

https://www.princewilliamtimes.com/news/skill-based-slot-machines-put-vegas-at-the-corner-bar/article_c817aef0-50bd-11e9-aaa0-e79c2b5a8050.html

Skill-based slot machines put Vegas at the corner bar

By Emily Holter and Benjamin West Capital News Service Mar 27, 2019



Queen of Virginia skill machines at New York Deli in Carytown.

Photo by Benjamin West

RICHMOND — It sits a few blocks from the bustle of Carytown, under a deep blue awning and the gaze of its mascot — a sunburnt moose holding up a pint with a cocked, toothy smile.

When City Beach is nearly empty, the bar is vast and echoey. It appears to defy physics, a deeper space than the building should be able to handle when viewed from the street.

Past the smokers planted on the front patio and just through the doors stands a little room on the left. When occupied, the room can be loud, with an onslaught of clashing, out-of-time electronic sound effects from four bulky machines. Hands come down hard on buttons, and people yell to each other in frustration — or joy when they win a jackpot.

From the spinning wheels and the colorful cartoon images on the screens to the hands pulling out wallets and feeding in 10s, 20s or even \$50 bills, the room looks like a miniature Las Vegas.

The machines look, sound, feel and act like slot machines, which are against the law in Virginia. But these devices are called “skill machines” on grounds that they’re not based entirely on chance. For the present moment, skill machines are 100 percent legal, and they’re popping up all over the commonwealth.

Besides the touch screen, each skill machine boasts two big buttons — easy to press, easy to slam: “Play” and “Ticket.” These let the player spin or cash out.

In the little room, a man named Pierce sat slightly slouched back at the closest machine to the doorway. He declined to give his last name. Batting his hand at the play button as he spoke, his attention stayed trained on the game.

Gambling isn’t new to Pierce. His mother is “a slot grinder,” and his stepfather has skill machines in the Pennsylvania bars he operates.

“So I’ve been playing these for years,” Pierce said.

At this point, Pierce’s machine said he was at \$95. He had put in \$45 to begin and had been as high as \$160, but the “Ticket” button sat unpressed as Pierce kept testing his luck — or skill, depending on your point of view.

He was playing a game called “Pirates” — his favorite on this machine. Different games have different themes, sounds and cartoon garnishes, but in essence, they all are similar: They are all variations on tic-tac-toe, meaning a certain image has to connect across all three rows, for the player to win.

Bets range from 40 cents to \$4. The higher the bet, the higher the payout.

Players are presented a set of three-by-three rows and the goal of making a pattern like tic-tac-toe. Each play costs a bet and spins the rows. The hope is to line up at least two of the same images because once the spin is over, you can place a “wild” anywhere on the board to finish the row.

“So here’s another thing about this game,” Pierce said. “You can hit ‘next puzzle’ and see if the next one’s a winner or not.”

The “next puzzle” option feels like a cheat code to some players, and yes, it’s as straightforward as it sounds. At any point, a player can see the results of their next spin, whether they’ll win thousands of dollars or absolutely nothing. Knowing the next puzzle can help players make their decision: pull out or keep playing. But ultimately, the “next puzzle” is only second in an endless line of puzzles, and many players are keenly aware of this caveat. So they keep betting to see what might be around the corner.

This extra piece of information is the argument for why the machines should be called skill machines and not slot machines. It’s why people like Pierce can step into a bar any night of the week and risk some of their cash in hopes of hitting it big.

Short of hitting a jackpot by lining up the three cartoon tiles assigned to the most money, players tend to hope for a “bonus” win. These are specialty tiles that often specifically say “bonus” on them. They can give the player extra spins or queue a simple minigame, such as opening virtual suitcases or spinning a wheel.

Players’ reactions reveal that these types of wins are exciting, and it’s easy to see why. They are much more attainable than the standard jackpot win, but they can still draw some serious money.

After a few minutes, Pierce hit a bonus, giving him 10 extra automatic spins.

“Oh, look!” he yelled, jumping out of his seat to call down the hallway. “Let’s go, we got the big bonus!”

The rows started spinning rapidly, possessed, and people in the room gathered to watch over Pierce’s shoulder.

Pierce excitedly circled the ice in his drink and yelled a few more times, but as the spins started to run out, he calmed down.

“Ah, it’s not going to be anything crazy, man,” he said, with a tinge of disappointment.

The bonus spins depleted, numbers flew to the center of the screen to calculate the winnings: \$50, putting Pierce’s overall money in play at \$136 and some change.

“I put \$45 in. If I cash out now, I’m up \$90,” he estimated.

Pierce tapped around on the screen, checking the next puzzle for the bet amount he was playing on. Nothing. Eventually, he pressed the “Ticket” button, and the machine discharged a warm, freshly printed receipt, which Pierce took to the bar and traded for cash.

Soon, somebody else sat at Pierce’s machine. Sure, Pierce had made money, but he hadn’t hit the jackpot. The amount, thousands of dollars, taunted from the screen. It was still anybody’s game.

The legal and corporate perspective

Currently, gambling is restricted in Virginia. State law allows betting on horse races at licensed locations, and charitable gaming, such as a limited number of bingo games and raffles that benefit nonprofit groups.

