

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

BEFORE THE MISSOURI GAMING COMMISSION  
3417 KNIPP DRIVE  
JEFFERSON CITY, MISSOURI 65109

TRANSCRIPT OF HEARING

August 13, 2025

9:00 A.M.

*JAN ZIMMERMAN, Commission Chairman*  
*DAVID W. HANE, Commission Vice Chairman*  
*PAT CONWAY, Commissioner*  
*KEVIN SPAULDING, Commissioner*  
*MIKE LEARA, Executive Director*

P R O C E E D I N G S

CHAIRMAN ZIMMERMAN: Good morning, everyone, and welcome to the August 13, 2025 meeting of the Missouri Gaming Commission. I'll now call this meeting to order. Angie, would you call the roll?

MS. FRANKS: Chairman Zimmerman?

CHAIRMAN ZIMMERMAN: Present.

MS. FRANKS: Commissioner Hane?

COMMISSIONER HANE: Present.

MS. FRANKS: Commissioner Conway?

COMMISSIONER CONWAY: Present.

MS. FRANKS: Commissioner Spaulding?

COMMISSIONER SPAULDING: Present.

CHAIRMAN ZIMMERMAN: All right, we have a quorum, so let's get started. The first item of business is the Adoption of the Agenda. I make a move to adopt today's agenda. Is there a second?

COMMISSIONER HANE: Second.

CHAIRMAN ZIMMERMAN: Any discussion? Seeing none, Angie, would you call the roll?

MS. FRANKS: Chairman Zimmerman?

CHAIRMAN ZIMMERMAN: Approved.

MS. FRANKS: Commissioner Hane?

COMMISSIONER HANE: Approved.

MS. FRANKS: Commissioner Conway?

1 COMMISSIONER CONWAY: Approved.

2 MS. FRANKS: Commissioner Spaulding?

3 COMMISSIONER SPAULDING: Approved.

4 MS. FRANKS: By your vote, you've adopted the agenda.

5 CHAIRMAN ZIMMERMAN: The next item of business is  
6 Consideration of the Rules and Regulations. Deputy General  
7 Counsel Tom Venneman will make the presentation. Tom, you  
8 have the floor.

9 MR. VENNEMAN: Good morning, Chairman Zimmerman and  
10 Commissioners.

11 Under Tab A, there are 76 final orders for 22 proposed  
12 amendments and 54 proposed rules. The final orders for your  
13 consideration are for amendments to 11 CSR 45-1.010, 1.015,  
14 1.020, 1.080, 1.100, 2.010, 13.010 through 13.050, 13.055  
15 through 13.080, and 15.010 through 15.050 and for Rules 11 CSR  
16 45-13.052, 20.010, and 20.014 through 20.650.

17 These amendments and rules were proposed and approved  
18 at the May 13, 2025 commission meeting. The public comment  
19 period ended July 16, 2025, and a public hearing was held on  
20 July 17, 2025. There were three attendees at the public  
21 hearing, but no comments were made. A total of 178 written  
22 public comments were received, and Staff made 33 comments.

23 No changes were made to the proposed amendments as a  
24 result of these comments; however, changes were made to all  
25 the proposed rules except 11 CSR 45-20.010, 20.160, 20.350,

1 20.370, 20.400, 20.420, 20.430, 20.590 and 20.640.

2 The comments received for each rule are included in the  
3 final order for that rule, along with the response and any  
4 changes made to the rule. The approval from the Governor's  
5 office to proceed with filing these final orders was received  
6 on August 6, 2025 and August 11, 2025. If these final orders  
7 are approved, they are expected to become effective on  
8 November 30 of 2025.

9 Commission Staff will be happy to answer any questions  
10 that you may have.

11 CHAIRMAN ZIMMERMAN: Any questions for Tom?

12 COMMISSIONER CONWAY: Your final statement, explain to  
13 me the rule and regulations that establishes the November 30  
14 date.

15 MR. VENNEMAN: Okay, so what makes them effective on  
16 that date?

17 COMMISSIONER CONWAY: Yes.

18 MR. VENNEMAN: And why?

19 COMMISSIONER CONWAY: Yes.

20 MR. VENNEMAN: Okay. I'll have Cheryl Alonzo come to  
21 the podium.

22 MS. ALONZO: Good morning, Cheryl Alonzo, Missouri  
23 Gaming Commission Assistant Director of Compliance.

24 The November 30 date is set because that's after  
25 they're published in the Register. That's not a rule that

1 we're setting, that's just part of the normal rulemaking  
2 process. Once the final orders -- once they're approved by  
3 you, we will file them with the Secretary of State. The Joint  
4 Committee on Administrative Rules will have a chance to review  
5 them for a 30-day period and contact us for a hearing if they  
6 wish; and then if nothing changes, they will be effective  
7 November 30. It's just a timeline.

8 COMMISSIONER CONWAY: Okay. And I guess I would like  
9 to get a little bit more specific on how the timeline works.  
10 The Joint Committee has already been able to review the rules  
11 already; is that correct, except for the modifications?

12 MS. ALONZO: Yes. They have not reviewed what's being  
13 presented today because those are the final orders.

14 COMMISSIONER CONWAY: Right.

15 MS. ALONZO: So until you guys approve those, then  
16 whatever you approve will be filed with them and they will be  
17 able to look at them and consider whether they think they're  
18 appropriate.

19 COMMISSIONER CONWAY: Okay. So is the date determined  
20 by the date that the Joint Committee reviews these, or is the  
21 date set because, okay, we're mid-August so --

22 MS. ALONZO: It's based on when they're published in  
23 the Register.

24 COMMISSIONER CONWAY: Okay. And there's no deviation  
25 on the date that they can be published in the Register?

1 MS. ALONZO: No. I mean those dates are set by the  
2 Secretary of State, so we only effect it by when we present it  
3 to you.

4 COMMISSIONER CONWAY: Right.

5 MS. ALONZO: So that's how we figure out the timeline.  
6 They have a nice calculator on their website, so we could look  
7 and see, if we do the final orders today, when will they get  
8 published, because they publish on the same schedule every  
9 year.

10 COMMISSIONER CONWAY: Does the Secretary of State have  
11 an option on when he publishes?

12 MS. ALONZO: No, I don't believe that. I think that's  
13 set.

14 COMMISSIONER CONWAY: Okay.

15 MS. ALONZO: I don't think they can change that, but  
16 I'm not an expert on that.

17 COMMISSIONER CONWAY: Okay. Thank you.

18 MS. ALONZO: I haven't seen that.

19 COMMISSIONER CONWAY: Okay.

20 CHAIRMAN ZIMMERMAN: Any other questions for  
21 Mr. Venneman? We have seen these rules, absent the changes, a  
22 number of times.

23 Seeing no other questions, I move to approve Resolution  
24 25-137. Is there a second?

25 COMMISSIONER CONWAY: Second.

1 CHAIRMAN ZIMMERMAN: Any further discussion? Angie,  
2 would you call the roll?

3 MS. FRANKS: Chairman Zimmerman?

4 CHAIRMAN ZIMMERMAN: Approved.

5 MS. FRANKS: Commissioner Hane?

6 COMMISSIONER HANE: Approved.

7 MS. FRANKS: Commissioner Conway?

8 COMMISSIONER CONWAY: Approved.

9 MS. FRANKS: Commissioner Spaulding?

10 COMMISSIONER SPAULDING: Approved.

11 MS. FRANKS: By your vote, you've adopted Resolution  
12 Number 25-137.

13 CHAIRMAN ZIMMERMAN: Thank you again to the Staff for  
14 all the hard work to get us to this point. Amazing job.

15 Next on the agenda are the Presentations by Applicants  
16 Seeking a Direct Mobile Sports Wagering License. We have  
17 three applicants for two available licenses. In making our  
18 determination, the Commission will consider the seven factors  
19 identified in Article 3, Section 39-G of the Missouri  
20 Constitution.

21 These factors are the applicants' expertise in the  
22 business of online sports wagering, the integrity,  
23 sustainability and safety of the applicants' online sports  
24 wagering platform, the past relevant experience of the  
25 applicant, the applicants' advertising and promotional plans

1 to increase and sustain revenue, the applicants' ability to  
2 generate, maximize, and sustain revenues for the State, the  
3 applicants' demonstrated commitment to and plans for the  
4 promotion of responsible gaming and, last, the applicants'  
5 capacity to increase the number of bettors on the applicants'  
6 online sports wagering platform.

7 With that, we will move forward with the presentations.  
8 You'll remember that we've asked each of your presentations  
9 not to exceed 30 minutes.

10 First up is DK Crown Holdings, Inc. doing business as  
11 DraftKings. I believe Alan Ellingson, Chief Financial  
12 Officer, will be making the presentation.

13 MR. CANTWELL: Chairman Zimmerman, Commissioners,  
14 Executive Director Leara and Staff, good morning. My name is  
15 Rob Cantwell. I'm excited to be here today on behalf of DK  
16 Crown Holdings, commonly known as DraftKings.

17 I can tell you the DraftKings Leadership team, as well  
18 as some other folks that have come along with them, are  
19 excited to be here today as well to give you some information  
20 about their company and answer any questions that you may have  
21 about it.

22 They've got -- they've put together a nice presentation  
23 to give you a full perspective on what they might bring to our  
24 state. And to be clear, it is the perspective of DraftKings  
25 that they can be an optimal partner to develop a high



1 integrity, flourishing sports wagering industry for our state.

2 Consequently, we are here to respectfully request  
3 prioritization of our direct mobile application on file with  
4 your Staff.

5 And with that, I'd like to introduce Alan Ellingson, as  
6 you mentioned, Chief Financial Officer of DraftKings, who will  
7 introduce his team and present some information. Everyone's  
8 available to answer any questions you may have.

9 MR. ELLINGSON: Thank you, Robert. I am doubly excited  
10 to be here today; one, because this is the first in-person  
11 application I've been able to do as the CFO of DraftKings, but  
12 also because I love the State of Missouri.

13 As introduction, Chairman Zimmerman, Commissioners,  
14 Executive Director Leara, Staff, Missouri holds a special  
15 place for me. My older brother actually went to medical  
16 school in Kirksville, D.O., did his residency at Mizzou in  
17 Columbia, and I was able to visit him a lot, and so I'm a huge  
18 fan of the state.

19 I'm excited and a little bit reminiscent to be able to  
20 come back in this capacity to be able to share with you a  
21 little bit about DraftKings and who we are, why we think we  
22 can do a great job for Missouri, as well as answer any  
23 questions you may have and resolve any concerns you have.

24 With that said, I have a couple of the Leadership team  
25 with me: Krista Thomas, who is from our Business Development

1 Team; I have Tim Murphy, who is Special Advisor to our Chief  
2 Responsible Gaming Officer; I also have with me Jacob List,  
3 who is our Regulatory Affairs Lead who will be working with  
4 your Staff on the day-to-day operations post launch.

5 And so with that, I'll hand it over to Krista Thomas to  
6 share a little bit about the company.

7 MS. THOMAS: Thank you, and welcome. I appreciate  
8 everyone's time today. We, as Alan mentioned, are very, very  
9 excited for the opportunity to enter into Missouri, and we  
10 have, as far as the agenda goes today, we are going to hit on,  
11 really highlight the experience, the expertise that we bring  
12 and will bring to your state, along with the integrity,  
13 sustainability, and safety of our platform.

14 We're going to highlight our commitment and our plans  
15 for the promotions of responsible gaming in the state and our  
16 ability to generate and maximize the most revenues for your  
17 state as well.

18 Jumping right in, DraftKings has over 13 years of  
19 digital gaming leadership. We were formed in 2011 as a mobile  
20 technology company, as a original leader of daily fantasy  
21 sports in the market. Since the repeal of PASPA, we have  
22 launched now in over 26 jurisdictions, which is more than any  
23 other commercial operator in the US market.

24 In terms of the breadth and the experience that we  
25 have, we are currently top one or two in each state in which

1 we operate by gross gaming revenue, and we have the technology  
2 in place to be able to scale and move rapidly whenever we  
3 launch into a new jurisdiction, whether that be with a new  
4 product or rolling out new features.

5 We own our platform from end to end which really allows  
6 us to control our own destiny, and that's really who we are as  
7 a company. The original founders of the company are still  
8 with the company. We are very much an entrepreneurial spirit  
9 company, and everyone that works for DraftKings is incredibly  
10 passionate about the work that we're doing, not just for, you  
11 know, creating the best experience for our customers, but  
12 doing it in the most responsible way, which Tim is going to  
13 talk more to you about how responsible gaming is really  
14 embedded in everything that we do for our customers. So I'll  
15 get into that a little bit later.

16 In terms of our application, so for the last two years  
17 in a row we have scored the highest rating as possible, so  
18 receiving the *2025 Best Sports Betting App* by Eilers. And the  
19 reason for that is because of the breadth of the markets and  
20 different ways that you can interact with our application.  
21 The user experience is very intuitive, very easy to navigate  
22 and find exactly what you're looking for; so as you can see  
23 here from some of the comments, the last two are probably my  
24 most favorite. So I will keep going here.

25 So in terms of why DraftKings, what are we going to

1 deliver for the State of Missouri? First and foremost, we are  
2 much more than just a household name. Many, many individuals  
3 recognize the brand, they know the name "DraftKings," but we  
4 are recognized and trusted by more than just our customers.  
5 Our regulators, our partners, we sign deals with some of the  
6 biggest leagues and data providers in the country and the  
7 world, and they wouldn't do that without having the trust and  
8 the integrity behind who we are as a company. So I really do  
9 believe that that speaks volumes for who we are.

