

## Statement of Bryan F. Stroh Senior Vice President, Business Affairs and General Counsel, Pittsburgh Pirates Before the House Gaming Oversight Committee Representative Jim Marshall, Chairman

March 24, 2019

Chairman Marshall and members of the Committee, on behalf of our owner Robert Nutting, our team President Frank Coonelly, Senior Vice President of Community & Public Affairs Patty Salerno, the entire Pittsburgh Pirates organization and Pirates Charities, I would like to thank the Committee for allowing me to speak with you today. My name is Bryan Stroh and I am Senior Vice President, Business Affairs and General Counsel of the Pittsburgh Pirates. I also serve as the Assistant Secretary for Pirates Charities.

When asked why we do what we do, people who work for the Pirates like to say "To Work Together to Change Lives through Pirates Baseball." Some might say this is inspirational, some might say audacious. But there can be no question that funds raised by our Pirates Charities 50/50 Raffle have positively affected lives across our state, country, and world. These funds have built baseball fields in Beaver County, they have helped educate young people the Dominican Republic, and they have been used to support Veterans leadership programs back home in the City of Pittsburgh.

The Pirates are proud to have been a part of the legislative process that led to the changes in the Small Games of Chance Act which in turn led to the first 50/50 Raffles in the state of Pennsylvania back in 2013. Since then, raffles at PNC Park have raised nearly **\$4 million** for numerous charitable organizations and causes. In 2018 alone, we completed over 77,000 separate 50/50 Raffle transactions and raised over \$400,000 for Pirates Charities and other local charities. On some nights, Pirates Charities donates 50/50 Raffle proceeds directly to a designated charitable organization announced during the game. For example, during our "Military Thursday" games last year, each 50/50 Raffle went to an organization supporting veterans, such as It's About the Warrior, Heroes Supporting Heroes, Operation Troop Appreciation, and Defenders of Freedom Pittsburgh. On other nights, Pirates Charities uses 50/50 Raffle proceeds for various ongoing charitable activities such as supporting youth baseball, education programs for underserved youth, and cancer research and support groups. In fact, 50/50 Raffle accounted for nearly 40% of all funds raised by Pirates Charities during 2018.

Just as we were proud to help introduce 50/50 raffles in 2013, we are now proud to be a part of this effort to help expand the impact of 50/50 raffles by allowing fans to use their credit and debit cards



when purchasing Raffle tickets. The 50/50 Raffle at Pirates games has become an integral part to many of our fans' game day experience. Many fans are consistent, repeat customers and they buy from the same seller in the same location each night. Many fans tell us that the 50/50 raffle is their most dedicated and consistent form of charitable giving, and provides them a convenient way to give when they might not otherwise take the time to research causes and give on their own. In sum, our 50/50 Raffle helps create a culture of giving at PNC Park in which we are literally partnering with our fans on a nightly basis to improve our shared community together.

We believe allowing the use of credit and debit cards will help grow this culture of giving and broaden the impact on our 50/50 Raffle, both in terms of increasing the total amount raised and expanding the pool of participants.

**<u>First</u>**, and most broadly, the Pirates want to make it as easy as possible for all of our fans to join us in donating to charity on a nightly basis. As the habits of our fans evolve, and as certain of our fans, often our younger fans, live their lives with very little or no cash, we do not want the decision about participating in the 50/50 raffle to be driven by the type of funds which are accepted.

Second, one of our goals as an organization is to listen to our fans and respond to their suggestions. Our 50/50 participants consistently tell us that they wish they could use credit and debit cards to purchase 50/50 tickets. They tell us that this is not only because doing so would allow them to not carry cash or as much cash, but because our fans have come to expect that they will be able to use their credit and debit cards across PNC Park. Fans can use a credit or debit card for every other type of transaction in every other location at PNC Park — to purchase game tickets, food and beverages, and Pirates merchandise. Allowing fans to purchase their 50/50 tickets with a credit or debit card would create consistency across our Ballpark and ensure that we never exclude a fan who wants to participate in the Raffle, but who does not happen to have cash on them.

Third, we have been informed from our colleagues in other states that limiting sales to cash payments also limits the amount some fans spend on 50/50 raffle tickets. Most teams that accept credit cards see an increase of between 30-50% per transaction when fans purchase by card as opposed to cash. At the end of the day, this is more money the Pirates and our charitable partners can use for building fields, educating disadvantaged youth, and empowering veterans.

Taken together, we believe that we will be able to impact more lives and impact those lives with greater depth if we were able to accept credit and debit cards with our 50/50 raffles. We believe



this amendment will help grow the culture of giving at PNC Park, and help the Pirates and our fans change lives for the better.

Thank you very much for the time and opportunity.