gaming Capital, a sister company to Spectrum Gaming Group. Principals of Spectrum Gaming Capital have been investment analysts, investment bankers and a president/chief financial officer of a \$3 billion casino resort development in the Bahamas. As investment bankers, our principals have structured multiple casino development financings and projects that have involved the establishment and monitoring of disbursement accounts.

Steinberg is a CFA charter holder. The CFA charter is a globally recognized, graduate-level investment credential. Curriculum topics of the CFA charter include ratio and financial analysis and asset allocation, to name a few. These skills will be important in preparing a rigorous analysis to determine the fiscal and budgetary issues facing the West Virginia greyhound industry.

**3.4. Vendor must provide a statement that certifies the study is an independent analysis and Vendor has no conflict of interest that would impact its ability to be objective.**

Spectrum Gaming Group LLC hereby certifies that this STUDY ON GOVERNMENT SUBSIDY TO GREYHOUND RACING conducted for the West Virginia Purchasing Division on behalf of the WEST VIRGINIA DEPARTMENT OF REVENUE is an independent analysis and Spectrum has no conflict of interest that would impact our ability to be objective.



### **3.5. Vendor's personnel that may be involved in making presentations must be preapproved by the Agency.**

Spectrum agrees to the above requirement stipulating that all personnel involved with making presentations be preapproved by the Agency.

Spectrum will also be available to discuss the study in person with the Department of Revenue Cabinet Secretary and to present the study to the legislature if required. Our principals have testified before dozens of government bodies and governments regularly call on Spectrum's expertise when debating public policy.

**Experience. Integrity. Independence.** These are the hallmarks of Spectrum Gaming Group, the world's foremost gaming research and professional services firm. Through our staff and global network of affiliates and associates, we employ renowned experts in every facet of the gaming industry, from research to regulation.

The following Spectrum executives and experts will be directly involved in this project:

#### **MICHAEL J. POLLOCK, MANAGING DIRECTOR**

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Michael Pollock oversees a broad portfolio of Spectrum services, including policy and impact studies for country, state and local governments, and financial and market studies for private-sector clients.

Pollock began analyzing the casino industry in 1978 and served as spokesman for the New Jersey Casino Control Commission from 1991 through 1996. He was a close advisor to the chairman, and oversaw the Office of Legislative Liaison. During this period of rapid deregulation, his charge was to maintain public confidence in the integrity of the regulatory system.

Pollock is the author of the award-winning book, *Hostage to Fortune: Atlantic City and Casino Gambling*, published by the Center for Analysis of Public Issues in Princeton. This book examines the impact of casinos on Atlantic City and New Jersey. He has testified before the International Tribunal at The Hague, the U.S. Senate Indian Affairs Committee and the U.S. Senate Select Committee on Indian Gaming, and has been a featured speaker at the Congressional Gaming Caucus, a group of U.S. House of Representatives members from gaming jurisdictions. He has also testified before several legislative committees in the United States.

He has led Spectrum economic analyses in markets ranging from Pennsylvania, Louisiana and Indiana to Guam, Korea, Massachusetts, Illinois and Connecticut.

Pollock has won 20 journalism awards, and is the former editorial page editor of *The Press of Atlantic City*. Pollock is often cited by national media outlets, including *The New York Times*, *Star-Ledger*, *BBC*, *ABC News* and *National Public Radio*.

Pollock earned his MBA, with high honors, from Rutgers University, and has served as a member of the adjunct faculty of New York University, Rutgers University and Richard Stockton College of New Jersey.



## **JOSEPH WEINERT, EXECUTIVE VICE PRESIDENT**

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Joe Weinert has been analyzing the gaming industry since 1996. At Spectrum, he researches and directs studies for private- and public-sector clients worldwide. He has been the project leader for numerous projects in multiple domestic jurisdictions, as well as in the Czech Republic, Russia, Slovak Republic, Spain and United Kingdom. He was Spectrum's project manager for the Socioeconomic Impact of Gambling on Iowans: A Study for the Iowa Racing and Gaming Commission, and he presented the findings to the report to the IRGC in June 2014.

Weinert works on a broad range of projects, including market analyses (domestic and international), economic-impact studies, reasonableness analyses, litigation support, strategic planning, regulatory services, due diligence investigations, and Internet gambling, among other areas.

Weinert came to Spectrum after 18 years at The Press of Atlantic City, where for his last eight years he was responsible for the newspaper's intensive coverage of the casino industry. He is a frequent speaker at industry conferences worldwide and has been quoted in prominent media outlets, including The Wall Street Journal, Financial Times, Barron's, Forbes, New York Times, Washington Post, USA Today and CNN, among many others. In addition, he has testified before legislative committees in Massachusetts, New Jersey and Pennsylvania and served as an expert witness in Puerto Rico.