10 As far as the users that we have on our platform, we  
11 have over 4.8 million monthly active users on our platform,  
12 and that number has grown over a million each year for the  
13 last several years. So as we continue to enter in new states,  
14 more and more companies -- more and more customers are  
15 engaging with our products in a meaningful, but in a  
16 responsible way.

17 And I touched on this already, but in terms of owning  
18 our own technology, our platform from end to end, it not only  
19 allows us to control our destiny and how we want to be able to  
20 be quick and reactive to the market, we also have access to  
21 billions of data points that we have accumulated through  
22 marketing and understanding our customer, understanding their  
23 behaviors, what they -- what they want from a platform and  
24 from an operator. We have teams that are analyzing this data  
25 and making sure that everything we do is based on the customer

1 and making sure that we're delivering the best experience for  
2 them.

3 We already have an established DFS marketplace which  
4 allows us to easily convert and cross all those customers over  
5 to sports betting; so we have that trust, that integrity, and  
6 we look forward to converting those over with the opportunity  
7 to launch in the state as well.

8 I talked about some of the mega partnerships that we  
9 have, but, you know, as far as the team deals that we have,  
10 the league deals, talent names like Kevin Hart, LeBron James,  
11 Jason Kelce, those are -- those do not go without, you know,  
12 the trust that we have behind those partners and then their  
13 willingness to want to be a partner of DraftKings.

14 And there's, you know, exclusive partnerships that we  
15 have so, you know, many of you know, you know, see us on  
16 Thursday night football, you know, being able to see us  
17 exclusively on Amazon for those Thursday Night Footballs.  
18 That is something that, you know, we really stand out for as a  
19 brand and as a company, and we look to continue to keep doing  
20 more of that to engage with our customer at the right time and  
21 at the right place.

22 And again, Tim is going to talk a lot more about this,  
23 but leading the way in terms of responsible gaming, we all  
24 have a part to do. So no matter what, if you're working on  
25 the front end or if you're working on the back end of our

1 product, each of our employees are trained on responsible  
2 gaming tools, measures, and protection of our customers; so we  
3 all have a job to do when it comes to responsible gaming.

4 And with that, I'm going to turn it over to Jake List,  
5 and he's going to take you through integrity, sustainability,  
6 and safety of our platform.

7 MR. LIST: Good morning, Chair Zimmerman and  
8 Commissioners. Today I'm going to talk to you about the  
9 structural integrity of DraftKings' platform. So firstly  
10 starting with the registration process, DraftKings obviously  
11 age gates all customers at the point of registration, but we  
12 also connect into our own national database of self-exclusion  
13 so that we can match any customers who have self-excluded,  
14 whether it's in Missouri or other states where they've  
15 demonstrated responsible gaming concerns.

16 Moving from that to know your customer, we also connect  
17 into a best in class accumulation of third party data points  
18 so that we have the best possible ability to make sure that we  
19 know exactly who you are when you sign up for the platform,  
20 not only third-party databases, but also our own sophisticated  
21 tool, including knowledge-based questions, a live dock scan,  
22 and matching your device from DraftKings products across other  
23 products that the customer may use.

24 We also use a very high standard of security in terms  
25 of multi-factor authentication, so we deploy biometrics at the

1 point of login, also device matching, and then we can fall  
2 back to other technology such as that you might be familiar  
3 with, including text and email, to ensure that we have a very  
4 seamless customer experience, but also a very high standard of  
5 security for each customer on the platform.

6 Super important to the State of Missouri, being flanked  
7 by other regulated sports betting jurisdictions, our platform  
8 is able to flex in a highly complex way to be able to adapt to  
9 jurisdiction-specific compliance, so we offer multiple  
10 products, but also multiple versions of the sports wagering  
11 platform across jurisdictions; so whether it's approved  
12 content within that jurisdiction or specific security rules  
13 that apply in a certain way in a jurisdiction to just the use  
14 of vendors, all of this can be flexed in a very seamless way  
15 for the customer, but to make sure that we are able to comply  
16 with complex state-specific rules.

17 Because we own our own technology, we also have  
18 unmatched control in product innovation and delivery, so  
19 firstly on the compliance side, this includes investing in  
20 in-house cybersecurity for detection and compliance  
21 operations. Some of this also reflects in the customer-facing  
22 platform, so we have a very wide range of markets and in-play  
23 offering, but our in-house back-end operations also allows us  
24 to have industry leading up-time, so the app is always  
25 available when people want to use it, it is offered in a

1        sustainable fashion.

2                When we think about product development, often it is  
3 customer-facing things, but we also invest heavily in solving  
4 problems. So I'm sure you've all had bad experiences on the  
5 line with the customer service. We deploy more than 20  
6 product and engineers who are -- product people and engineers  
7 who are exclusively focused on back-end tooling so that we can  
8 investigate customer queries quickly and attempt to resolve  
9 those to the satisfaction of the customer.

10              Then moving quickly to talk about security further,  
11 it's not only in-house, we are also integrated with best in  
12 class third-party providers that we collaborate with to make  
13 sure that we have the highest possible security standards, so  
14 that includes GeoComply to pinpoint the exact point of  
15 customer when -- not only when they log in, but also whenever  
16 they place a wager, whenever they're near a border, and at  
17 various times throughout the customer journey.

18              This also aids in fraud detection, so suspicious  
19 movement from Point A to Point B, suspicious use of devices.  
20 We're also connected to several KYC vendors to (inaudible)  
21 your customer process and as well as several payment vendors  
22 on top of that.

23              We have in-house real-time monitoring alerts for all of  
24 our security controls, and then we submit to two best in class  
25 certifications, ISO and SOC 2. The SOC 2 order as well as the



1 ISO certification makes sure that we are maintaining a  
2 continuous loop of improvement where because we're going  
3 through constantly testing, audit and incident response, we're  
4 able to keep up with emerging technologies and emerging  
5 threats.

6 With that, I'll pass it to Tim Murphy.

7 MR. MURPHY: Thank you, Jake. Good morning, Chairman  
8 Zimmerman, and Commissioners.

9 My name is Tim Murphy. I'm the Senior Director and  
10 Advisor to the Chief Responsible Gaming Officer. I thank you  
11 all for this opportunity so I can demonstrate for you our  
12 commitment and our plans for our promotion of our responsible  
13 gaming.

14 I could easily spend probably over an hour talking  
15 about this particular area, but they've told me I only have  
16 about five minutes, so I'm going to crunch. We provided I  
17 think it was about 140 pages of our responsible gaming plan  
18 and procedures, so I'm going to crunch that all in here, and  
19 we're going to go through and give you a high level on our  
20 commitment to this.

21 I also give an invitation for the Commission or anyone  
22 else to invite me back to Jefferson City if there are more  
23 questions about responsible gaming afterwards. We see our  
24 regulators as partners.

25 To give you an example of that, on Thursday of this

1 week we are having over 40 regulators from across the country  
2 on a webinar where we're going over, we recently launched a  
3 responsible gaming tool called *My Budget Builder* which is an  
4 interactive tool that allows players to create budgets for  
5 their game play to play responsibly.

6 And so not only with the level of engagement, what I  
7 think is important to highlight with our commitment to  
8 responsible gaming is we have 50 employees that are solely  
9 focused on responsible gaming. That's all they do. They  
10 don't go into any other areas of the company. Like myself,  
11 I'm in meetings all day long about responsible gaming, I meet  
12 with those 50 people throughout the week.

13 And now when I go to talk about the next slide here,  
14 which is our mission, so turning into our mission here, you  
15 know, you've heard, you've seen, and from the slides that  
16 we're providing a world-class pride of quality, operational  
17 scale and security in every market, but it's equally important  
18 to us to show our commitment to the responsible gaming.

19 And so at DraftKings, our mission for responsible  
20 gaming is we aim to foster responsible play through  
21 technology, employee training, robust resources, and  
22 evidence-based research. We believe the game is more fun when  
23 it's for fun. I don't know if you've seen that on some of the  
24 advertisements that run nationally at the end of all the  
25 commercials.

1           And what that means is we give the players the tools  
2 and education to help them to play responsibly. So how do we  
3 do that? We do this by imbedding responsible gaming in  
4 everything we do across the business. This slide shows the  
5 structure of our program, how we bring the mission to life.  
6 This isn't just in words, but in action; so as I mentioned  
7 before, we've invested in 50 people that do this full time.

8           All the employees behind me and all the employees at  
9 DraftKings receive responsible gaming education upon their  
10 hiring, their onboarding, and annually thereafter. That's at  
11 least those. There's other areas of the company that are  
12 getting responsible training even more than that.

13           We also educate all of our players through onboarding  
14 messaging, monthly emails, in-app RG messages that we send  
15 right through the app. These are all directing the player to  
16 essential area of our app which is the responsible gaming  
17 center where that provides -- and I'll go through a little bit  
18 of those -- where you can find tools and resources that help  
19 you, if you're in need of help, it provides you assistance and  
20 numbers to get that. It provides you resources and education,  
21 how to play the games that are being offered, where to go if  
22 you need to get help, how to set a budget, how to set a limit.

23           Another area where we strive to is in we have automated  
24 technology where we've had a team put together that run models  
25 that we've identified 20 areas of behavior that we find to

1 engage with players, so when we see players on our app hit  
2 certain thresholds, we reach out and engage them through  
3 in-app messaging or email or try other ways to get in contact  
4 with them to make sure that their game play is still remaining  
5 responsible.

6 We're also committed to preventing underage game play.  
7 We have strict know-your-customer protocols and identity  
8 checks. I can tell you when I start at the company, I get a  
9 test account, it has no real money on it. I -- they -- I had  
10 to go verify three times who I was because that's how --  
11 that's how much the checks are in play. My parents didn't use  
12 a name book, so Tim Murphy, there's a lot of them, so they  
13 made sure they had the right one on the thing.

14 And our staff is trained to spot signs of when there is  
15 underage game play. We also have -- occasionally we have  
16 parents that would reach out, and we immediately step in,  
17 close the account if we -- if we get wind of that.

18 Advertising standards, we don't target minors at all.  
19 We don't target to self-excluded individuals. They're removed  
20 from marketing materials if they appear on a state exclusion  
21 list or if they've excluded through our DraftKings app. We  
22 have clear responsible gaming disclaimers and help information  
23 on all the national ads that we run.

24 We also have invested money not just in promotions, but  
25 in our marketing of responsible gaming. You may have seen it

1 through the Kenny Rogers, *The Gambler* ad, that all the -- it  
2 goes through all the different sports. I'm not going to sing  
3 it for you today, but they all go through and they sing *The*  
4 *Gambler*, "Know when to hold 'em, know when to fold 'em."  
5 And we also even run promotions through to our players to get  
6 them to get involved with responsible gaming tools.

7 So back in December, we ran a sweepstakes for if  
8 players set a limit on their account, a responsible gaming  
9 limit, they were entered into a contest to win signed  
10 basketballs by Shaquille O'Neal. We gave out I believe it was  
11 either five -- I think five signed balls or ten signed balls.  
12 But most importantly, what we saw from that, the people that  
13 entered that contest, they kept the limits in place that they  
14 had set. So we thought that was a win.

15 Let me quickly show you through a player perspective,  
16 so if you look at the screen here, we have *My Stat Sheet* is  
17 the visual picture there. This is what we've -- this is like  
18 what people can see when they play, exactly where they've  
19 spent their money, what their quote-unquote record is, what  
20 their wins and losses are, where they're winning the money,  
21 where they're losing the money on certain applications. You  
22 can check it from a week, month, year, last year, your entire  
23 play, so players can see, they have that tool where they can  
24 look and see, hey, I've spent X amount of dollars, I know  
25 where it is, it's not, I think what I spent, I know, because

1 we're providing tools like this.

2 We also provide limits where players can set daily,  
3 weekly, monthly limits on deposits, losses, time limits,  
4 right? You can't -- when you set those limits, you can't --  
5 you can't -- you can only increase the limit. When I say  
6 that, to make it more restrictive; so if you set a limit for  
7 \$500, at any time you can lower that limit to \$400, but if you  
8 set it at \$500, you cannot change it until that period of time  
9 that you set the limit for ends.

10 Make sure I caught everything there. Oh, we also offer  
11 cool-offs which is a short period of time where if a player  
12 doesn't want to self-exclude but just says, hey, I just don't  
13 want to be tempted to play, I want to be responsible, I just  
14 want to cool off, we don't allow that person to play for the  
15 set period of time that they've said that they want to get  
16 away from playing.

17 In addition, we also offer through the apps in the  
18 states that allow it, we allow them to self-exclude right  
19 through the app, and we honor obviously all state exclusion  
20 lists that come. Once you self-exclude from a DraftKings  
21 product, we make sure that you're excluded from the product,  
22 so if you -- for example, if you exclude in Missouri and a  
23 Missouri resident, you know, walked into Kansas or walked into  
24 Illinois or went on a trip, they still would not be allowed to  
25 play on the DraftKings applications, so the self-exclusion

1 runs through to the entire United States.

