



State of Louisiana

Gaming Control Board

M. J. "MIKE" FOSTER, JR.
GOVERNOR

HILLARY J. CRAIN
CHAIRMAN

DECISION OF THE LOUISIANA GAMING CONTROL BOARD

IN RE: JOM, INC. d/b/a CHIPCO INTERNATIONAL NO. I026500878

This is an appeal by the Louisiana State Police Casino Gaming Division (Division) from the decision of the Hearing Officer reversing the Division's denial of State Certification to JOM, Inc. d/b/a Chipco International (Chipco). Chipco seeks state certification as a gaming vendor.

The application for state certification was submitted on October 11, 2000. By letter dated January 23, 2001, the Division notified Chipco of the denial.¹

Trooper Hal Hutchinson, the investigating officer, stated that the application submitted by Chipco on October 11, 2000 was 60% to 70% complete; approximately 30% to 40% was either "incomplete or just didn't make sense." He spoke to a Ms. Libby, the contact person for Chipco, twice and wrote two letters to John Kendall or Chipco through John Kendall and also corresponded with Richard Kendall in attempts to either obtain complete information or to obtain updated information regarding this application.

¹ Chipco had previously been certified as a gaming supplier to Indian casinos in the state. By letter dated September 22, 1999, the Division notified Chipco that its certification was revoked. Chipco sought administrative review of the revocation with the Hearing Officer of the Louisiana Gaming Control Board. An administrative hearing was held. However, in the interim, Chipco did not timely apply for renewal and its certification expired prior to the Hearing Officer's decision on the revocation proceedings. As a result, the Hearing Officer dismissed the proceedings as moot. No appeal was taken from the dismissal. Subsequent to the dismissal Chipco filed the application for certification which is before us today.

Trooper Hutchinson stated:

Well, I can summarize it by saying we have 14,000 certified people or entities with the Division, and we have never had this much trouble with any one of them.

Chipco introduced documentary evidence at the hearing to supplement answers to the questions on the application and/or information subsequently requested by the investigating officer. Mr. John Kendall's² testimony attempted to explain some of the confusion arising from the answers to questions asked in the application as well as documents and information furnished in response to requests by the investigating officer. However, at the close of the hearing, Trooper Hutchinson stated: "As it stands right now, even though we have received huge amounts of information, it still doesn't answer even questions that are asked on the application."

In written reasons for decision the Hearing Officer stated that a full and accurate application is a threshold matter in the licensing process and he was aware of difficulties the Division has had with Chipco, primarily in a prior revocation hearing. He stated:

Chipco was a headache, but an aspirin was consumed, its prior delay tactics, perhaps unintentional, should have no bearing on the current application. The Division contends that decisions can not be made in a vacuum. It contends this Hearing Officer should consider Chipco's prior behavior. I agree, should any prior behavior involved attempts to intentionally misrepresent facts. I have not found that situation occurred.

The Hearing Officer found that the Division has been given all the information and explanations regarding the issues raised in the Notice of Denial of January 23, 2001. He also found that Chipco's previous denial by the Saginaw Chippewa Tribe should not be a basis for denial of Chipco's state certification in Louisiana

² John Kendall is the President and CEO of Chipco International.

because the denial by the Saginaw Chippewa Tribe was based on lack of information, not intentional misrepresentation or fraud, the same problems exhibited by Chipco in Louisiana. He further found that Chipco proved its entitlement to state certification.

A review of the record reveals that the Division was unable to complete a suitability investigation due to apparent inconsistencies in answers to the present application, apparent inconsistencies between information furnished on the present and previous applications and Chipco's failure to resolve the questions posed by the Division as a result thereof.

After careful review of the record, we conclude that Chipco International had ample opportunity to cooperate and provide accurate information to the Division and to satisfy the Division's concerns regarding inconsistencies and inaccuracies and failed to timely do so. Accordingly, the Hearing Officer's decision should be reversed.

ORDER

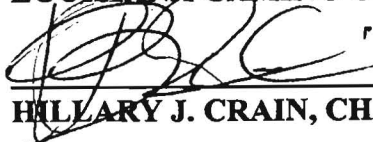
This matter having been considered by the Louisiana Gaming Control Board in open meeting of January 15, 2002:

IT IS ORDERED THAT the Hearing Officer's decision is **REVERSED** and the certification is **DENIED**.

THUS DONE AND SIGNED this 17 day of January, 2002.

LOUISIANA GAMING CONTROL BOARD

BY:



HILLARY J. CRAIN, CHAIRMAN

LOUISIANA GAMING CONTROL BOARD
I HEREBY CERTIFY THAT A CERTIFIED
COPY HAS BEEN MAILED OR SERVED ON
ALL PARTIES THIS 18 DAY
OF January 2002
APPEAL DOCKET CLERK