When it comes to new business ventures in gaming, no one likes to be in the dark. This is even truer in the rapidly evolving sports betting and i-gaming markets in the U.S. and Latin America, both of which are facing tremendous growth and opportunities.

We know our industry partners can’t afford to be in the dark as it relates to regulations permitting sports betting and i-gaming. Specific to the U.S., there are 14 states where sports betting is legal and live; more than seven states where it is legal, but not yet operational; and more than 21 states actively working through legislation. In addition to this, key markets in Latin America are actively operating within these opportunities. With this level of activity, it quickly becomes clear a regulatory and technical compass is vital.

Since 1989 our mission at GLI has been to help shed light on what will help regulators, operators and software suppliers succeed and grow. We are passionate about providing insights around regulatory compliance, testing and certification to help bridge the gap as innovation continues to disrupt the industry, especially in new and emerging growth markets.

The decision to participate in the growing sports betting and i-gaming markets is a simple one in theory. Let’s look at some of these questions, each of which GLI can help guide you through.

• **Jurisdiction(s):** Which jurisdictions do you want to enter in the short-term? Which jurisdictions will be on the medium- to long-term future roadmap? And why? What forms of gaming and delivery mediums are currently permitted in your state, and which forms are on the horizon? Identifying a plan early on with GLI can mean the difference between realizing revenue earlier on, rather than much further down the road.

• **Technical standards:** Does the jurisdiction you are looking to deploy in have their own technical standard(s) published? If so, where can those be accessed? Or, do they accept GLI or other industry standards? And if so, where can those be accessed? Given your deployment plans and current state of software/hardware, which elements of those standards are most important to focus on first?

   GLI knew early on that as the North American i-gaming landscape began to take shape, stakeholders from emerging markets would benefit from standardization of technical requirements for interactive gaming systems. In response, GLI published the industry landmark “GLI-19 Interactive Gaming Systems” standard, formulated and adopted for the online and interactive gaming industry. Post-PASPA repeal, GLI spent many months methodically formulating the industry landmark “GLI-33: Event Wagering Systems” standard, a clear and cohesive technical standard for sports/event wagering systems designed to help regulate and/or implement legal wagering on sports and other events. Upon release of GLI-33, several regulatory bodies and industry experts immediately adopted and/or endorsed the new standard.

   These technical standards represent the most highly developed set of technical requirements and practices available for i-gaming and sports/event wagering systems designed to help regulate and/or implement legal wagering on sports and other events. Upon release of GLI-33, several regulatory bodies and industry experts immediately adopted and/or endorsed the new standard.

   • **Product offerings and delivery channels:** One of the most pivotal questions to consider early on is, what specific products are critical to certify first. Which sports and events will the system integrate and support? Will racing and/or parimutuel be included?
Further, which delivery channels do you wish to deploy first, and why? Is it because you have a fully-developed product for the retail/cashier driven market but don’t have an online- or mobile-based partner or product developed yet? Is your plan to eventually also offer self-service betting terminals (SSBTs) or kiosks? Will you offer an in-venue wireless product within the bricks-and-mortar environments, and if so, will it be developed internally, or will you partner with another company in the market? This information is critical to planning as well as leveraging the previous testing we have done for your partner(s).

- **Cybersecurity:** Has your organization undergone any sort of independent cybersecurity audits or assessments? If so, for what markets or standards? Each jurisdiction has varying levels of necessary security audit; it’s important to ensure that security is not an afterthought as part of the deployment plans.

Will a physical security audit be necessary, or will remote penetration testing and vulnerability analysis suffice? Will an audit of wagering procedures and practices, as well as technical security controls, be required? If so, our cybersecurity arm, Bulletproof, can perform the operational audits for sportsbook operation procedures, practices, and technical security controls that involve confirmation of requirements. Some states will require an audit prior to going live, some will allow the audit to take place within a specified period of go-live (e.g., 90 days).

Knowing all the above and having GLI/Bulletproof able to support you throughout the process for compliance will help ensure no last-minute hiccups are experienced that derail the go-live goals everyone has worked so hard to meet.

- **Go-live goals:** It’s important to evaluate your testing and auditing timelines prior to beginning a project. Is it before March Madness? The next Super Bowl, basketball or baseball season? Understanding timelines, as well as partnerships, jurisdictions and products enables us to suggest the most efficient path for pre-deployment testing and certification.

- **Geolocation:** In some cases, you do not necessarily need to be a resident of a state to place a bet, but you must be located in the state at the time you bet. Ensuring systems only accept wagers from within the jurisdictional boundaries (for online and mobile offerings), or within the boundaries of a physical premises (for in-venue wireless offerings) is vitally important—not only to regulators responsible for regulation and enforcement, but also for operators looking to ensure they operate within the responsibilities of their licenses.

To prevent delays to your go-live date, it is key that these situations are proactively factored into the critical path and deployment schedule within particular states. GLI routinely offers this type of testing both remotely and in-state and will help explain the requirements and testing process well ahead of time with each stakeholder.

- **Post deployment updates:** Almost immediately post-deployment, systems and software personnel will want to implement updates, enhancements and new technologies. Ensuring responsible implementation of each change can be stressful for everyone involved—in particular, the software supplier wanting to make the changes, the operator eager to implement them, and the regulator ensuring they are done in accordance with legislative and jurisdictional requirements. This is amplified when a single change request impacts an operator or supplier’s deployment across multiple active states. A hold-up in one jurisdiction has a ripple effect on other jurisdictions causing the degradation of product and performance success, end-user experience or, worse yet, impacting security.

**MANAGING CHANGE**

Leveraging three decades of knowledge and gaming industry insight, as well as a thorough review of global best practices, GLI reacted to industry needs, releasing a draft of the “GLI Change Management Guide (CMG)” standard in February for industrywide comment. With the goal of leveraging collaboration to advance the industry, the CMG seeks innovation through different testing and verification methods/strategies. GLI took on a complex challenge: developing a change management process (CMP) that ensured consistent regulatory oversight was maintained under a modern compliance program, simultaneously allowing for continuous market delivery and agile development. Similar practices would be employed for complex systems operated online or with widely diverse platforms. The CMP would need to extend enforcement of proper regulatory oversight and governance while modernizing the approach to the regulatory compliance process to meet the demands of today’s new technology offerings. The goal of the draft guide is not to remove oversight and testing from the process, but instead to ensure a safe and stable gaming environment with the latest operational features, similar to what one would find in parallel industries.

The purpose of the guide is to provide a framework of consistent and uniform criteria for the industry with regard to the implementation of a CMP; this would allow for growth, innovation and cost-efficiency in the development process, rivaling non-gambling industries. Through this process, the focus would successfully remain on the protection of integrity in gaming and trust in all good-faith institutions under the existing regulatory oversight architecture.

The CMP clarifies the following for licensed operators, their technology providers and independent test laboratories:

- **Minimum criteria for the development of an official policy on change management at an organizational level;**
- **Guidelines for implementation and operation under a change management program (CMP); and**
- **Minimum uniform procedures, format, and archival requirements all information to be captured by the CMP.**

The publication of GLIs draft guide is just the first step in GLIs goal of supporting new players, client innovation teams and regulators as we navigate the future of the gaming industry, together. As you look to navigate all the potential opportunities before you in sports betting, i-gaming and any other form of gaming you may consider, we invite you to think of GLI as a part of your solution. **SBM**

![Salim Adatia](https://example.com/salim-adatia.jpg)

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