

## Skill Based Games Coming to Las Vegas

by Michael Vanaskie

After much speculation, publicity, and vacillation, it appears that Las Vegas gamers will finally have the ability to gamble on skill based games. Don't expect there to be a mass exodus of traditional gaming machines, however. The introduction of skill based games on Las Vegas gaming floors is likely to be very slow and measured.

In September, the Nevada Gaming Commission approved regulation changes governing skill based and arcade-like features on slot machines. While gaming equipment manufacturers have been developing skill based games and there has been continued hype around the category for some time, the regulation approval makes the pending introduction of skill based games official.

On the regulatory side, there appears to be overwhelming support for the new category of games, at least in Las Vegas. Speaking on behalf of the Gaming Commission, Gaming Commission Chairman Tony Alamo Jr. was recently quoted in the Las Vegas Review Journal saying, "These regulations... you had me at hello." Alamo continues, "They really touched a personal note to me."

On the operator side, news has been relatively quiet since the approval of the regulation. Fifth Street Gaming appears to be one of the few, publicly announced, early adopters of the new technology. In 2015, Fifth Street expressed their intent to offer skill based slot machines at its Downtown Grand casino in Las Vegas as early as January of this year. While the company has yet to roll out the new games, it is likely that visitors will see them on Downtown Grand's floor before the end of 2016. According to the company's chairman, Seth Schorr, Downtown Grand has deals with Gamblit Gaming and GameCo to supply the casino's first skill based games<sup>1</sup>. The games may be offered on a non-gambling feature to allow regulators to approve the actual products and allow customers to gain experience with the product.

On the gaming equipment manufacturer side, as mentioned above, Gamblit and GameCo have been the first manufacturers to be mentioned publicly in a supply deal. Both Gamblit and GameCo are relatively new equipment manufacturers focused on developing skill based games. While the first iteration of the skill based machines placed on gaming floors will likely be a typical slot machine that includes a bonus round requiring some type of skill, these manufacturers have developed games outside of this scope. For example, in the case of Gamblit, the company's website lists "Lucky Words" as one of its current game offerings. This game is similar to Scrabble® or Words With Friends® with the ability to place bets within the game. In the case of GameCo., the company recently issued a press release that states the company has created the "world's first video game gambling machines." The press release further states that "GameCo's proprietary arcade-style cabinets utilize a patent-pending system that balance player skill with proprietary game design to deliver single player games, while maintaining the same house return to players as traditional slot machines."

Throughout all of the developments surrounding skill based games, the impetus has remained the same—developing gaming machines that will attract millennial gamers. It remains to be seen whether or not these games will, in fact, attract a new generation of gamers. Until a conclusion can be reached, it appears the speculation, publicity, and vacillation encompassing skill based games will continue.

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<sup>1</sup> <http://www.reviewjournal.com/opinion/columns-blogs/inside-gaming/downtown-grands-new-motto-we-want-gamblers>