2 And lastly -- I bet you I went over the time, they're  
3 probably ready to kill me. But so our partnerships, I think  
4 this is important to note. We have so many partnerships  
5 throughout the country. We partner with experts in this area  
6 and field that we have 50 people thinking about this all day.  
7 These people have been thinking about it for a really long  
8 time, and so we -- so, you know, I'll highlight a couple of  
9 them.

10 So Cambridge Health Alliance, they're part of an  
11 organization out of Harvard Medical School, met with them a  
12 couple of weeks ago to discuss, you know, how can we get  
13 better at what we're doing at DraftKings so like getting  
14 advanced engagement strategies, talking to them about the  
15 research they're working on and so forth so we can get better.

16 Also, we have the National Council for Problem Gaming,  
17 that's at the national level. I want to highlight the state  
18 level that's not on that slide where there are 40 -- there are  
19 34 state councils across the country where we -- these  
20 councils don't get a lot of money. DraftKings has provided  
21 \$15,000 to each of those councils since 2022.

22 In March, we invited -- we sent out an invitation to  
23 those state councils and said, Hey, come on up to our office  
24 and we want to hear what, you know, what your thoughts are.  
25 We sat them down at a table, we presented, we brought in

1 Cambridge Health Alliance to talk about the things that they  
2 were looking at, screening tools and so forth so they could  
3 get those out to the -- go back to the states with that  
4 information. We sat down with them and we said, What  
5 questions do you have for us? So what are you hearing? How  
6 can we get better?

7 We weren't trying to like put the -- we're working with  
8 them, it's a partnership. That's how committed we are. We're  
9 inviting state councils in to say, Help us help you because we  
10 don't want the players, if they're not playing responsibly, we  
11 don't want them on the app.

12 And that's in closing for the responsible gaming side,  
13 hopefully you've seen this at DraftKings responsible gaming,  
14 it's not a side initiative, it's part of our product, it's  
15 part of our people, and it's part of our partnerships. Thank  
16 you.

17 MR. ELLINGSON: Thanks, Tim. And honestly, I have no  
18 problem with having a responsible gaming person who's very  
19 passionate about responsible gaming. I think it's important  
20 for every organization to be responsible for not just their  
21 stakeholders, the Gaming Commissions, but also be responsible  
22 for the stakeholders as players and the players' experience  
23 overall, and I think a strong, responsible gaming organization  
24 is a key function in this industry.

25 I hope you can appreciate the strength of DraftKings as



1 a company; not only that, but the mindset that we have that  
2 Jacob shared, that we believe that you are partners in helping  
3 us understand how to operate in your state. We look to the  
4 Gaming Commission for guidance, we look to you for support in  
5 helping us understand the best ways for people to interact  
6 with your citizens to ensure they're having the right  
7 experience, not just from a responsible gaming perspective,  
8 but also from an engagement perspective.

9 From a company's perspective, DraftKings, Missouri will  
10 be the 27th state where we will offer online gaming to every  
11 single -- to the entirety of the state. As such, we have a  
12 lot of experience with launching new states. There's a lot of  
13 ways you can go about reaching out to customers in the state  
14 that launches. There's a lot of ways you can broadcast your  
15 message and get your name out there.

16 We have a lot of education and experience doing this  
17 now. We believe the right message to the right person at the  
18 right time. To that end, we are very efficient with how we  
19 market, who we market to and when. We don't spend extra money  
20 barraging the state; we focus on making sure we're getting the  
21 right amount of investment to the state to get the growth that  
22 we think is there, but without necessarily creating a lot of  
23 noise and a lot of churn.

24 DraftKings now has a national brand. We are using  
25 national media for advertising, and so the citizens of

1 Missouri already are well familiar with this, not just from  
2 our daily fantasy product, but also from the fact that they've  
3 seen our advertisements on NFL games, on NBA games, and MLB  
4 games for a couple of years now just because of the national  
5 advertising.

6 On top of that, we do believe in having a very  
7 personalized experience for our players within the app.  
8 Missouri will have its own flavor of promotions, of marketing,  
9 of in-app promotions and engagement, markets that we offer to  
10 ensure that the I-70 rivalry is respected, to ensure that your  
11 local state engagement sticks.

12 You know, as one of the few states that has two MLB  
13 teams, it's a pretty exciting time right now. It's  
14 unfortunate MLB's not going to be live when sports betting  
15 goes live, but it is exciting to know that with a history and  
16 storied professional sport center like the state has, also  
17 some very solid college teams, we believe that customizing the  
18 experience around what the people in the State of Missouri  
19 love will tie very well with our ability to engage with  
20 customers long term.

21 We also have a lot of success in adjacent states. I  
22 want to highlight that not only do we have a long-standing  
23 daily fantasy and regulated daily fantasy product in the state  
24 which we have historically seen a lot of success converting  
25 those players over to sportsbook players once we go live. We

1 are already live in a number of adjacent states to Missouri  
2 where we know Missourians are traveling across borders,  
3 driving over the river or otherwise going into these other  
4 jurisdictions to place their dollars, and we're excited to see  
5 those dollars come back into the State of Missouri with the  
6 launch here in the fall.

7 We have a lot of experience with good, strong customer  
8 adoption engagement. We plan on taking our expertise and  
9 applying it to Missouri and driving similar levels of growth  
10 and market share.

11 As Krista mentioned earlier, we've seen rapid growth of  
12 our business throughout the last few years, largely because of  
13 state launches, but we're very successful at making sure we  
14 continue to engage different groups within the state to grow  
15 the business aggressively.

16 As a result of our relationships with gaming  
17 commissions and the overall trust of the industry in the  
18 DraftKings brand, we have been able to make a big name for  
19 ourselves, not just on our ability to market on the best  
20 channels, but also our ability to secure partnerships with  
21 some of the marquee names.

22 Not mentioned here but definitely worth also mentioning  
23 is the fact that our relationships with the Major Leagues  
24 allows us to be able to be a strong partner with them on  
25 integrity of the game. And so we are able to monitor player

1 activities and player behavior to ensure that if there's any  
2 questionable activity that indicates there's some integrity  
3 issues with the game, we are able to reach out to the leagues  
4 themselves and say, We think you have an issue.

5 And this has resulted in an increase in recognition and  
6 enforcement against these potential integrity-of-the-game  
7 issues over the last few years. We are a critical partner in  
8 identifying them as a regulated and a legal sports betting  
9 operation.

10 DIRECTOR LEARA: Mr. Ellingson, we're going to have  
11 about two minutes left for you.

12 MR. ELLINGSON: Okay, that's good because I'm actually  
13 to my last slide.

14 With that in mind, we do have an optimistic outlook for  
15 what we believe the State of Missouri can provide and what  
16 DraftKings can provide. We believe that over the next five  
17 years we can get up somewhere \$175 million of gross gaming  
18 revenue with an average annual customer base of about 900,000,  
19 which on adult population of about 4.8 million in Missouri,  
20 that's a little bit less than 20 percent of the population.

21 We've seen this in other states, and we believe that  
22 Missouri will be very consistent with what we're observing  
23 from the neighbors.

24 With that said, I think we'll wrap up. Thank you.

25 CHAIRMAN ZIMMERMAN: Questions for Mr. Ellingson? I

1 have a few myself, but I'll defer to my fellow commissioners.  
2 Well, I have several, sir.

3 So you mentioned on an earlier slide, I thought it was  
4 14 states and 26 jurisdictions. Is it -- did I have that  
5 reversed? You mentioned Missouri --

6 MR. ELLINGSON: Missouri will be the 27th jurisdiction  
7 that we will be offering online sports betting to the entirety  
8 of. Let me jump back to that earlier slide.

9 CHAIRMAN ZIMMERMAN: But 14 states? Did I understand  
10 that correctly?

11 MR. ELLINGSON: I'm not sure where --

12 CHAIRMAN ZIMMERMAN: Down in the corner.

13 MR. ELLINGSON: Retail sportsbook, sorry.

14 MS. THOMAS: The map is --

15 MR. ELLINGSON: The font doesn't look like it carried  
16 over. You'll see online sportsbook in 26 jurisdictions. We  
17 do have retail operations, which is physical on-prem, either  
18 a kiosk or a full sportsbook, in 14 states.

19 CHAIRMAN ZIMMERMAN: In 14 states, okay. I wanted to  
20 make sure that I understood that right, us coming on as  
21 perhaps the 27th jurisdiction.

22 Who would you say that the majority of your customer  
23 base or your better base is? Small bets, average bets?

24 MR. ELLINGSON: It's small bets. In fact, we reported  
25 in Q-2, for example, which we just finished our reporting, our

1 average revenue per user was about \$151. That said, there's  
2 two dynamics to this. One is that's the average. The median  
3 is significantly lower than that because you'll have a couple  
4 of very large bettors that will skew that up.

5 The other thing worth noting is that not every bettor  
6 bets every month on every sport. Typically, people follow the  
7 sports that they love to watch, and so during the NFL season,  
8 that means if you're an NFL fan, you're going to bet on NFL,  
9 and when the NFL leaves, you're going to turn off for a couple  
10 of months and you'll re-engage again in September.

11 If you're a baseball fan, you're going to bet baseball,  
12 and then when it looks like the Cards won't make it to the  
13 playoffs, you're going to pull back a little bit and you're  
14 going to wait until the next season comes. I have hope.  
15 They're not that far out of the range.

16 CHAIRMAN ZIMMERMAN: I'm from Kansas City, so I don't  
17 want to talk about the Cardinals.

18 MR. ELLINGSON: You know what, if the Royals can knock  
19 the Yankees out of a wild card, I owe you dinner.

20 CHAIRMAN ZIMMERMAN: Yeah, yeah, forget that.

21 MR. ELLINGSON: But I would say the average  
22 quarterly -- the average monthly is about \$151, but that is  
23 definitely the average. The median is lower than that.

24 CHAIRMAN ZIMMERMAN: But you mentioned earlier like  
25 about 4.8 million per month, so that's averaged out over the

1 entire year?

2 MR. ELLINGSON: That's correct.

3 CHAIRMAN ZIMMERMAN: Higher in football season or  
4 higher in baseball season, depending?

5 MR. ELLINGSON: That's correct. And if I jump back to  
6 this slide that highlighted it, the average for the entirety  
7 of 2024 was 3.8 million -- or 3.7 million. For Q-1, it was  
8 4.3 million, Q-2 actually came down a little tiny bit from  
9 that 4.3 million.

10 CHAIRMAN ZIMMERMAN: Well, the Super Bowl --

11 MR. ELLINGSON: Q-3 will start to go up and then Q --

12 CHAIRMAN ZIMMERMAN: The Super Bowl --

13 MR. ELLINGSON: The Super Bowl, and you'll get a little  
14 bit of the March Madness, it's pretty exciting at the end of  
15 Q-1 as well.

16 CHAIRMAN ZIMMERMAN: Right.

17 MR. ELLINGSON: So it fluctuates throughout the year up  
18 and down.

19 CHAIRMAN ZIMMERMAN: Other markets that you all are  
20 looking at after you hopefully come to Missouri?

21 MR. ELLINGSON: We're going to follow the state  
22 legalization process. There's obviously a lot of states in  
23 this last legislative session that talked about it and made  
24 noise about it. None of them actually made the commitment to  
25 take that next step.

1           We have a strong commitment and stated commitment to  
2 continuing to evolve sports betting and I-gaming in the United  
3 States and Canada to the degree that that legalizes, and we  
4 will follow the pattern that we've been very successful with  
5 and, you know, if it works, don't change; but we feel like  
6 we've got a really good strong hold here in the United States,  
7 and we feel like that is home and that's where we should stay.

8           CHAIRMAN ZIMMERMAN: Well, and if you're familiar with  
9 Missouri, it took us a while to get to the finish line.

10          MR. ELLINGSON: It does. It's a journey, and a lot of  
11 people like to say it's either on or off, and we like to see  
12 it as a journey and evolution of thinking to get to a place  
13 where we build the relationship of trust to be here. And you  
14 also build the sense of comfort that this is the right next  
15 step, that you're willing to take the step. And so we're  
16 really pleased to be kicking off this engagement and excited  
17 to see what December brings.

18          CHAIRMAN ZIMMERMAN: You mentioned some of your big-  
19 name partners, obviously the folks we see on TV, and also some  
20 of your responsible gaming partners, which I truly appreciate.  
21 Any team partners that are significant that you'd like to  
22 mention to the Commission?

23          MR. ELLINGSON: I'd have to defer to Krista for some of  
24 the big team partners that we're --

25          MS. THOMAS: Pretty much in any state wherever we



1 launch, the team and league -- the team deals, especially,  
2 they come and go; but whenever we launch in a new state, we  
3 always -- we always enter with the big teams because, you  
4 know, whether it be the Chiefs or the Royals, we always want  
5 to make sure that we have a presence where we know our fan  
6 base is going to be.

7 So we certainly will look to continue to dominate with  
8 the home state teams and continue to work together and  
9 continue to engage with the customers exactly, you know, where  
10 they are and always at the right time.

11 CHAIRMAN ZIMMERMAN: Thank you. And just one last kind  
12 of multi question here about responsible gaming, so I don't  
13 know if you want to turn that over to Mr. Murphy; but do you  
14 share that data of self-exclusion like amongst platforms, like  
15 with your competitors, let's say, or with casinos? I know you  
16 mentioned that if they couldn't sports wager in Missouri, that  
17 certainly they couldn't sports wager with FanDuel or  
18 DraftKings, or is that information shared amongst the  
19 platforms, I suppose, is my question?

