

**Testimony of Edward C. Taylor, President, Sportech Venues Inc., New Haven,
Connecticut**

Informational Hearing on Gaming

February 23, 2017

Senator Larson, Senator Guglielmo, Representative Verrengia and distinguished members of the Committee, I am Ted Taylor, President of Sportech Venues, based in New Haven. Sitting with me is Frank Chesky, General Counsel for Sportech Venues.

Sportech is a UK based publicly traded sports and entertainment company with a global platform of gaming systems operating in dozens of countries round the world. We also own the exclusive license for pari-mutuel gaming in Connecticut where we operate the off-track betting system in 14 municipalities throughout the state.

We purchased the company in 2011 and have since made substantial investments in our properties spending more than \$20 million to revitalize what was a tired business and therefore guarantee its future. We employ almost 400 people in Connecticut; have relocated our US headquarters to New Haven, where we also oversee the operations of a number of businesses in other states and the legal and financial aspects of our businesses throughout the world.

We are continuing to invest in state and will be opening two new locations – a small one in Windham and a huge one in Stamford – within the next couple of months, with another expected to open before the end of year.

These are all substantial investments and demonstrate our desire to continue growing our business to the benefit of Sportech with the obvious benefits to the state. We are a good neighbor, and corporate citizen, everywhere we operate.

Apart from Mohegan and Foxwoods casinos we are the only other licensed operator with gaming properties in the Connecticut and, as such, we have a keen interest in any discussion around the expansion of gaming – because any changes will have a direct impact on us.

I also have a duty to grow our business and protect our employees and, whilst the gaming environment is changing rapidly, with significant competition from multiple sources, our efforts are having a positive effect. However, it is clear that we need to take a careful, educated, and long term view of this changing gaming environment.

We have to consider the state finances, its residents, our business, casino gaming, fantasy sports, sports betting and the considerable volumes of illegal gaming that currently divert money out of state without taxation, regulation, or any protection of customers whatsoever.

When MGM won the right to develop a casino in Springfield – only 12 miles from our operation in Windsor Locks, a stones-throw from Bradley Airport – we realized it would have a major impact. As a result, we decided to significantly upgrade that property, and invested more than 4 million dollars to give it the best chance possible of competing with MGM.

That investment is paying off - it was the right thing to do in the face of fair competition. However, another casino - such as the one proposed only 3 or 4 miles away - will have a devastating impact on our businesses in Northern Connecticut - and our profitability and employee numbers throughout the state.

We recognize the needs of the Tribes to protect their own businesses and employees, and also the importance of the revenues they drive for Connecticut in challenging times - but our business being destroyed as a casualty of a process that we have been excluded from is unpalatable.

In summary, I'd like to reiterate that whilst we are a comparatively small company, we've made great efforts in Connecticut over the last few years - the legislature should recognize our business and employees are also important and ensure that, when considering the "expanded gaming" issue, we are treated fairly and equally, rather than excluded and destroyed by the process.

Thank you for your time and consideration of my testimony.