

March 17, 2025

Dear Chairman Klemin and members of the committee,

My name is Craig Valnes. I am the lead customer service/tech support agent for the Bismarck arm of FPN Gaming. Our company has been licensed as a distributor in ND for 16 years and we currently employ 16 full time individuals with warehouses in Bismarck, Fargo and Devils Lake. I am writing this testimony today to urge you to vote NO on SB 2384!

This bill in its original form, as proposed by Senator Cory, sought to undermine the hard work of the distributors of ND by allowing the manufacturers to sell directly to charities. Please keep in mind that these manufacturers were only asking to sell etabs! They didn't care about the other products necessary for the charities of ND to present a good product to their customers such as paper products, bingo supplies, blackjack tables, etc. They sought only the ability to sell what could easily increase their profit margins and line their out of state pockets!

When it became apparent to them that the bill was not going to go through in its original form, they have now asked for the ability to contact charities directly for the purpose of maintaining and repairing the etab machines. This completely undermines the business model of the distributor and is simply a baby steps approach to getting what they want! It directly attacks the one thing that we pride ourselves on and that is the service of our customers! Service has always been our number one priority and in a very competitive market place, it's the one thing that can distinguish one distributor from another.

Senator Cory claims that this bill was written because several charities were having problems getting their machines serviced from their distributor. I would like to point out 2 things in regards to her statement:

- 1) There is already a system in place for these charities to get their machines serviced. Most charities contact their distributor directly but they may directly contact the manufacturer's customer service line for help as well. Almost all issues can be solved remotely. When service is needed the manufacturer reaches out to the distributor and the distributor dispatches someone to fix the machine. If the distributor is not doing its job and the charity is unhappy in any way, that charity can change which distributor it is using at any time!
- 2) If that statement is true, then why has NOT ONE single charity stood up in favor of this bill. In fact, there is testimony from several charities including the likes of Janelle Mitzel from Development Homes, Inc in Grand Forks, Don Santer the CEO of NDAD in Grand Forks and more as well as several manufacturers themselves that have all said they do not want SB 2384 to pass!

In closing, it is through the hard work and dedication of the distributors of ND that have helped the charities of ND increase their revenues through etab gaming. Without the trust of these charities, we would not be able to do the work that we enjoy so much! Please do not allow

these BIG out of state corporate entities to change the way we do business and threaten the jobs of hard working North Dakotans! Vote No on SB 2384!

Sincerely,

Craig Valnes  
Lead Tech Support/Customer Service  
FPN Gaming