20 MR. ELLINGSON: So it's -- the answer is it's kind of  
21 complicated right now where -- so one of the organizations on  
22 the chart is ROGA, just to highlight it, so the Responsible  
23 Online Gaming Association where a bunch of the operators --  
24 FanDuel is one of them here today -- where we're on calls as  
25 part of the founding members of the organization, and what

1 we're trying to do is we're working together, a bunch of us, I  
2 think it's about right now, it's like eight operators or so  
3 forth, to come up with -- there's a lot of -- so there's a  
4 clearinghouse idea that's been shared amongst state  
5 legislators across the country where we all do business in to  
6 see, Hey, can we create this clearinghouse that we could, you  
7 know, if somebody -- I'll use examples. If somebody excludes  
8 from the app on DraftKings, it would go to this clearinghouse  
9 and then the other -- the ROGA people, the members would find  
10 out that that person and stop those people from playing on  
11 their app so if there would be like a relapse situation, so  
12 forth, so we're working very hard to that.

13 It's a very complex situation where I'm a former data  
14 privacy attorney, and so there's a lot of privacy, you have to  
15 work with all the state privacy laws to make sure when you're  
16 sharing -- you're sharing sensitive personal information and  
17 so forth, so there's a lot of things, complex things that  
18 we're going through; but it's been since -- I've been in  
19 DraftKings since January, it's been an initiative that we've  
20 been working towards.

21 CHAIRMAN ZIMMERMAN: Okay, last question, I promise,  
22 which is also for you.

23 COMMISSIONER HANE: So currently, the answer is no?

24 MR. ELLINGSON: That is correct. Currently we do not  
25 share that information. There are certain states, though,

1 that have active laws like, so for example, New Jersey, when  
2 you self-exclude through the app in New Jersey in DraftKings,  
3 we have to send that name to New Jersey. New Jersey then  
4 would send that name to the other operators because they would  
5 be self-excluded from that state; so if you did business in  
6 New Jersey, you would find out that that person is now  
7 self-excluded.

8 COMMISSIONER HANE: Gotcha. Thank you.

9 CHAIRMAN ZIMMERMAN: And my last question is for you as  
10 well. You mentioned *My Budget Builder*?

11 MR. ELLINGSON: Yes.

12 CHAIRMAN ZIMMERMAN: Has that been launched yet?

13 MR. ELLINGSON: Yes.

14 CHAIRMAN ZIMMERMAN: It has been launched?

15 MR. ELLINGSON: At the end of June.

16 CHAIRMAN ZIMMERMAN: Are a lot of people taking  
17 advantage of it?

18 MR. ELLINGSON: What's that?

19 CHAIRMAN ZIMMERMAN: I said are there a lot of people  
20 taking advantage of it?

21 MR. ELLINGSON: We did see an uptick in when we had the  
22 launch. I don't have the data with me today where it's at of  
23 what people have gone through, but it was the week that we --  
24 the last time I looked at the data for that particular tool  
25 was a while ago, but I do know when we did launch, there was a

1 lot of people looking at it and we actually saw that before we  
2 launched, it was -- I guess you call it a soft launch where  
3 people went onto it and they could have just found it before  
4 we advertised it, and we saw -- we were like shocked at the  
5 amount of people that just interacted with our responsible  
6 gaming center that actually did use the tool before we even  
7 said anything about it. It was like a three-day window of  
8 time, but it still was something we were like, Wow, people are  
9 thinking about responsible gaming and they're interacting with  
10 our tools.

11 CHAIRMAN ZIMMERMAN: And the same with the cooling-off  
12 period that -- I mean do you get the same type of response  
13 from your customers, your bettors, that they opt in to cool  
14 off?

15 MR. ELLINGSON: Could you rephrase the question? So do  
16 I -- do I have --

17 CHAIRMAN ZIMMERMAN: Are there people that opt into the  
18 cooling-off option that you all have?

19 MR. ELLINGSON: So people do. People do use that  
20 option because like we -- we are sending RG messaging  
21 throughout and so forth, and so one of -- so like when you  
22 get -- like, for example, I mentioned the thing that we met,  
23 the automated technology, where they could get like a full  
24 screen that takes over and says, Hey, you know, you've  
25 deposited a lot lately, like, Do you want to go to the

1 responsible gaming center, which takes you right there to say  
2 Hey, do you need to take a break from this and so forth?

3 So we do see people that use -- use the cool-offs, and  
4 I think it's -- when we see people using the cool-offs, it's  
5 people that are very responsible where they're like, Hey, I  
6 might -- I might be on like a family vacation or something, I  
7 don't want to play, I don't want to like look at it, like just  
8 keep it away and/or they have something important at work.

9 That's the feedback we've gotten from like when we ask  
10 players like, Hey, what brought you to like the cool-off and  
11 so forth, those are the things. It's not, I have a problem, I  
12 need to cool off, it's they're like, Hey, maybe I just need  
13 a -- I just need a break.

14 CHAIRMAN ZIMMERMAN: Thank you. My fellow  
15 commissioners? I know I took over the questions.

16 COMMISSIONER CONWAY: Is there an -- do you have an  
17 ability to distinguish between a debit card and a credit card  
18 usage when people make deposits?

19 MR. ELLINGSON: Yes, we do.

20 COMMISSIONER CONWAY: What's the percentage? Is there  
21 a larger percentage of people who use debit rather than  
22 credit?

23 MR. ELLINGSON: Our credit usage historically has been  
24 very, very, very small. It's generally a bad experience for  
25 the users to use credit cards because they get charged cash

1 advance fees and higher interest rates.

2 COMMISSIONER CONWAY: Yes.

3 MR. ELLINGSON: And we would prefer that they have a  
4 positive experience in their deposit. Most people, the avenue  
5 they choose to deposit is just whatever payment process  
6 they're familiar with or that they use in their everyday life,  
7 whether it's a debit card or a credit card; but we actively  
8 discourage people from having a negative experience, and for a  
9 typical user using a credit card for sports betting is not a  
10 positive experience for them, given that they're usually not  
11 aware that there are different fees associated with it than  
12 using it at a grocery store.

13 COMMISSIONER CONWAY: Okay. I guess the other  
14 question, and it's industry -- maybe industry wide, not  
15 specific to you, but you do have live gaming?

16 MR. ELLINGSON: I'm sorry, live betting?

17 COMMISSIONER CONWAY: Live betting?

18 MR. ELLINGSON: Yes, we do.

19 COMMISSIONER CONWAY: At sporting events. Is there a  
20 time delay on those wagers?

21 MR. ELLINGSON: No, we try to keep the wagers very  
22 real-time. It definitely makes it a little bit of a difficult  
23 experience if you're watching it on TV and there's a 30-second  
24 delay that is required, but we do make sure that we are up to  
25 the second on the actual wagering so that nobody can be

1 placing wagers after the event has already ended.

2 COMMISSIONER CONWAY: Is the 30-second delay  
3 commonplace throughout any of the individuals or corporations  
4 that offer live broadcasts?

5 MR. ELLINGSON: Most sports betting companies, in order  
6 to offer live products, have to be very real-time to ensure  
7 that there's nobody having an advantage in placing a wager  
8 just because of where they're at or how they're choosing to  
9 engage. If they're listening to the game on the radio, that's  
10 basically live, and so live betting options when the event has  
11 happened, the market closes.

12 COMMISSIONER CONWAY: Okay. So I guess my other  
13 question was since you're requesting an untethered license,  
14 you don't anticipate then having any gaming kiosk available in  
15 the State of Missouri?

16 MR. ELLINGSON: We're open to it. We have not been  
17 approached by a partner yet or had that conversation, but as  
18 was shown on the slide, there are 14 jurisdictions where we  
19 have --

20 MS. THOMAS: Fourteen states but 26 properties.

21 MR. ELLINGSON: Fourteen jurisdictions where we have  
22 retail operations. Some of them, for example at Wrigley Field  
23 we have a full-blown sportsbook, at TBC Scottsdale we have a  
24 full-blown sportsbook; and in some jurisdictions, it's a kiosk  
25 that's available that people can walk up to and place the bets

1 in person. I think we try to customize our solution for every  
2 state we're in and the needs of the state, and I'm definitely  
3 open to conversations as appropriate.

4 COMMISSIONER CONWAY: Okay, I think that pretty much  
5 answers it. If you're available later, then --

6 MR. ELLINGSON: We will be available later.

7 COMMISSIONER CONWAY: Okay.

8 MR. ELLINGSON: And, Chairman Zimmerman, we will  
9 provide you an update on the *My Budget Builder* when the NFL  
10 season launches because that's when we start to get the real  
11 engagement from the players, and we'll provide you an update  
12 later.

13 And, Commissioner Hane, we'll update you as we get this  
14 clearinghouse -- it's something that we would really like. I  
15 think it's very valuable to the industry to have. Privacy  
16 laws and rules aside, it's something that I think with the  
17 right people in the room dedicated to getting it done, it will  
18 be and it should be, and so appreciate your candor on that  
19 one.

20 CHAIRMAN ZIMMERMAN: Well, and if you followed the  
21 initiative petition that got us here, of course you know our  
22 citizens in the State of Missouri are very interested in the  
23 mental health component and, you know, folks who may have  
24 problem gambling issues; so to know what the companies are  
25 doing to address some of those things, like *Budget Builder* or



1 the cooling-off period, I think it's important. I think it's  
2 important to our citizens to know that there are some  
3 safeguards there for the concerns about mental health.

4 MR. ELLINGSON: I completely agree, and we'll keep you  
5 updated on it. My father said, You teach a man correct  
6 principles and let him govern himself, and we believe that  
7 creating good tools for people to be able to understand their  
8 behavior and to understand why they may be doing something  
9 risky will help them to learn how to be responsible gamers  
10 over time.

11 I don't believe it's fair to leave them to their own  
12 devices with regards to gambling, so we're looking forward to  
13 a partnership with you to ensure that we get Missouri to a  
14 very healthy place.

15 CHAIRMAN ZIMMERMAN: Thank you, Mr. Ellington, and  
16 thank you to all of you for --

17 DIRECTOR LEARA: Would you please provide your names to  
18 Mr. Cantwell? All we had was Mr. Ellington's name, so when  
19 you could get that to us, thank you.

20 MR. ELLINGSON: Sure. Thank you.

21 CHAIRMAN ZIMMERMAN: Our next presentation this morning  
22 will be by Betfair Interactive US LLC doing business as  
23 FanDuel Sportsbook. Rich Cooper, Vice President, Regulatory,  
24 will be making the presentation, I believe, and you can  
25 introduce us to your staff.

1 MR. COOPER: Good morning, Chairman Zimmerman,  
2 Commissioners, Executive Director Leara, members of the  
3 Commission Staff.

4 I'm Rich Cooper, Vice President for Regulatory at  
5 FanDuel. I want to express our appreciation to the Commission  
6 for consideration of our application for a direct mobile  
7 license and for the opportunity to appear here today and  
8 discuss the application with you.

9 In particular, I also want to thank the Missouri State  
10 Highway Patrol Gaming Division and specifically Sergeant Lance  
11 Laughlin for the thorough investigation and express our  
12 gratitude to the Commission Staff, specifically Executive  
13 Director Leara, General Counsel Evans, and Licensing and  
14 Discipline Manager McCarthy for their engagement during the  
15 direct license process and to their teams as well.

16 FanDuel began operations in 2009 and we have had the  
17 privilege of being regulated by the Missouri Gaming Commission  
18 for about eight years when eight years ago we obtained  
19 licensure for our paid entry daily fantasy sports product. We  
20 have a demonstrated record of success in the state in  
21 compliance with the Commission's requirements, and we are  
22 excited for the opportunity to now partner with the state to  
23 launch a successful online sports betting market that enables  
24 growth while protecting Missouri customers. As we'll describe  
25 today, we're confident that FanDuel's best position to do

1       that.

2               I'll introduce my colleagues in a moment, but up front  
3 I wanted to say that our goal is to help Missouri create a  
4 market that's not only profitable, but also safe, secure, and  
5 beneficial to Missouri residents.

6               We have extensive experience doing just that across 24  
7 different jurisdictions in the United States, and as the  
8 current number one sportsbook in the US, we're excited for the  
9 opportunity to bring that experience to bear in helping to  
10 grow the market responsibly here in Missouri.

11              I want to take a moment to introduce the FanDuel team  
12 who's here presenting today. We've brought a team of senior  
13 leaders who are domain experts to provide the Commission with  
14 additional context for how we expect to launch and grow the  
15 market for online sports wagering in Missouri, to do so in a  
16 responsible way, and also to describe the deep and meaningful  
17 ties that FanDuel has with the State and that we expect to  
18 continue and deepen.

19              So we're joined today by Rikki Tanenbaum, our Senior  
20 Vice President for Market Development, who played the key role  
21 within FanDuel to help bring legal regulated online sports  
22 wagering to the state. Rikki has 25 years of brick and mortar  
23 gaming operations experience prior to coming to FanDuel,  
24 including as Chief Operating Officer of the San Manuel Band of  
25 Mission Indians, one of the most prominent gaming tribes in

1 the country, and has worked across the South and Midwest with  
2 companies such as PENN, MGM, and Caesars prior to joining  
3 FanDuel.

