

CANADIAN GAMING BUSINESS

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INDUSTRY ROUNDTABLE

Security and Surveillance Strategies

The Gaming Security Professionals of Canada (GSPC) is a non-profit organization founded in 1994 which represents the major gaming jurisdictions across the country. Its members are dedicated to ensuring that the highest standards of gaming security and integrity are maintained. Canadian Gaming Business recently asked the GSPC Board to respond to some of the current issues they face.



Gerald N Boose, Executive Director, Gaming Security Professionals of Canada (GSPC)



Richard Paris, Director, Security, Niagara Casinos



R.C. (Bob) Arlint, Executive Director Risk & Compliance, SaskGaming: Casinos Regina and Moose Jaw



Lynda Vachon, Corporate Director of Security Operations, Loto Quebec



Brent Severeys, Regional Surveillance Manager, Great Canadian Gaming Corporation

AML AND FINTRAC COMPLIANCE PROGRAMS CONTINUE TO EVOLVE. WHAT DO YOU SEE AS THE STRATEGIC PRIORITIES TO ENSURE THE INDUSTRY CONTINUES TO BE EFFECTIVE AND COMPLIANT?

GB: A major part of the GSPC mandate is to identify and communicate best practices. Given the importance of AML and Fintrac compliance, the association created a dedicated sub-committee in 2011. The sub-committee has been very active in identifying issues, developing strategies and sharing best practices amongst the

member organizations. The result has been a more co-ordinated, effective and efficient response to the problem of money laundering and the meeting of regulatory requirements. The development of risk based approaches and identification of suspicious transactions would be good examples.

RP: While many AML processes and Fintrac compliance procedures are common across all organizations that process financial transactions, there are unique elements within the gaming industry. To ensure the industry remains effective and compliant, it is

important for lottery corporations and gaming companies to continuously share information regarding best practices, operational challenges, and regulatory requirements following audits. The GSPC AML sub-committee is one such forum for that information exchange. In addition, it is important for all reporting entities in the gaming industry (both individually and collectively) to establish close, co-operative working relationships with Fintrac. Such relationships encourage regulatory compliance by improving reporting entities' knowledge about the

particulars of Fintrac requirements and on the reciprocal end, enhance Fintrac's understanding around the operational elements unique to the gaming industry.

RA: In my opinion, the key for industry effectiveness and compliance is to have standardized and tested best practices that have been thoroughly evaluated nationally by those organizations responsible for AML Compliance. As money laundering and terrorist financing continues to become a major issue on the world stage, the gaming and financial industry will be challenged to stay current with future amendments to AML legislation. Without consistency and communication through organizations such as GSPC and the AML Sub-Committee, each jurisdiction will have to find new ways to combat the challenges being faced in the adoption of new regulations in the hopes of achieving a high level of compliance.

LV: First we have to comply with the recent changes in the law that came in effect on February 1, 2014. In doing so, we must develop a structure that will allow us to follow up on players that are AML concerns .

BS: It's no surprise that AML and Fintrac programs continue to evolve. The trends worldwide suggest that tougher rules and guidelines will be the norm for some time to come. The casino industry in Canada is well represented by organizations like the GSPC. With its AML Sub-Committee already active this topic is front and centre in all gaming jurisdictions. As a result of the GSPC many organizations have frequently shared best practices and have kept a close eye on changes to compliance programs.

A CRITICAL COMPONENT OF RESPONSIBLE GAMING IS SELF-EXCLUSION PROGRAMS. HOW DO YOU EXPECT SELF EXCLUSION PROGRAMS TO EVOLVE WITH GROWING EXPECTATIONS AROUND DUTY OF CARE?

GB: Short of all patrons being required to provide identification while gaming,



which would be a detriment to the industry, we may well be reaching a point of diminishing returns on investment. In the absence of mandatory identification in each instance, there is a limit as to how effectively you can identify a person who is determined to remain undetected even though they have agreed it is in their own best interest and made a commitment to stop gaming. Regardless, great strides have been made through advances in technology, education, training and communications and I expect that incremental progress will continue to be made with a sustained effort to help these individuals.

