

**OPERATOR  
COMMENTS**

*“We are not staying relevant. Without good equipment (video/pin) the locations don’t need us (they can buy their own pool tables). TouchTunes has been great; BBH Pro is awesome but we need more than one hit at a time for bars. I have nothing to switch in/out for BBH Pro. I am shrinking my route. Slow locations are dropped or get little or no commission. Fuel, insurance, and other expenses have risen so far so fast that I am deducting \$2 per week per game from location split. Most don’t like it but understand. The 50/50/60/40 split does not work anymore. We provide a service and we should be compensated.”*

# General Business

**14. In the past 12 months how have the following fared:**

	2006	2005	2004	2003	2002
<b>COMPETITION</b>					
Increased	28%	23%	26%	28%	26%
Decreased	21%	20%	20%	17%	26%
Unchanged	51%	27%	54%	55%	48%
<b>LOCAL ECONOMY</b>					
Increased	32%	20%	15%	14%	3%
Decreased	35%	53%	57%	61%	77%
Unchanged	33%	27%	28%	25%	20%
<b>YOUR BUSINESS</b>					
Increased	26%	30%	31%	36%	22%
Decreased	46%	49%	42%	42%	52%
Unchanged	28%	21%	27%	22%	27%

**15. Are you a member of any associations?**

	2006	2005	2004	2003	2002
Yes	70%	66%	72%	74%	70%

NOTE: Of those who indicated that they belong to one or more associations, 86%% named AMOA; 10% NBVA; 37% their state association; 7% IALEI; 4% NAMA; and 7% IAAPA. Other associations mentioned: CMIA and ILTA.

**16. Are your local legislators sensitive to coin-op industry issues?**

	2006	2005	2004
Yes	23%	33%	37%

**17. Who do you rely on for your equipment financing?**

Banks	38%
Firestone Financial	17%
Finance myself	17%
Distributor	13%
Other	15%*

\* (included leasing companies, credit cards, personal friends)

**18. Is the distributors’ role in the industry diminishing?**

	2006	2005	2004	2003	2002
Yes	43%	51%	40%	41%	57%
No	29%	24%	29%	33%	20%
Unsure	28%	25%	30%	26%	23%

NOTE: In the not so distant past operators depended primarily on their distributor to finance equipment. However, if you look at the previous question you’ll notice that a mere 13% of operators are using their distributors to finance equipment. Firestone Financial has been working with many industry manufacturers to offer favorable terms to operators and it seems many are taking advantage of Firestone’s industry knowledge and experience.

**19. Are you utilizing any type of online tournament or contest?**

	2006	2005	2004	2003	2002
Yes	45%	33%	42%	49%	30%

NOTE: Of those who are utilizing online tournaments they cited Incredible Technologies, Merit, and Global VR. The really good part about this is that 36% more operators indicated that they are trying online tournaments, 33% last year and 45% this time! Manufacturers are offering lots of options for operators to run tournaments and contests so we’re glad to see so many taking advantage of these opportunities.

**20. How do you plan for your new game purchases?**

	2006	2005	2004	2003	2002
<b>Dollar amount (average)</b>					
(3% of operators)	\$100,000	\$102,000	\$90,000	\$100,000	\$146,000
<b>Percent of Gross (average)</b>					
(10% of operators)	40%	19%	20%	20%	19%
Buy equipment as needed	87%	62%	66%	52%	46%

NOTE: The largest number of operators are buying equipment as needed; no real plan. That leaves 13% who have a plan; 10% who dedicate 40% average of their revenue for new games and just 3%