4 Steve Higgins, the Senior Director for Acquisition and  
5 Investment Strategy for our sportsbook, he'll explain to you  
6 today how FanDuel has become the number one sportsbook in the  
7 US through growing the market in every jurisdiction where we  
8 operate and how we've refined the strategy for launching new  
9 jurisdictions and are excited to bring that here to Missouri.

10 Josh Mehta, who runs our Product Counsel Function and  
11 can describe our best in class integrity, security, and  
12 sustainability controls and governance and our commitment to  
13 responsible gaming.

14 And David Ermann, who runs our Licensing Function and  
15 has been in regular contact with Commission Staff and the  
16 Highway Patrol's Gaming Division to ensure compliance with the  
17 license application requirements.

18 In short, Commissioners, FanDuel is best positioned to  
19 partner responsibly with the state to launch and grow  
20 Missouri's online sports wagering market to the maximum extent  
21 possible. You'll see that there are five key reasons why in  
22 FanDuel, the state would have the strongest partner to  
23 accomplish that.

24 First, FanDuel is the undisputed US leader in online  
25 sports betting market. We have the largest, most stable

1 business in the industry. Also, I'd note that our parent  
2 company, Flutter, is the largest gaming company in the world,  
3 so we can bring learnings from around the world and that  
4 additional stability to the Missouri market.

5 Second, based on our market position and our know-how  
6 and prior experience in launching online sports betting in  
7 other jurisdictions, we expect to provide the state with the  
8 best opportunity to maximize the size of the market. When the  
9 Commission looks to recent state launches and to online sports  
10 betting in states that border Missouri, you'll see that  
11 FanDuel's enjoyed the greatest success in the market.

12 We are excited for the opportunity to bring that  
13 experience to bear in partnering with the Commission in  
14 launching and growing a terrific online sports betting market  
15 here in the state that provides benefit to the State and also  
16 protects consumers.

17 Third, FanDuel offers customers a top customer  
18 experience. This is important because the product we offer is  
19 key to attracting and retaining customers responsibly, and we  
20 do this with an industry-leading platform. We'll have more on  
21 this in the presentation. You'll see today that FanDuel's  
22 constant innovation results in a very high degree of customer  
23 satisfaction.

24 Fourth, FanDuel has a demonstrated commitment to the  
25 State. This commitment is not just limited to the efforts to

1 bring legal, regulated online sports betting to Missouri, but  
2 includes also local investment, giving back to the community.  
3 This is core to what FanDuel does in the markets where it  
4 operates, and we're excited to continue that experience here  
5 in Missouri.

6 And finally, FanDuel's committed to growing the  
7 industry in a responsible and sustainable way. That includes  
8 protecting our customers, operating a best in class  
9 responsible gaming program, anti-money laundering program,  
10 cyberfraud prevention, and fraud detection. This includes  
11 working and partnering with regulators, leagues, and integrity  
12 monitors to protect the integrity of sport. FanDuel has a  
13 strong track record of proactive partnership with regulatory  
14 agencies and their staff of transparency and of adherence to  
15 the highest standards.

16 So now I want to turn it over to Steve Higgins who can  
17 walk you through from an acquisition and launch and commercial  
18 perspective what our plans are.

19 MR. HIGGINS: Thanks, Rich. Good morning, Chairman  
20 Zimmerman, and fellow commissioners. As Rich introduced me,  
21 my name is Steven Higgins. I am a Senior Director of our  
22 Acquisition Strategy and Investment.

23 Over these next couple of slides, I'll take you through  
24 our commercial business, our historical launches as a case  
25 study, how that has already translated in Missouri, and our

1 product advantages.

2 As you can see here, FanDuel is the strongest brand and  
3 strongest product offering in online sports wagering in the  
4 United States. This has led to a 44 percent share of online  
5 revenue across all jurisdictions. FanDuel has been at the  
6 forefront of US online sports wagering since the repeal of  
7 PASPA in 2018.

8 Today FanDuel operates an online sportsbook in 24 US  
9 jurisdictions as well as the province of Ontario. We estimate  
10 that we hold the number one revenue share position in 18  
11 jurisdictions and the number two share position in the  
12 remaining five. A 44 percent revenue share that FanDuel had  
13 in Q-1 2025 was greater than that of the two largest operators  
14 combined, next operators.

15 How does this work and how has our success translated  
16 for the past five years? Our margin advantage relative to  
17 competitors insofar, FanDuel has delivered 35 percent more in  
18 a revenue per dollar wagered than the market as a whole. This  
19 is the result of years of investment in our global risk and  
20 trading model and a real focus on developing talent and  
21 expertise in-house, both of which will continue into the  
22 future. This allows us to reinvest into local markets like  
23 Missouri and our customers through a sustainable business  
24 model.

25 FanDuel estimates that it will generate 400 million in

1 annual gross revenue in Missouri when the market reaches  
2 maturity in 2034, which would translate into close to 40  
3 million in annual tax revenue for Missouri.

4 FanDuel plans to achieve these figures by leveraging  
5 its unrivaled experience and proven track record at maximizing  
6 gross sports wagering revenue by acquiring, retaining, and  
7 growing user value over time. FanDuel is certain that it can  
8 deliver strong revenue shares outcomes for the State of  
9 Missouri and a fun and safe wagering experience for its  
10 residents.

11 As discussed on the last slide, this graph displays  
12 that since the overturn of PASPA in 2018, FanDuel has  
13 consistently and sustainably sustained the highest market  
14 share nationwide in the online sports betting industry. This  
15 goes up until 2024 where you see we had 45 percent market  
16 share and in Q-1 2025, we had 44 percent.

17 Now, how will this translate? Go to the next slide,  
18 please. Right here, we will showcase some of the case studies  
19 of our previous historical launches. We have had a long track  
20 record of successfully launching in new jurisdictions and then  
21 building and maintaining a leadership position. With each  
22 launching since 2018, we have had a stronger and stronger  
23 launch and sustained that revenue and customer base for the  
24 first 12 months and until 2025.

25 As an example, FanDuel's most recent competitive state



1 launch in North Carolina in March 2024, FanDuel achieved  
2 unprecedented success. Not only was the launch an operational  
3 success with betting available to all users within the first  
4 minutes that it was permitted, but FanDuel also matched or  
5 exceeded internal targets across all key commercial metrics.

6 Two that I'd like to highlight today, FanDuel  
7 maintained 41 percent gross GGR market share in every single  
8 full month since launch in March 2024. That highlights our  
9 sustained -- our ability to sustain market leading presence.  
10 929,000 users who have placed at least one bet in North  
11 Carolina between launch and May 2025, this represents a  
12 penetration rate of over 12 percent of the State's 21-plus  
13 population.

14 In summary, FanDuel's confidence in its ability to  
15 deliver material market share and, by extension, revenue to  
16 the state, is underpinned by several proof points. FanDuel is  
17 currently America's number one sportsbook and plans to  
18 continue that with 44 percent of national gross sports  
19 wagering revenue in Q-1 2025.

20 It is the sports wagering gross revenue market leader  
21 in 18 of the last 23 jurisdictions in which it launched and  
22 operates. In the majority of jurisdictions, there are several  
23 operators competing in that market. Some jurisdictions even  
24 have over 20 operators. FanDuel consistently leads the market  
25 because it focuses on and excels at user acquisition,

1 retention, monetization with a sustainable customer first  
2 approach.

3 Now, why does that matter for Missouri and future  
4 launches? As you can see here, Missouri's aided brand  
5 awareness is already at 67 percent. FanDuel has the strongest  
6 brand awareness in the industry, which has significant  
7 positive impacts.

8 Strong brand recognition allows for faster customer  
9 adoption onto the FanDuel platform. Sustained market  
10 investment creates high customer trust and loyalty. Immediate  
11 market presence upon the state launch of a regulated online  
12 sports betting state allows for a strong launching impact.

13 This has led to an unprecedented number of Missouri  
14 residents who have already activated with FanDuel; 110,000  
15 customers that reside in Missouri where 2.3 percent of the  
16 21-plus population have already wagered with FanDuel in other  
17 states, bordering states. Upon launch, within the first  
18 minutes these customers will have immediate access to FanDuel,  
19 and their tax revenue will stay in the State of Missouri.

20 How did we reach that awareness and how have our  
21 customers viewed our sportsbook? As you can see here, we have  
22 had 22 million downloads in the past five years, and our  
23 customers rate us as the number one sportsbook within the App  
24 Store and within the Android Store.

25 This is a testament to our app, underpinned by the 22

1 million customers that have downloaded the app. That is  
2 sustainability and the industry leading number of downloads,  
3 additionally underpinned by an industry-leading number of  
4 daily actives with 12 percent more average daily active users  
5 than our next nearest competitor.

6 There's a bit more detail on the product. I'm going to  
7 highlight some of the reasons why our platform is consistently  
8 highest rated. I won't go into detail into each of these, but  
9 during the question-and-answer session, I'm happy to.

10 FanDuel's industry-leading mobile sports wagering  
11 platform receives top marks for the seamless and intuitive  
12 interfaces of its sports wagering mobile applications and  
13 quarterly product testing by E & K Gaming.

14 FanDuel, together with its parent company, Flutter, own and  
15 operate nearly all of the tech stack that supports FanDuel's  
16 mobile sports wagering platform. Why is that important? This  
17 is a crucial advantage that allows FanDuel to react quickly to  
18 user and regulatory needs as well as provide the best possible  
19 wagering experience to users across the United States.

20 Our live betting delay is almost impossible to detect.  
21 The only detection that you will have from a delay is on the  
22 broadcasting, like previously answered by DraftKings.

23 Some of the advantage to design and implementation of  
24 FanDuel's mobile sports wagering platform that set it apart  
25 from other platforms in the industry include a single account

1 and wallet solution, which is if you do move states, it allows  
2 you to have the same exact dollar amount without entering a  
3 new app.

4 In-play markets, leading parlay and same-game parlay  
5 mechanics, real-time bet tracking and cashout, streaming in  
6 app, and market-leading breadth, market-leading market breadth  
7 and depth, which goes back to our global risk in trading  
8 product team.

9 Now, these product advantages have allowed us to tailor  
10 our singular app to individuals at a local level. We are  
11 committed to a customer experience that reflects their  
12 interests, which typically align with the support of fandom of  
13 local teams. We believe this experience is the core of our  
14 offering and provides -- and it allows us to provide enhanced  
15 generosity to customers at a local level and investment at the  
16 local team level for our customers.

17 With that, I'll pass it over to Rikki, who will provide  
18 more detail on our ties to Missouri and the commitment to  
19 investing at that local level. Thank you.

20 MS. TANENBAUM: Good morning, Chairman Zimmerman,  
21 Commissioners, Executive Director Leara. Thank you again for  
22 having us.

23 I understand this is called "The Show Me State" because  
24 you like to see things rather than just hear about them, so if  
25 we could just go back in time a little bit and tell you about

1 our ties to Missouri, I would love to run you through this.

2 We have enjoyed our partnerships with the Royals and  
3 the Chiefs for some time. We have a FanDuel Sports Network  
4 partnership which has enabled us to be pretty well known  
5 statewide and we have the onsite in-stadium activations at  
6 Ballpark Village, so we've been on the ground talking to  
7 Missourians for some time.

8 When the unfortunate tornadoes tore through the state,  
9 we were there with a -- partnering to -- with FanDuel Sports  
10 Network to provide some relief, and our intention is whenever  
11 we show up someplace, we show up that way. And we have been  
12 privileged enough, thank you, to serve 90,000 Missourians for  
13 some time through our fantasy product.

14 So when we talk about we care about Missouri, want to  
15 be part of your community, that is -- that's where we're  
16 starting, and we look forward to building on that. Thank you.

17 MR. MEHTA: Good morning, Chairman Zimmerman,  
18 Commissioners, Executive Director Leara. FanDuel has years of  
19 proven experience as a commission licensee in the fantasy  
20 sports market, and we're confident that we'll continue to meet  
21 this body's high expectations as a prospective licensee in the  
22 now sports wagering market.

23 We spent a little bit of time talking about how our  
24 platform is built for performance, but it's also built for  
25 trust. Every system, every process and every safeguard is

1 designed to protect our customers, exceed state standards, and  
2 protect the integrity of sports betting.

3 To ensure the integrity of our platform, we have robust  
4 customer registration and age and identity verification  
5 procedures. This comprehensive screening process ensures that  
6 anyone attempting to sign up for a Missouri sports wagering  
7 account is legally permitted to do so and ensures that  
8 underage individuals and excluded individuals are not able to  
9 access the platform.

10 To protect the integrity of our markets, we have a  
11 deeply experienced, responsible trading team with 24-7  
12 staffing to ensure that we can use that experience to set and  
13 assess markets correctly, monitor wagers and assess risk, and  
14 protect the integrity of sports by detecting suspicious  
15 activity. We also partner with the largest sports leagues and  
16 leading integrity -- independent integrity monitors to ensure  
17 additional protections for the markets that we offer.

18 To ensure the safety and security of our platform for  
19 our customers' data and our platform itself, we have robust  
20 cybersecurity controls and use multi-layered infrastructure  
21 protections. We use the leading geolocation service provider  
22 provided by GeoComply to ensure location compliance and detect  
23 and prevent bad actors from disguising their location when  
24 attempting to wager from within Missouri. We also have  
25 advanced fraud and all monitoring capabilities using

1 combinations of technology, tooling, and deep experienced  
2 staff to protect customers and detect risks.