RP: Technological advances and improved access to problem gambling support services have increasingly shaped the evolution of Self-Exclusion programs with a growing focus on Duty of Care expectations. In the past, casinos have struggled with enforcing Self-Exclusion programs using only a database of photos to help security and casino-floor staff identify patrons visiting the casino contrary to their Self-Exclusion agreements. Today, many casinos are equipped with an assortment of high-tech and reliable systems including facial recognition, licence plate recognition, automated player card alerts, and other technologies designed to enhance the casino's ability to identify patrons that enter the gaming facility while prohibited, and to expedite security response once identified. On-site access to responsible

gaming resources will also continue to shape the evolution of Self-Exclusion programs. The Responsible Gambling Council and Canadian Partnership for Responsible Gambling have partnered with several lottery corporations and casinos across the country to provide on-site resource centres, in-person and/or 24-hour telephone support, and other services that provide the public, problem gamblers, and those newly enrolling in a Self-Exclusion program with immediate and confidential on-site support or professional referral to external support providers.

RA: Responsible Gaming and Self Exclusions programs have advanced considerably over the years with the creation of national bodies to provide insight and guidance surrounding best practices. Also organizations now have the opportunity to achieve national and international accreditation which places a strong emphasis on self-exclusion programs. From my perspective, I see the industry eventually moving towards a better balance between the gaming facility's Duty of Care and the problem gambler assuming greater responsibility for their actions.

LV: We are looking to work closely with the leaders of the public health sector in the prevention and treatment of gambling to integrate and harmonize the existing services in public and private sectors, thereby avoiding duplication of services and aiming for more efficiency.

BS: Self- Exclusion programs continue to evolve. Many markets are looking at

ways to improve managing internal programs and processes. Technologies such as facial and licence plate recognition have shown some mixed results in providing additional safeguards for identifying those who may continue to game. One constant remains strong: Human intervention is still our best tool in identifying Self Exclusions within gaming properties. From well-trained Security and Surveillance teams to operational departments, slots, tables, cage and guest service positions, it's everyone's responsibility.

WHAT SPECIFIC ADVANTAGES OR BENEFITS CAN BE REALIZED THROUGH THE USE OF IMPROVED OR ADVANCED SECURITY AND SURVEILLANCE STRATEGIES?

GB: In the end, this is all about risk management. We have seen increasing recognition that security and surveillance functions are not just an operational and compliance resource, but represent a strategic resource that can have a significant impact on the mitigation of risks. In particular, the convergence of technologies has allowed for the integration and analysis of data on a real-time basis to better enable the early identification of patterns and trends requiring intervention to deal with organizational vulnerabilities.

RP: In today's land-based casino environment, which is often framed by increased competition, shrinking margins, and various economic challenges, an advanced strategic approach for many Security and Surveillance programs entails an assessment of how to maximize service and operational efficiency while at the same time minimize risk. Centralizing surveillance rooms, implementing enhanced biometric and access control technologies, and integrating databases for more efficient data analysis are just a few examples of how a strategic approach can result in greater support for the organization's business objectives.

RA: Considering that surveillance and many security operations are constantly faced with rapid technological change, it is imperative that these new systems have the ability for convergence into other areas of the gaming operations. Many facilities have several software systems in place that are stand alone and do not communicate with each other. With improved crossover abilities, surveillance and security systems are better able to integrate with the organizational software which allows for greater and easier access to valuable data for investigative purposes.

LV: We have to always question the value of every task being performed by the security and surveillance functions and concentrate on those tasks that will be valuable for the company in protecting customers and the bottom line.

BS: Security and Surveillance programs have evolved considerably in the last 10 years and most importantly in the last three to five years. Strong advances in departmental and business strategies have raised the bar for all involved. Old school Security and Surveillance operations are a thing of the past and like many gaming operations, expectations of performance and superior execution are high. Communication of best practices within the industry continues to ensure these departments are viewed as valued contributors to the overall operation.

SECURITY AND SURVEILLANCE PROGRAMS DO NOT GENERATE REVENUE AND ARE LABOUR INTENSIVE. HOW DO YOU ENSURE YOU ARE GETTING THE BEST VALUE OUT OF YOUR HUMAN RESOURCE INVESTMENTS?

GB: In general, you get what you measure and the key is to ensure you are setting the right objectives, measuring performance

against those objectives and recognizing success as well as working on the areas needing improvement. One area of particular note is that the uniformed security staff in land-based operations have evolved more than any other segment. There was a time when these officers were significantly underutilized and confined to the narrowest of parameters in the gaming security field. However, over the last several years we have witnessed great strides being made in terms of the setting of standards and training with regard to the safety and security aspects of their jobs, as well as recognition that with the proper training and support they can make a major contribution to customer service as one of the more visible and accessible representatives of the facility. The measurement of progress in this regard has been a strong indicator that this approach can be very effective.