Weinert helps to organize Spectrum's nationally recognized conferences – East Coast Gaming Congress, Florida Gaming Congress, iGaming Legislative Symposium, Indian Country Online and Midwest Gaming Congress. He is a member of the Advisory Board of the Eastern European Gaming Summit, held annually in Sofia, Bulgaria.

Weinert holds a BA in Journalism from Ohio Wesleyan University.

## **MICHAEL DIAMOND, SPECTRUM SENIOR RESEARCH ASSOCIATE**

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Michael Diamond has extensive investigative research experience, both in journalism and in government. He joined Spectrum after a 33-year career at The Press of Atlantic City, where he served as a special projects writer, editorial page editor, statehouse correspondent and bureau chief, all while frequently covering gaming-industry issues. He won 23 state and national journalism awards and was an active member in such organizations as the Legislative Correspondents Club, National Conference of Editorial Writers, and Investigative Reporters and Editors.

Diamond left the newspaper in 2005 to become an investigator with the New Jersey Office of Inspector General. He was responsible for reviewing allegations of waste, fraud and corruption.

At Spectrum, Diamond focuses on analyzing the economic and social impacts of legalized gambling and also on regulatory research. He was the project leader for Spectrum's widely acclaimed 2009 study for the State of Connecticut that analyzed the impacts of all forms of legalized gambling.

He headed the Spectrum research team's study of greyhound racing in Florida and is currently leading our engagement in Iowa regarding a fiscal analysis of the state's greyhound racing industry.

Diamond graduated from Rider University with a BA degree in Political Science.

### **ADAM STEINBERG, SENIOR ADVISOR, SPECTRUM GAMING CAPITAL**

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Adam Steinberg is Senior Vice President of Spectrum Gaming Capital. He joined Spectrum in 2014 from A.M. Steinberg Advisors, a corporate business development consultant providing strategic capital markets advice and solutions.

Prior to founding A.M. Steinberg Advisors, Steinberg was the Senior Vice President at FBR Capital Markets, where he was the high yield gaming, restaurant and leisure analyst, responsible for concise written research, as well as verbal trading recommendations. Steinberg has also held equity research positions at CIBC World Markets and Bear, Stearns & Co. At CIBC Steinberg conducted primary or secondary equity research coverage on over 20 publicly traded companies. He was the senior associate in a Wall Street Journal ranked equity research group. While at Bear, Stearns, Steinberg provided insightful, value-added research and analysis of company, industry, market, and economic trends, including comprehensive company reports, industry overviews, financial analysis, relative valuations, and a biweekly publication, as well as the annual Global Gaming Almanac.

From October 2005 through May 2010, Steinberg was with Morgan Joseph where he held a variety of positions with increasing levels of responsibility, including as a Director in the Investment Banking Group and head of Morgan Joseph's Gaming and Leisure Group, and the research analyst covering the gaming and leisure industries.

Prior to Morgan Joseph, Steinberg was Director of Business Evaluation at GTECH Corp., where he was responsible for providing objective and consistent business case evaluation capabilities and advice that resulted in the creation of value both strategically and economically from new business opportunities worldwide. At GTECH, Steinberg managed the \$185 million acquisition of Spielo, a slot machine manufacturer, including due diligence, financial modeling and valuation.

Steinberg has more than 15 years' experience in financial services. He is a widely quoted industry source, recognized for industry knowledge and stock-picking skills with multiple television appearances on CNBC and Bloomberg Television, and has been a featured speaker at industry conferences and tradeshow. Steinberg is a Chartered Financial Analyst with an MBA in Finance from Cornell University and a BS in Accounting from Florida State University.

***Spectrum also retains access to a team of professionals in various gaming-related specialties. This team, along with support staff, would be utilized as needed.***

## 4.1 Mandatory Contract Services Requirements and Deliverables:

Contract Services must meet or exceed the mandatory requirements listed below.