3 We're also focused on long-term sustainability with a  
4 purpose-driven platform. This enables us to embrace new  
5 technologies to constantly enhance our compliance capabilities  
6 and focus on efficient and effective risk monitoring  
7 solutions.

8 In addition, we're deeply committed to responsible  
9 gaming and put it at the forefront of what we do. Responsible  
10 gaming is embedded in FanDuel's DNA, and we're focused on  
11 leading the industry and long-term sustainability. For us,  
12 this isn't a compliance box to be checked. We position this  
13 as a company-wide strategic priority focused on long-term  
14 sustainability, and we want to be in the Missouri market for a  
15 long time partnering with you all.

16 In order to do that, we execute our strategic vision  
17 with a focus on three key pillars. First, we support our  
18 customers; second, we want to foster a culture of responsible  
19 gaming in the industry; and third, we want to work with  
20 industry partners to unite the industry.

21 To support our customers, we're focused on giving them  
22 the tools, technology, and information needed to manage their  
23 play on our platform. We do this by providing them with tools  
24 that allow them to set personalized limits, including deposit  
25 limits, time limits, and wager limits, which can help them

1 make informed play based on their personal preferences.

2 We also give them the opportunity to take breaks from  
3 our platform by either taking time outs or going through our  
4 self-exclusion process. We apply this process nationwide so  
5 if you exclude with us somewhere, you're not able to play with  
6 us anywhere.

7 While we have industry standard tools, we're also  
8 confident that we're leading the industry in imbedding  
9 responsible gaming within the customer journeys themselves.  
10 Last year we launched *My Spend*, a first-of-its-kind  
11 personalized data tool that provides deep insights for  
12 customers about their engagement on our platform. This can  
13 help them make informed decisions about how to use our tools  
14 effectively and how to engage with our platform responsibly.

15 This year, we're really excited to announce that we've  
16 launched a tool called *Real-Time Check-In*. This tool provides  
17 users with an embedded experience within the deposit flow that  
18 gives them real-time information about their depositing  
19 capabilities and lets them make informed decisions about their  
20 depositing behavior.

21 This tool will let them either -- it will inform them  
22 about their historical deposits, encourage them to set limits  
23 if those behaviors deviate from their previous practices, and  
24 in some instances actually require them to set deposit limits  
25 if those deviations are too great.



1 In addition to supporting our customers, we want to  
2 promote a culture of responsible gaming. We do this by  
3 focusing on responsible play and promoting lived experiences.  
4 Our RG Ambassador Program focuses on doing this by identifying  
5 lived experiences from credible individuals and sharing that  
6 information with the market.

7 Last year, we launched a parent- and coach-focused  
8 youth prevention program that equips adults with the tools and  
9 resources needed to talk to young people about gambling. This  
10 year we've launched *The Comeback with Craig Carton* which is a  
11 first-of-its-kind television show about lived experience and  
12 recovery.

13 In addition, as Rikki mentioned, we have deep ties to  
14 the communities that we invest in, both at a local level and  
15 at a national level. In addition to the local involvement in  
16 Missouri, we support the National Council on Problem Gambling,  
17 the International Center of Responsible Gaming, and Operation  
18 HOPE, the nation's leading nonprofit on financial literacy.

19 In addition, we have partnerships with Kindbridge  
20 Behavior Health which provides excluded users with free access  
21 to mental health services.

22 Finally, to unite the industry, we're focused on  
23 lifting -- using rising tides to lift all boats and leading  
24 the industry from the front on responsible gaming. This is  
25 critically important to us, and we demonstrate this as being

1 one of the founding members of ROGA.

2 Similar to our partners in DraftKings, we support this  
3 organization which is an independent trade association focused  
4 on improving responsible gaming outcomes in the online gaming  
5 space, and they're doing this through increased access to  
6 educational material, sharing best practices, and independent  
7 research.

8 In addition, we hope to have future initiatives that  
9 will focus on collaboration and sharing with our industry  
10 partners. By building healthy, sustainable relationships with  
11 our customers, we're convinced that we can unlock long-term  
12 value for customers, for operators in the industry, and for  
13 our partners.

14 And with that, I'll turn it back to Rich Cooper.

15 MR. COOPER: Thanks, Josh. So in conclusion, on behalf  
16 of FanDuel, I want to express our gratitude to the Commission  
17 Staff for its engagement in the process thus far, to the  
18 Commission for its careful review of our application, and for  
19 this discussion today.

20 To us, obtaining a license is A privilege and one that  
21 we would not take lightly. We always aim to be the most  
22 trusted operator in the business, to act with transparency and  
23 with confidence and to partner with state gaming regulators in  
24 all matters of operation.

25 I trust that our written submission and the

1 presentation today make clear that FanDuel is very well  
2 positioned to partner with the state for a successful and  
3 responsible launching of online sports betting here in  
4 Missouri.

5 Just to summarize, as we discussed, there are five key  
6 reasons. First, as the number one sports betting operator in  
7 the US with the largest customer base, with that position in  
8 retaining sports betting customers and the fact that there are  
9 many Missouri residents who are already interacting with our  
10 platform today, we're confident that we can partner with the  
11 state for a highly successful launch.

12 Second, as the Commission contemplates launching and  
13 growing the market here in Missouri, FanDuel has a proven  
14 track record at doing just that with new state launches.  
15 We're very excited at the prospect of partnering with the  
16 Commission to bring that here to Missouri.

17 Third, when the Commission listens to the voice of the  
18 customer, you'll see that FanDuel's product offering, the  
19 types of features that Steve discussed earlier, industry-  
20 leading innovations like same-game parlay, the ease of use of  
21 the product and our continuous innovation, all that means that  
22 customers come to and stay with the product.

23 Fourth, FanDuel has a demonstrated commitment to the  
24 State of Missouri. We're very proud of those connections,  
25 local partnerships, economic impact in the state, and

1 engagement with the local community.

2 And finally, we as a company are laser focused on  
3 making sure that this industry is sustainable for the years  
4 ahead. That means having best in class compliance programs,  
5 consumer protections, and responsible gaming.

6 So with that, I wanted to thank the Commission. We're  
7 happy to address any questions that the Commissioners have.

8 CHAIRMAN ZIMMERMAN: Well, I have several, but again,  
9 I'll defer to my commissioners.

10 COMMISSIONER HANE: It was probably in here and I  
11 missed it. How many registered users?

12 UNIDENTIFIED SPEAKER: We have in the State of Missouri  
13 or across the states overall?

14 COMMISSIONER HANE: I mean --

15 MR. HIGGINS: Overall?

16 COMMISSIONER HANE: You've got --

17 MR. HIGGINS: I'd have to get back to you with the  
18 exact number, but we average seven million users a year,  
19 active users in 2024.

20 COMMISSIONER HANE: Okay, averaging seven million?

21 CHAIRMAN ZIMMERMAN: That's over the 24 jurisdictions?

22 MR. HIGGINS: In the 2024 year. And per month, we  
23 averaged about 3.1 million, 3.1 million active per month.

24 CHAIRMAN ZIMMERMAN: Do you have other questions, Dave?

25 COMMISSIONER HANE: Twenty-four jurisdictions, and that

1 is covering 22 states?

2 MR. COOPER: It's 24 jurisdictions. That includes  
3 Puerto Rico and Washington, D.C., so it's 22 states,  
4 Washington, D.C., Puerto Rico, and then Ontario as well. So  
5 just to break it down, that's 25 jurisdictions in total, 24 of  
6 them in the US, of those 22 states and then Puerto Rico and  
7 Washington, D.C.

8 CHAIRMAN ZIMMERMAN: Pat?

9 COMMISSIONER CONWAY: I just have a general question, I  
10 guess, of either of the presentations. Do betting options on  
11 individual events vary from state to state?

12 MR. HIGGINS: Yes. I'll take that. They can. So  
13 let's use college as an example. There are certain states  
14 that have restrictions on college props, there are certain  
15 states that have certain restrictions on college state teams,  
16 so each state's offering is tailored exactly to the state  
17 regulation within that state, and then we offer everything we  
18 can to all those customers.

19 What we can do, and I think I mentioned this earlier,  
20 is we can tailor the app; so for a Missouri resident, they  
21 will see Missouri first teams. Over time, if they are not  
22 interested, if they're a transplant, it would change. So what  
23 we try to do is we offer the same in all states within the  
24 regulatory requirements of those states, but we do tailor the  
25 app over time to the customer and what they enjoy.

1 MR. COOPER: And just to add on to that --

2 DIRECTOR LEARA: Can I interrupt real quick? As you  
3 switch persons, our stenographer's not here. Could you state  
4 your name?

5 MR. HIGGINS: Oh, sorry.

6 DIRECTOR LEARA: If you would.

7 MR. COOPER: That was Steve Higgins just now. This is  
8 Rich Cooper.

9 DIRECTOR LEARA: Thank you.

10 MR. COOPER: And just to add onto that, from a  
11 compliance perspective on a state-by-state basis, our platform  
12 is configured to be state specific, so we take account of each  
13 different jurisdiction's rules and regulations, available  
14 markets, and that is configured at the state level.

15 COMMISSIONER CONWAY: Okay. I guess I'm going to  
16 just -- Alabama plays Ohio State. Is the same option on your  
17 platforms the same in both states on the wager?

18 MR. COOPER: Assuming that both states permit that type  
19 of wager, then yes, a customer could navigate and place the  
20 same type of bet in both states.

21 COMMISSIONER CONWAY: Okay. How many of your users do  
22 you think have a second platform, that they're using more than  
23 one platform in each individual state, for instance, Ohio and  
24 Indiana? Would -- do you think that they're using -- do a  
25 number of your users -- are you aware that they have platforms

1 that are other options?

2 MR. HIGGINS: Steven Higgins answering. So we have --  
3 the average user on FanDuel Sportsbook has 3.1 applications  
4 that they have used over a month. Obviously, the amount of  
5 wallet share or the amount of activity with each is very  
6 different and that is reflected within the actual national  
7 revenue shares, but they do engage with an average of three  
8 apps.

9 COMMISSIONER CONWAY: So it's not like if you're  
10 sitting in Vegas, you know, well Harrah's has it as another  
11 half point so they would do that and fluctuate from platform  
12 to platform or --

13 MR. HIGGINS: Correct. Typically, I'm very confident,  
14 like I say, that we have the strongest lines in market due to  
15 our in-house trading team, so we take less (inaudible), so  
16 it's a better opportunity for the customer from an odds  
17 perspective; but the reason that customers truly do shop is  
18 promotion and generosity.

19 COMMISSIONER CONWAY: And you anticipate that being  
20 fairly significant in the first two years if you establish  
21 here?

22 MR. HIGGINS: It is most significant in the first 12  
23 months of a users' journey. After the first 12 months, that  
24 most likely, we believe, goes down to one or two.

25 COMMISSIONER CONWAY: All right, thank you.

1 CHAIRMAN ZIMMERMAN: I just have a couple. You all  
2 mentioned that the company was founded in 2009. Did I hear  
3 that correctly?

4 MR. COOPER: That's correct.

5 CHAIRMAN ZIMMERMAN: When did fantasy sports then start  
6 here in Missouri? I think I missed -- I wrote down 2009, but  
7 when did you all start --

8 MR. COOPER: We became a licensee of the Commission in  
9 2018.

10 CHAIRMAN ZIMMERMAN: In 2018?

11 MR. COOPER: Yes, in 2018.

12 CHAIRMAN ZIMMERMAN: Okay. And this may be a question  
13 that you'd prefer to address in closed, but what do you  
14 attribute the 300-plus percent increase in revenue between '21  
15 and '24? More customers? More states? More jurisdictions?

16 MR. HIGGINS: Steve Higgins, happy to answer that one.  
17 New state launches. So there are two examples of the growth  
18 that we had. In the earlier states like New Jersey, we had  
19 sustained growth per year that we've maintained over the  
20 maturity of that state. I would state that is still not a  
21 mature state.

22 What we saw as a much steeper curve in growth in states  
23 like North Carolina in the last three to five launches. With  
24 each launch, we see a steeper penetration curve within the  
25 first month and 12 months which has led to that increased



1 revenue that we've seen over the past five years.

2 CHAIRMAN ZIMMERMAN: Okay. And then the last is sort  
3 of just addressed to the responsible gaming issues that -- or,  
4 you know, things that you made available to your bettors.  
5 After a bettor sets their own limit, when are they allowed to  
6 change that? Does that stay in place for a certain period of  
7 time, or are they allowed to change their mind maybe after  
8 they think that they've set too restrictive of a limit?

9 MR. MEHTA: Absolutely. So Josh Mehta speaking. So  
10 the answer is when you set a limit, you are only able to make  
11 the limit more restrictive immediately. If you are going to  
12 make a limit less restrictive -- and we're going to use "more"  
13 and "less" just because sometimes "increases" and "decreases"  
14 mean different things -- so if you're going to make a limit  
15 less restrictive, you have to wait until the period that the  
16 limit that was set for expires, with the exception of daily  
17 limits because we don't want people changing them every single  
18 day. If you want to make a daily limit less restrictive, it's  
19 a 72-hour period.

20 CHAIRMAN ZIMMERMAN: Okay.

21 MR. MEHTA: For our breaks from the platforms, so time  
22 outs and self-exclusion, those periods are set in stone.  
23 They're not able to change them once they set them.