RP: Although Security and Surveillance programs do not "generate revenue" in the traditional sense, they do play a key role in "protecting revenues" and reducing revenue losses in a variety of ways. Providing an environment where customers feel safe patronizing the gaming facility is one such example. When customers do not feel safe or protected, they do not visit the facility, do not spend money and do not generate revenue. IT Security and Surveillance programs provide a similar foundation for public safety and confidence in the world of on-line gaming. In land-based casinos, particularly those with table games, theft (internal or external), cheat tactics, and various forms of advantaged play all present significant risks for asset protection and securing revenues. Security and Surveillance programs go a long way in minimizing such risks. Focusing on customer safety and service, incident response times, and the detection/prevention of criminal activity are just some of the ways we assess the value of our Security and Surveillance human resources.

RA: I believe that surveillance employees and the function of surveillance is not only gaming integrity and asset protection (guests, employees, money) but they are also an extension of the Internal Control or Internal Audit department. By allowing employees access to the wide range of databases and to train them in investigating financial or other irregularities, they become even more of a valuable asset to the company and their function is crucial to maintaining high standards and accountability within the organization.

LV: One example is that there is an emerging situation with people being able to use their smart phones to capture images inside the casino. This points to a need for strong policies and procedures to be implemented and transmitted through the entire organization. We ensure that our staff receive the proper training and support to respond to this developing risk.

BS: In today's very competitive gaming environment, many Security and Surveillance operations have been challenged to do more. Adding value to the organization is no longer an option for many. The relationship structure within gaming operations has improved considerably. One example of this is how Surveillance teams have evolved from a regulated and or compliance function to a respected support function for the rest of the casino. Many Surveillance teams support gaming operations with more than an eye for compliance. Through normal duties and processes, departments have been able to share valuable information with regard to the gaming operation as a whole. This has led to a significant shift in viewing this function from a cost department to a value-added area.

EMERGING TECHNOLOGIES HAVE HAD A SIGNIFICANT IMPACT ON THE PROVISION OF SECURITY AND SURVEILLANCE SERVICES. HOW DO YOU ENSURE OPERATIONAL EFFECTIVENESS CONTINUES TO BE ENHANCED WHILE ENSURING THE PROTECTION OF PRIVACY SAFEGUARDS ARE IN PLACE?

GB: The transition from analog to digital technologies has essentially transformed the underlying infrastructure of security and surveillance systems over the past decade. This transition has greatly increased the capability of these systems, but at the same time highlighted the requirement for appropriate safeguards to ensure the protection of privacy. The time to address this requirement is at the design and development stage in order that they can be built in. Internally, privacy issues have become a major component in the governance of these projects. Externally, it has become common to consult and involve the offices of the Privacy Commissioner in the respective jurisdictions regarding matters of particular complexity, such as facial recognition.

RP: The protection of personal information and compliance with federal or provincial privacy legislation is a key component in Security and Surveillance systems today. Some Security/Surveillance systems are integrated with other customer databases or systems within the gaming facility. This integration gives rise to additional challenges around privacy. Having a robust IT Security program along with a comprehensive compliance regime that places privacy protection as a key priority is an essential safeguard in the successful implementation of new technologies. Choosing credible system suppliers, ideally registered with a regulatory body and knowledgeable about privacy requirements, is another important safeguard while ensuring operational effectiveness.

RA: It is incumbent that all organizations research and test new and emerging technologies for their impact on provincial or federal privacy legislation. This applies to any department that would collect player data, surveillance information (video) AML reporting, along with Responsible Gaming player information. Legal departments within gaming organizations must play an active role in providing privacy opinions and addressing concerns prior to the purchase or implementation of such technologies.

LV: Surveillance technologies have evolved so that we now have access to a larger

spectrum of software and video quality. This has improved the quality of the response that surveillance departments can give to other sectors without being as time consuming as it used to be.

BS: The ability to balance new technologies and privacy concerns within Security and Surveillance operations is an ongoing function within many organizations. All employees within organizations should receive training on and are accountable to its policies and practices. From Compliance Plan Requirements to Privacy Policies to Code of Ethics policies, all team members must be aware. Many organizations review product and service prior to implementing new technologies with an eye on Compliance and Privacy. ■

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