During the General Assembly’s 2019 session, legislators introduced bills to legalize casinos, authorize sports betting and expand charitable gaming. Most of those proposals failed.

However, skill machines fall into a legal loophole, allowing bars and other establishments to install — and profit from — the devices.

Queen of Virginia Skill & Entertainment, the company that makes the skill machines used in Virginia, says its devices aren’t illegal because there’s an element of skill.



One of the many skill machines at Buffalo Wild Wings on West Broad Street, a popular location for the playing community.

Photo by Benjamin West

“Our machines’ software take out that element of chance and add skill because, based on the player, they can actually win more money than they put in every single time they play our game,” said Kevin Anderson, the director of compliance for Queen of Virginia Skill and a former enforcement agent for the Virginia Alcoholic Beverage Control Authority.

The software originated in Pennsylvania, where it went through several court systems, Anderson said. He said Queen of Virginia Skill machines are the only ones checked by a government entity.

Attorney General Mark Herring has not filed a complaint against the skill machines. A spokesperson for his office said Herring will let each jurisdiction decide whether to allow the machines.

“We have our games in almost all jurisdictions in Virginia,” Anderson said. He said the machines are located only in ABC-licensed facilities. That would include bars, restaurants that serve alcohol and gas stations that sell beer and wine.

Anderson said that Queen of Virginia Skill asked the ABC to examine its machines and software and that the agency gave a favorable review.

Officials at the Virginia Lottery also weighed in, saying they are not worried about skill machines. However, when asked whether the machines are legal, they declined to comment.

“We were watching closely as they appeared across the state,” said Virginia Lottery spokeswoman Jennifer Mullen. “As of now, we have no concerns.”

This spring, the Virginia Lottery is adding a feature to its app to allow consumers to play lottery-type games through their phones at any retail location in which they connect through a Bluetooth connection, Mullen said.

Trent Hazelwood, a server at New York Deli and a casual skill machine player, said he believes the new lottery app was designed to compete with the skill machines; however, the Virginia Lottery said there is no correlation.

For restaurants and bars, skill machines can provide a new revenue stream. The hosting businesses keep 40 percent of the money that the machines take in. Thirty percent of the revenue goes to the companies in charge of distributing and maintaining the machines, and 30 percent goes to Queen of Virginia Skill & Entertainment.

The personal perspective on skill machines

According to Brice Slack, general manager at Buffalo Wild Wings on West Broad Street in Henrico County, a community has emerged among skill machine players who move from place to place, hoping to hit a jackpot.

“There’s regulars amongst the Queen machine community that kind of hop from establishment to establishment,” Slack said.

Slack doesn’t believe players will have much luck trying to outsmart the machines.

“It is just a series of spins,” Slack said.

In theory, industry officials say, skillful players should be able to win on any machine equally. It’s the distinction that makes the machines legal and popular.

“Players can WIN every time based on skill & not chance,” Queen of Virginia Skill & Entertainment says in a bulleted entry on its website.

But some people who work with the machines daily aren’t convinced.

“Is it really skill? Not really, no. It’s still chance either way,” said Miles Murdock, a server at New York Deli.

Working just a few feet from his restaurant’s machines, Murdock said he is a frequent player. He even remembers the day they appeared at his workplace. He said his boss framed them as a surprise, a gift of sorts to the employees.

Unlike some of his customers, Murdock plays with extra money — his tips — and he views the skill machines as entertainment. The machines aren’t paying his rent or buying his groceries. They’re just for fun, he said.

“We get a lot of people in here who see it as pretty much a revenue source,” Murdock said. “I’d rather just take the money I earn and count on a sure thing.”

But then again, Murdock said some people are much luckier than he is. They come in, win big and often, and have their own little rituals to keep the money flowing, he said.

Hazelwood, Murdock's coworker, offered an example.

"I'm just going to tell you about this one guy," Hazelwood said. "He pushes the buttons a certain way. He taps the screen a certain way. And he is convinced that, like, the way that he taps the button or presses the screen means that it will trigger something."

At City Beach, Pierce, too, has a ritual: He said he won't put even dollar amounts into the machines. If he wants to risk about \$100, he said, "I'll put in \$105."

The community of skill machine players can take the game very seriously. At first, some businesses worried about hosting such activities in establishments that serve alcohol. But local businesses have had few problems with skill machine patrons.

"Drunk people and gambling, there's no way that this can end well," Murdock remembered thinking when the machines arrived at New York Deli. "However, I was proven wrong."

Murdock said he occasionally finds parents letting their kids play, which he immediately prohibits — "Participants must be at least 18," notes a bold, red screensaver as customers sit down to play. Once, a patron told Murdock the machine ate their money.

"Beyond that, we've had no problems," he said. "No disruptive customers."

Hazelwood described the machines as a "loophole in the law," and Slack called them "a gray area."

Virginia has shown reluctance to fully embrace gambling. But at least for these skill machines, those populating bars and restaurants — the servers, managers and people sitting down to play with a drink in their hands — are showing less reluctance.