24 CHAIRMAN ZIMMERMAN: Okay. And then you mentioned --  
25 and I apologize if I got the name wrong -- Operation HOPE,

1 free mental health?

2 MR. MEHTA: Yes. So Operation HOPE is the nation's  
3 leading nonprofit on financial literacy, so it's a financial  
4 partnership with them. Kindbridge is the behavior health --

5 CHAIRMAN ZIMMERMAN: Okay.

6 MR. MEHTA: -- organization.

7 CHAIRMAN ZIMMERMAN: And an individual on your platform  
8 then is allowed to access that mental health assistance free  
9 of charge for them?

10 MR. MEHTA: Correct, an individual that self-excludes.

11 CHAIRMAN ZIMMERMAN: Okay, thank you.

12 MR. MEHTA: Absolutely.

13 CHAIRMAN ZIMMERMAN: That's all the questions that I  
14 have. All right, thank you so much, Mr. Cooper, and thank you  
15 to your team.

16 MR. COOPER: Thank you.

17 CHAIRMAN ZIMMERMAN: All right, our next presentation  
18 is -- I think it's still morning, right? Our next  
19 presentation will be by Circa Hospitality Group LLC doing  
20 business as Circa Sports. I believe Derek Stevens, the  
21 CEO/COO, will be making the presentation, and then you can  
22 introduce us to your team.

23 DIRECTOR LEARA: And we want to take just a second for  
24 Commissioner Conway to --

25 CHAIRMAN ZIMMERMAN: No, he said for us to go on, he

1 told me he'd be right back.

2 DIRECTOR LEARA: Thank you.

3 MR. STEVENS: Good morning, Chairman Zimmerman, good  
4 morning, Commissioner Hane, good morning, Commissioner  
5 Spaulding, and I would say the same to Commissioner Conway,  
6 but --

7 CHAIRMAN ZIMMERMAN: He'll be right back.

8 MR. STEVENS: And Executive Director Leara. My name is  
9 Derek Stevens. I'm the owner, Majority Owner and Chief  
10 Executive Officer of Circa and Circa Sports. With me today  
11 I've got our CFO and Vice President of Finance, Susan Hitch.  
12 I've got our Compliance Director, Piper Carter. I've got our  
13 counsel from Taft and Kremer and Paul Jenson here to my side.

14 So good morning to you all. I'd like to start by  
15 saying that I think the two presentations that occurred before  
16 Circa Sports came up here were commendable, and I actually  
17 want to make a point on the record to both DraftKings and  
18 FanDuel because they are the leaders in the industry and  
19 they've done a great job, and being able to see the  
20 professionalism that they've put together here for the  
21 presentation to the State of Missouri as well as the  
22 leadership in the industry is very commendable.

23 From my perspective here to address what can Circa  
24 Sports bring to the State of Missouri, I'm in a very unique  
25 position because the legal sports betting industry is still a

1 very small portion of the sports betting industry. Maybe 25  
2 percent is done through the legal operators; 75 percent is  
3 still done through illegal operators.

4 So in many, many respects, we're on the same boat,  
5 we're on the same board as the American Gaming Association,  
6 we're in a number of different associations together, so we're  
7 all really kind of fighting the good fight together from a  
8 legal perspective.

9 What's unique about today for me coming up in front of  
10 all of you is the fact that there are two untethered licenses  
11 in Missouri, and I've got to come up with a way to  
12 differentiate ourselves from 70 percent of the market share  
13 that's located right in this room here right now.

14 So that's what I'm going to focus on while addressing  
15 the pillars that Missouri has put out for us. So I'm going to  
16 talk a little bit about the background of Circa and Circa  
17 Sports. My brother and I moved to Las Vegas in 2006. That's  
18 when I began my licensing process. I've been licensed in the  
19 State of Nevada 14 different times now for various locations,  
20 satellite sportsbooks, things like this, and subsequently been  
21 licensed in four other state jurisdictions as well.

22 Going through from a sports perspective, we launched  
23 Circa Sports in June of 2019 at the Golden Gate, which would  
24 be our parent company. We launched in a second casino that I  
25 owned in downtown Las Vegas called *The D Las Vegas*. We

1 launched Circa Sports in that location a couple of weeks  
2 later. In July of 2020, we launched in our first  
3 out-of-Nevada jurisdiction which was Colorado. October of  
4 2020, our flagship property called *Circa Las Vegas* opened up,  
5 and that's where we really built -- we built what we  
6 considered to be the world's largest sportsbook as our  
7 flagship property.

8 In March of 2021, we opened a satellite sportsbook in  
9 the Tuscany in Las Vegas. May of (inaudible), I opened up a  
10 satellite sportsbook in Henderson, Nevada. In 2021, we opened  
11 up a mobile operation in the State of Iowa. 2022, we opened  
12 up in northern Nevada, so that's in Sparks, Reno, Lake Tahoe  
13 area to give us the northern Nevada area.

14 In 2023, we opened up in a suburb of Chicago, north of  
15 Chicago in Waukegan inside -- inside The American up in  
16 Waukegan. That's a Full House property. In 2024, we opened  
17 up a satellite sportsbook that we built out inside The  
18 Silverton.

19 And then 2024, we opened up -- we opened up our mobile  
20 operation in Kentucky in their temporary sportsbook at  
21 Kentucky Downs at The Mint, and we've just finished up the  
22 growth, the expansion, we built a new sportsbook. Next week  
23 actually, a week from today, I'll be there cutting a ribbon  
24 for the new large sportsbook inside of -- inside of The Mint  
25 over at Kentucky Downs.

1           When we take a look at Circa on a broader scale, we are  
2   licensed in five different jurisdictions, and as you can see,  
3   Iowa, Illinois, and Kentucky are three of the jurisdictions  
4   we're in. We have a desire to continue to grow our Circa  
5   Sports business throughout the country.

6           Currently, to address a question that came up earlier,  
7   we are in front of -- in front of you here today because we  
8   think Missouri has set up a regulatory -- a regulatory  
9   background that can be -- a background that can be a leader  
10   within -- within the US gaming operations. Some states, it's  
11   going to be tougher, but I think the way Missouri's set up the  
12   regs is something that's attractive to a company such as ours.  
13   And I'll get to that in a second.

14          We're also looking now to expand into Michigan and  
15   Arizona. We have our new tech stack that we've built and  
16   developed that we are going to be rolling out in the fourth  
17   quarter in Colorado and in Iowa. That would be the tech stack  
18   that we would roll out in Missouri, and as we've developed our  
19   own tech, we have an interest in continuing to grow in  
20   different jurisdictions within the US that match up with our  
21   business model.

22          Our business model is a bit different, and I want to  
23   get into that as well. As you can see here, you can see we  
24   built out sportsbook inside of American Place in Illinois, The  
25   Mint, that's the sportsbook that we're cutting the ribbon on

1 next Wednesday, and this is where I want to get into a bit of  
2 our business model.

3 A lot of what we've done, you could say the world's  
4 largest sportsbook at Circa Las Vegas. Well, there's a little  
5 bit more to it than just the physical size of the property.  
6 We take to another level active content management. We take  
7 to a level the experience that people get to enjoy, not just  
8 physically in person, but also on the app.

9 Our business model is far, far different than the other  
10 presenters here today. It certainly doesn't mean our business  
11 model is better, it's just different; and it's really  
12 important that I communicate why we're different.

13 When we start taking a look at hold percentages, hold  
14 percentages for many of the big companies are high, anywhere  
15 from 12 potentially up to 16 percent now. These are very high  
16 hold percentages that have a lot of different customers that  
17 make many, many smaller wagers.

18 Circa's a little bit different. We take larger bets.  
19 We do not limit professional players. We do not limit these  
20 customers. We work with customers to be able to learn from  
21 them, what are they betting and when we start taking a look at  
22 who's got a respected line, I certainly feel comfortable in  
23 telling you that I think Circa has the most respected betting  
24 line in the sports wagering industry, so I'm comfortable in  
25 saying that to you here today.

1           When we take a look at our mobile app, we use this tag  
2 line of sports betting the way it should be. This is a bit  
3 more of an old school way of doing something. When we take a  
4 look at Circa's hold percentage, our hold percentage is  
5 targeted three and a half percent, not 12, not 14. It's three  
6 and a half percent. We focus on bigger bets. We focus on  
7 bigger volume, bigger handle.

8           Ninety-five percent of the wagers that Circa takes are  
9 over \$50. We do not -- we do not focus on the \$1, \$5, and  
10 even \$10 bets. Ninety-five percent of the dollars wagered on  
11 Circa are over \$50.

12           And why that's important for me to bring this up to all  
13 of you today is because there's no question that we're a much  
14 smaller company than your other presenters today. I fully  
15 understand that. And if you look at what company will provide  
16 the most amount of taxable revenue to the State of Missouri, I  
17 can't compete here today. Our company's not going to be able  
18 to compete, but what I can tell you is that we will attract a  
19 different style bettor.

20           We will attract conquest customers that currently the  
21 State of Missouri is missing out on. We're going to attract  
22 people that own businesses. We're going to attract farmers,  
23 we're going to attract real estate people, we're going to  
24 attract bankers, lawyers, accountants, people that are  
25 currently betting offshore that are not going to go and bet



1 into a 14 or 16 percent hold market.

2 We're going to attract people that want to bet legally,  
3 that want to be -- want to do this from an American  
4 perspective, they would prefer to bet within the United States  
5 within a legal jurisdiction.

6 And that's really how we differentiate yourself, we  
7 differentiate ourselves. If you look at a standard back in the  
8 old days, minus 110 each way, comes out to a four and a half  
9 percent hold. Our target is three and a half. Last year we  
10 ended up with 3.1 percent. It's because we provide the value.

11 When gamblers go out to shop, they look at the three  
12 apps on their phone, whether it's two, three, or four, they  
13 look at the apps on their phone and they're going to go look  
14 at it. If there's one place that it has Ohio State minus four  
15 versus somewhere else that they're minus four and a half,  
16 they're going to do that. If there's a money line where you  
17 can -- where you can make a wager where you're plus 140 versus  
18 plus 135, that's what -- that's what the bigger bettors are  
19 going to look for.

20 We provide that unique differentiation that will bring  
21 a number of people back into the legal fold. We've seen that  
22 in other states, and I certainly think that the impact that we  
23 can have on the State of Missouri would be that we would be  
24 the ones that are going to be the best advocates for the  
25 citizens of Missouri because we're going to provide the value

1 that's really unprecedented.

2 We've seen this, like I said, in other states. When we  
3 take a look at our high app limits, we certainly have the  
4 highest app limits, we certainly have the responsible gaming  
5 components that allows you to take time outs, that allows you  
6 to go on pause. We've been early advocates with US Integrity,  
7 early on with those organizations, so I'm not going to really  
8 focus in on that because that's not how we're going to  
9 differentiate ourselves.

10 We're going to differentiate ourselves by saying we've  
11 got a product that people want, and I think you can see that  
12 through social media posts and other things like that with us  
13 being here. I realize we are a small potato compared to what  
14 was just presented in front of me, but I do think we bring  
15 something very unique and beneficial to the State of Missouri.

16 Then when we take a look at some of our different ad  
17 campaigns and banner ads and things like this, again, we focus  
18 in on big league bets, we focus in on exceptional customer  
19 service and the lowest holds.

20 There was a question earlier about end game.  
21 Obviously, end game is very, very important. there was a  
22 question about kiosks that came up. Kiosks are important in  
23 some circumstances, but as time goes by, they become less and  
24 less important because everyone wants to make a quick bet and  
25 you only have, you know, a few minutes between a commercial

1 and things like that to be able to get your bet in. It's kind  
2 of difficult to go to a kiosk to try to make a wager at a  
3 certain point in time, and things are changing all the time.

4 To address a latency issue, well, latency, if you're  
5 watching the game on CBS, FOX, NBC, or ABC, you're probably  
6 looking at about 40 seconds, give or take. If you're watching  
7 something on cable, you might be looking at 22 to 26 seconds  
8 of latency. It's pretty tough to be at a kiosk and do that,  
9 so kiosks just are not -- are not quite as popular as maybe  
10 what they were even three years ago or five years ago because  
11 everybody wants to be on their phone to get that quick update  
12 right when it happens.

13 When we take a look at the Circa impact on sports, I  
14 want to talk a little bit about our league and team  
15 sponsorships. We sponsored the Vegas Golden Knights. It was  
16 in the sixth year of their existence that the Golden Knights  
17 brought a jersey patch sponsor onto their program. They came  
18 to us and we jumped at that opportunity.

19 I kind of got a kick out of the fact that the first  
20 year that they had the jersey patch on the Golden Knights  
21 uniform, they won the Stanley Cup, so that was a good -- that  
22 was a good first year with them.

23 That kind of spurred the next step on where when we  
24 launched in Illinois, we talked to the Blackhawks and they had  
25 not done a deal with a jersey sponsor, so we jumped on and we

1 did a multi-year deal with the Chicago Blackhawks.

2 We certainly would be interested in working with the  
3 sports teams here in Missouri. We've had a lot of  
4 conversations with the St. Louis Blues, with the St. Louis  
5 Cardinals. We've had Kansas City Royals ownership groups out  
6 at Circa, and we would certainly jump into that as a part  
7 of -- as a part of a licensing here in the State of Missouri.