### Services

#### 4.1.1 RESEARCH AND INDEPENDENT OBJECTIVE ANALYSIS OF GOVERNMENT SUBSIDY TO GREYHOUND RACING SHALL INCLUDE:

##### 4.1.1.1 HISTORICAL ASSESSMENT REVIEW AND FIVE (5) YEAR PROJECTED ANALYSIS OF THE ECONOMIC STRUCTURE AND PERFORMANCE OF THE EXISTING INDUSTRY IDENTIFYING OPPORTUNITIES AND CHALLENGES

- a. Spectrum Gaming proposes to analyze the trends in the West Virginia greyhound racing industry to assess changes in amount wagered at the racetracks, purses paid (average daily and annually) and direct greyhound race track employment for prior five years
- b. If the data is available, we propose to also analyze
  - i. The profit and loss of each greyhound track broken down between casino operations and racing operations
  - ii. Racing operations revenue at each track broken down between racing and non-racing
- c. Spectrum Gaming will also produce an assessment to the non-racing participants in the industry, including breeders, farms and feed stuff
- d. Spectrum Gaming will prepare a five year analysis showing the sources of revenue for purse awards, broken down between the casino VLT subsidy, live handle and other
- e. A five year analysis of purse payments to WV residents and non-WV residents
- f. Analyze the purse winnings to determine if there is a concentration among the top breeders/owners
- g. Spectrum Gaming will present an analysis projecting trends in greyhound racing handle, purses and attendance

- h. Spectrum Gaming will review practices in other states with greyhound racing operations to identify opportunities in West Virginia
- i. Spectrum Gaming will assess the challenges to the industry, including the presence of advocacy groups pushing to end greyhound racing and alternative entertainment options.

**4.1.1.2 ASSESSMENT OF POTENTIAL CHANGES AND ECONOMIC BUDGET EFFECTS BY MODIFYING OR REPEALING LIVE RACING REQUIREMENTS FOR GREYHOUND RACING FACILITIES INCLUDING EVALUATION OF IMPACTS ON PURSES, AWARDS, AND SUBSIDIES.**

1. Spectrum Gaming would assess if racetracks would offer fewer racing days if the requirements were modified or repealed. Our analysis would also assess changes to average daily purses and VLT subsidies.
2. Spectrum will evaluate alternative uses of VLT subsidy funding for the greyhound industry or the state.

**4.1.1.3 THE FISCAL ANALYSIS SHALL EVALUATE ECONOMIES OF LEVERAGING EQUITY AND PROFITS AS SOURCES FOR PUBLIC FUNDING AND UNDERWRITING RISKS.**

1. We will review data related to:
  - a. Tax revenue to WV from the state's casinos
  - b. Tax-Exempt bonds issued by municipalities backed by gaming and/or lottery revenue
2. Evaluate the impact to the state's borrowing capacity based on issuing bonds backed by the gaming revenue

**4.1.1.4 STUDY SHALL ADDRESS AND MAKE RECOMMENDATIONS ON THE FOLLOWING:**

1. Assess size and financial costs of regulating greyhound racing
  - a. Historical regulatory costs and employment by government agencies overseeing greyhound racing
2. Net costs against tax revenue from the greyhound industry to determine the net benefit (loss) to the state from regulating the greyhound industry
3. Consider non-financial costs and benefits

**4.1.1.4.1 DETERMINE IF THE BENEFITS OF  
REGULATION JUSTIFY THE COST**

**4.1.2 Methodology: Analysis shall describe any sources of variation including but not limited to inputs to the study's fiscal impact models or calculations uses to estimate fiscal impacts.**

1. Highlight potential indirect other costs to West Virginia from repealing live racing requirement, including the elimination of direct employment at the greyhound tracks, as well as the non-racing impact to greyhound farms, West Virginia bred dogs and the indirect impact of breeding operations

NOTE: Our ability to meet the December 31, 2014 deadline is contingent upon all data requests being fulfilled within no more than 3 business days.

Our methodology is quite simple, and has been proven to be very effective as well. As we demonstrated in our recent pari-mutuels reports, we plan to conduct extensive and intensive interviews in West Virginia with as many stakeholders as possible. Spectrum plans to have two key senior research staff on the ground in West Virginia upon engagement. The purpose of these meetings will be to develop an understanding of how the greyhound racing industry in its various facets has impacted stakeholders.

This approach requires that we be in full listen mode at all times, hearing and understanding the views and concerns of all those whom we interview. This approach has worked in Iowa and numerous other states, including Florida.

Notably, our work in Florida – resulting in a massive report of more than 700 pages, which was highly public and widely scrutinized – continues to be put to good use, and has not been challenged by proponents of greyhound racing.

Spectrum will deliver our impact study and recommendations to the Department of Revenue on or before December 31, 2014. Spectrum will produce and deliver six (6) copies of the study, color printed and bound in a three-ring binder and shall also be copied and provided on a CD.

The authors of the study shall be available to discuss the study in person with the Department of Revenue Cabinet Secretary and to present the study to the Legislature, if required.