8 When you look about specific partnerships here,  
9 currently, we've done a lot with 101ESPN, BIG550, 96.5 The Fan  
10 on the west side of the state. When we take a look at some of  
11 our other impacts throughout on a more national basis, VSiN,  
12 that's the sports betting network that was founded by Brent  
13 Musburger. We have VSiN as a tenant within Circa in Las  
14 Vegas. We've just opened a VSiN studio within the sportsbook  
15 in Kentucky. The first show out of the Kentucky operation was  
16 two days ago. So we're on live, 19-plus hours of live  
17 programming; on YouTube, over 400 terrestrial radio stations,  
18 Channel 158 on SiriusXM, and then multiple podcasts and  
19 digital opportunities that go along with it.

20 We just launched our new *Circa Survivor* docuseries. We  
21 dropped the final five episodes. It's a 10-episode series.  
22 We dropped that yesterday on YouTube, talking about the  
23 world's largest football contest, so that just dropped -- that  
24 just dropped yesterday.

25 We talked about where do we stand within Missouri. So

1 Club One is our players club. Because we don't offer fantasy  
2 sports in Missouri, we provided some information on who do we  
3 have within our database that's from Missouri through our Club  
4 One -- through our Club One membership program. And we have  
5 over 81,000 members of our Club One that live within the State  
6 of Missouri. We've broken it down by cities. Obviously it  
7 really correlates I think to population, and I hope everyone  
8 sees the city of their choice up here.

9 So we have the ability to launch with 81,000 active  
10 members within Circa's database, and active members mean  
11 people that have participated or played with us in the last 13  
12 months.

13 We take a look at some of the local activations.  
14 Currently we do a lot of advertising, particularly with ESPN.  
15 We've had Garth Butcher from the Blues out, we do a lot with  
16 Jamie Rivers. But all the events are across the river over in  
17 Alton. I would plan on flip-flopping that real quick if we  
18 had the ability to get licensed here in Missouri.

19 We've done a lot with Mac's, we've done Blackhawks  
20 watch parties, we've done actually St. Louis Blues watch  
21 parties, that's why we brought Garth Butcher out. He's a good  
22 friend of the family out here in Vegas, and we would plan on  
23 doing a number of different events here in mid-Missouri.

24 For background, in the State of Illinois, we've done  
25 over 100 activation events at halls, at restaurants, at bars.

1 We have an active engagement team. We do events for every UFC  
2 fight, for every big baseball game, every big Saturday  
3 football game, college, things like that. So we would  
4 anticipate really scouring the state with these on-site  
5 activations to help support all the local restaurants, bars,  
6 and things like that within the state.

7 When we take a look at some of the things that we've  
8 done specifically, I know there's a lot of Chiefs fans here.  
9 Well, the Chiefs played in Allegiant Stadium in the Super  
10 Bowl, a rather incredible game. We've done a lot -- we've  
11 done a lot with Chiefs events. Obviously the Chiefs play in  
12 Las Vegas once a year, so we've done quite a bit with the  
13 local radio stations and different groups to come out to Las  
14 Vegas to spend time with us.

15 Then obviously, our different events here, we take a  
16 look at community involvement. This is something I'm pretty  
17 proud of. We took a group -- I'll start off with Las Vegas.  
18 You know, since the first year, we decided to donate \$100,000  
19 to youth hockey. Now, remember, no one said hockey was ever  
20 going to work. We're in a desert. There's only three sheets  
21 of ice in the entire Las Vegas valley.

22 Well, lo and behold, you know, lo and behold, hockey  
23 has now taken off like crazy. I think the Golden Knights have  
24 sold out eight straight years, and I think we've been a good  
25 part of it. I'm really good friends with the ownership.

1 We've developed -- we've developed a deal with the Vegas  
2 Golden Knights called the Little Knights. They have the  
3 ability now to grow up, it's like learn to skate, you know,  
4 they have to go through all these processes. After about two  
5 years, you actually get a stick, which gets scary at points in  
6 time.

7 But then at some point, the kids mature and they get to  
8 a point where they have this moment of gratitude, and they get  
9 a jersey that has the Circa Sports patch on it which is what  
10 all their heroes have. And when they get that, that makes  
11 these kids so excited about being a part of the Little Knights  
12 program.

13 We really pitched this as a key component of what we  
14 wanted to do in Illinois, and the Chicago Blackhawks agreed to  
15 that, so we're part of the process of their Growing the Game  
16 program.

17 When I take a look at some of the youth baseball, we  
18 sponsored over 100 Little League teams at -- in various  
19 locations in Las Vegas. I'm a Little League dad, or I was at  
20 least way back when, and we've supported a lot of the Little  
21 League teams. Before the season and after the season, we have  
22 the parents' nights out because we know the parents are  
23 (inaudible). I love giving speeches to all the little kids  
24 telling them how important it is to thank your mom and thank  
25 your dad because they're going to be driving you back and

1     forth and they're going to be doing all this laundry, and you  
2     really got to be -- you really got to be thankful for parents  
3     who are going to take you and allow you to participate in  
4     these great, great games.

5             So we would anticipate doing the same thing in  
6     Missouri, and we'd really like to do that. We view -- we view  
7     an untethered license as a privilege. Because of our low hold  
8     model, we think the untethered license is a special, unique  
9     component to us, and we think we can promote something very  
10    unique to the State of Missouri.

11            I wanted to finish up early enough so that I could  
12    answer questions for anyone here.

13            CHAIRMAN ZIMMERMAN: Thank you, Mr. Stevens.  
14    Questions?

15            COMMISSIONER HANE: My question would be, your average  
16    bet, but then you pretty well answered that, you said 95  
17    percent of your bets were over \$50?

18            MR. STEVENS: That's correct.

19            COMMISSIONER HANE: Okay.

20            CHAIRMAN ZIMMERMAN: Anything else? Pat?

21            COMMISSIONER CONWAY: You mentioned the differential in  
22    the hold.

23            MR. STEVENS: Yes.

24            COMMISSIONER CONWAY: So does that differential reflect  
25    in the gross and net income?



1 MR. STEVENS: It certainly does. I mean if you have a  
2 high hold percentage -- I mean a high hold percentage with a  
3 lot of volume is going to get you the most amount of revenue.  
4 What I would tell you is that we run a low hold model because  
5 we think our customers are a bit different, and we think the  
6 customers that we have are currently not playing in the State  
7 of Missouri. We think they weren't playing in the State of  
8 Kentucky or Illinois.

9 We're more of an old school sportsbook that provides  
10 very good odds for a customer. I think that if you would see  
11 online our reputation for people that wager frequently and  
12 wager higher dollar amounts, they prefer Circa as their  
13 sportsbook of choice.

14 I do think sportsbooks, there was a point made earlier  
15 that the average person has three apps on their phone, and I  
16 think that's -- that's important to really bring up because  
17 there's no one sportsbook that's good for everyone. Every  
18 sportsbook has different niches, different focuses, and I  
19 think we're one of those that adds quite a bit of value, and  
20 we really differentiate ourselves from other sportsbooks. And I  
21 think the revenue that we could bring into the State of  
22 Missouri would be more conquest revenue, more -- more new  
23 revenue, more individuals, professionals, larger bettors that  
24 are currently not betting within the State of Missouri.

25 COMMISSIONER CONWAY: Okay, I think the follow-up on

1 this would be since you are actually a hotel-based, and is  
2 there -- and I know there's several others that are basically  
3 hotel-based platforms out there and you're the only one  
4 applying for an untethered, I believe. Does options and  
5 benefits of being a participant of your sports wagering app  
6 also get reflected on points or anything in regard to the  
7 hotel?

8 MR. STEVENS: Yes. Our sports betting -- I think  
9 you'll find that every sports betting operator will have a  
10 loyalty system, a point system, as ours does as well.

11 COMMISSIONER CONWAY: Okay. That works, thanks.

12 CHAIRMAN ZIMMERMAN: Thanks, Pat. Did you have  
13 anything? Just a couple of quick questions. You mentioned  
14 your employee breakdown, as all of the applicants did. You  
15 listed 369 employees. Are those just sports wagering? Is  
16 that 369 just sports wagering?

17 MR. STEVENS: This is Susan Hitch, our VP of Finance.  
18 Go ahead.

19 MS. HITCH: That was reported for Circa Hospitality  
20 Group I LLC, which was the applicant for the license, so that  
21 was everyone within that casino.

22 CHAIRMAN ZIMMERMAN: So not just sports wagering folks,  
23 okay.

24 MS. HITCH: No.

25 CHAIRMAN ZIMMERMAN: Okay, thank you. And I know that

1 Commissioner Hane just asked about the number that you  
2 referenced earlier about 95 percent of your customer base is a  
3 bet over \$50 per se, but people still have the capability for  
4 those lower dollar bets within your platform as well? Did I  
5 understand that correctly?

6 MR. STEVENS: Yeah, that's correct. It's 95 percent of  
7 our handle is over \$50 bets. People would have the ability to  
8 bet less here. I think that that becomes very state specific  
9 because things are obviously changing rapidly in neighboring  
10 Illinois, and minimum bets are going to be a bit of the future  
11 in that state. So to answer your question, yes, you can bet  
12 less than \$50 on our platform.

13 CHAIRMAN ZIMMERMAN: From a marketing perspective, how  
14 do you attract those high dollar bettors in the State of  
15 Missouri?

16 MR. STEVENS: Well, I think really the VSiN platform is  
17 rather important. It's really become the biggest sports  
18 information network. Effectively this channel, it's  
19 effectively what to the sports betting network what CNBC is to  
20 the stock and bond market. It's a channel, like I said, it's  
21 on SiriusXM, it's streaming. It's really become the go-to  
22 channel for people that are looking for sports betting  
23 information, sports fans, sports bettor's information,  
24 weather, things like that that are very critical or  
25 interesting to sports bettors.

1           So I think VSiN's really the key focus because it's  
2 effectively a worldwide network, and with all the shows at our  
3 sportsbook, that really gives us the great tie-in.

4           CHAIRMAN ZIMMERMAN: And I didn't hear any mention of  
5 programs within Circa that address responsible gaming. You  
6 know, you've heard, you know, your two competitors' earlier  
7 presentations talking about the things they have in place to  
8 address problem betting or problem gambling?

9           MR. STEVENS: Yeah, the reason I didn't have it in my  
10 presentation was simply because we had 30 minutes. I was  
11 counseled to make sure I kept it short, and I tried to make  
12 sure I provided elements that differentiate us from the  
13 others.

14           But from my perspective, you know, we've been in the  
15 casino business, my brother and I, for 20 years. We're  
16 heavily involved in responsible gaming, both on a physical  
17 location as well as in our apps. And without -- I didn't  
18 really want to be redundant because there's many of the things  
19 that we're all really doing.

20           And frankly, the big guys have really kind of led the  
21 way in that, but I would say we're all kind of in the same  
22 position, so I didn't spend a lot of my presentation on that  
23 topic.

24           CHAIRMAN ZIMMERMAN: I appreciate it. Thank you so  
25 much. Any other questions? Okay, thank you so much to you

1 and your team.

2 MR. STEVENS: Thank you.

3 CHAIRMAN ZIMMERMAN: I believe that concludes the open  
4 portion of our meeting. I move to close the meeting under  
5 Sections 313.847 RSMo., Investigatory, Proprietary and  
6 Application Records and 610.021(1), RSMo., Legal Actions and  
7 Matters Subject to Attorney Client Privilege and Legal Work  
8 Product, (3) and (13) Personnel, (12) Contracts and (14)  
9 Records Protected from Disclosure by Law. Is there a second?

10 COMMISSIONER SPAULDING: Second.

11 CHAIRMAN ZIMMERMAN: Angie, would you please call the  
12 roll?

13 DIRECTOR LEARA: Madam Chair?

14 CHAIRMAN ZIMMERMAN: Yes?

15 DIRECTOR LEARA: Before we adjourn, I know you  
16 mentioned this, but we want to remind the participants to be  
17 available for --

18 CHAIRMAN ZIMMERMAN: Stick around?

19 DIRECTOR LEARA: Yeah.

20 CHAIRMAN ZIMMERMAN: Yes.

21 DIRECTOR LEARA: Okay, thank you.

22 CHAIRMAN ZIMMERMAN: Thank you so much.

23 MS. FRANKS: Chairman Zimmerman?

24 CHAIRMAN ZIMMERMAN: Approved.

25 MS. FRANKS: Commissioner Hane?

1           COMMISSIONER HANE:    Approved.  
2           MS. FRANKS:   Commissioner Conway?  
3           COMMISSIONER CONWAY:   Approved.  
4           MS. FRANKS:   Commissioner Spaulding?  
5           COMMISSIONER SPAULDING:   Approved.  
6           MS. FRANKS:   We're in closed.  
7           CHAIRMAN ZIMMERMAN:   All right, we're in closed.   And  
8   if you would all stick around in case there are any questions  
9   we need to call you in.  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

REPORTER' S CERTI FI CATE

I , Susanne E. Moon, Certi fied Court Reporter,  
Certi fied Real -time Reporter, and Regi stered Professional  
Reporter, certi fy that I transcribed from an audio recording  
the foregoing pages and that they contain a true and accurate  
transcription of the audio to the best of my ability.

---

Susanne E. Moon, RPR, CRR, CCR #473