

2002: The Year in Review

December 2002

Public Gaming

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**Virginia Lottery Director Penelope W. Kyle
From the Blue Ridge
to the Board Room**

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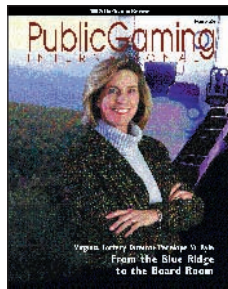
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ON THE COVER:

Virginia Lottery Executive Director Penelope W. Kyle - Photo elements provided by Virginia Tourism Corporation and Doug Buerlein Photography

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Anyone who has ever traveled to another country realizes how the smallest differences can have a major impact on your day-to-day activities. I was recently reminded of this while attending the World Lottery Association Congress in beautiful Australia. A lot of us take it for granted that when we travel everything will be the same as it was prior to getting on the plane. However, in many instances, that is not reality. For example, most, if not all, electronic products I packed for my trip weren't compatible with the outlets in Australia. Knowing this before I left the United States, I bought a number of outlet adapters thinking this would solve any problem I might encounter. Unfortunately, that wasn't the case.

I began to think how nice it would be if every country got together and developed one system that would be compatible wherever you go. Then I realized, this is the exact issue NASPL is trying to overcome through the Technology Standardization program. As an industry, we suffer from the same problems travelers encounter when going from country to country. Currently, every lottery has their own way of doing business and while this has its advantages, overall, it is costly and prevents organizations from sharing ideas and technology that will ultimately benefit our players and proceeds recipients in the future.

The Technology Standardization project began in October 2001. It was developed with the goal of building convergence among lottery members, in the areas of technical standards, best practices and certification programs.

Currently, the project is moving through Phase One and then shortly thereafter, Phase Two will follow. In Phase One, information is being gathered to obtain a better understanding of the operational environment, components, and business objectives that exist in the lottery industry today.

During Phase Two, the standardization task force will use this information to develop a "Recommendations for Standardization" document. At the end of Phase Two, NASPL members will have to determine whether or not the program will be beneficial to the industry as a

whole. If approved, cost estimates and a long-range plan will be determined.

I realize all this sounds good on paper but the reality of getting all lotteries to work together to come up with one way of doing business is a long shot at best. However, I am reminded of something Robert Kennedy once said, "Some people see things as they are and say why. I dream things that never were and say why not?" While I'm sure Mr. Kennedy didn't have the lottery industry in mind when he said these words, I feel they are appropriate for what we are trying to accomplish today. We need to challenge ourselves to see things we never thought possible and make them a reality. The Technology Standardization plan is a good start. Instead of resisting the concept and pointing out why it can't happen, we need to embrace the idea and work together to solve the problems. If problems exist, chances are we created them. And any problem we have created can be fixed.

I am looking forward to working with each and every lottery to see this through, no matter how long it may take. In the long run, the lotteries of the future will be better off because of our efforts today.

Mark Zamarripa

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Industry News

Colorado Signs with Scientific Games

Scientific Games is the apparent winner of the contract to provide on-line lottery services to the Colorado Lottery. The contract is valued at a minimum of \$29.5 million based on the Colorado Lottery's estimated ticket sales over the initial six-year term and contains options for four additional one-year extensions.

Take-A-Ticket Accommodates Idaho Game

The Idaho Lottery introduced NUTCRACKER CASH® for the holiday season, and Take-A-Ticket designed a dispenser to highlight the game. Kim Mathison, Idaho Lottery Key Accounts Manager, says "...developing a specialty game dispenser that was both functional and attractive to the retailers and players was really appreciated. The dispensers really drive home the unique format of the game."

South Carolina Picks Smartplay

Smartplay International, Inc. has been awarded a contract by South Carolina Education Lottery to supply its Multipick model for an upcoming Pick 4 game. New Jersey based Smartplay serves more than 100 lotteries with a full line of drawing equipment.

Connecticut Signs with Oberthur, California and Wisconsin Extend

The Connecticut Lottery awarded an instant ticket contract to Oberthur for two years commencing on August 19, 2002 through August 18, 2004 with three one-year renewal options. It is anticipated that the contract value could be worth approximately \$3 million during the initial two-year term.

OGT also signed one-year extensions with the California and Wisconsin Lotteries for the printing of Instant tickets. Oberthur's current contract with the California Lottery began in January of 1999. Oberthur's contract with Wisconsin now extends through October 31, 2003.

Wincor Nixdorf Signs with WestLotto

Wincor Nixdorf will equip all the lottery outlets of Germany's largest state lottery company, Westdeutsche Lotterie GmbH & Co. OHG (WestLotto), - with 4,300 new Xion /Mtop terminals.

In early 2004, all of WestLotto's lottery outlets will be equipped with Wincor Nixdorf's new Xion /Mtop lottery terminals. At the same time, Wincor Nixdorf will also install the new Xiload download servers that allow software updates to be downloaded to the lottery terminals even during operation.

Wincor Nixdorf also received a follow-up order from the Croatian lottery, Hrvatska Lutrija, for the supply of 800 Xion /M terminals, equipped with a high-performance scanner, a color touchscreen, a thermal printer and a chip-

card reader. The lottery had already ordered 600 terminals early in December 1999. Hrvatska Lutrija intends to use the extra terminals to achieve significant expansion of its network of sales outlets. Delivery is to be made before the end of December 2003.

EssNet Enters Into Partnership With IBM

EssNet has entered into a partnership with IBM. Standard IBM retail peripherals and modules can now be added to EssNet's lottery system via standard and open interfaces to enhance both player and retailer options and services. It means, for example, that EssNet's ELOS terminal software will be certified on a variety of IBM terminals. Lotteries with a vast number of retailers can thus tailor cost-effective solutions for particular segments while allowing these retailers to sell the full suite of the Lottery's product line.

GTECH Negotiates with Wisconsin, Signs with Georgia

GTECH has been selected to negotiate a contract with the Wisconsin Lottery to supply a new online and instant-ticket lottery system, and related telecommunication network. The five-year contract, which includes four one-year extension options is anticipated to generate revenues of approximately \$50 - \$55 million

GTECH has also been awarded a contract by the Georgia Lottery to provide equipment for an online gaming system and services. GTECH is anticipating revenues of approximately \$275-\$300 million over the seven-year contract.

Promo-Travel International Becomes PTI

Promo-Travel International, the originator and leader in incorporating travel into lottery structures and providing fantasy vacations as prizes, has changed its name to PTI. As the company has grown since its founding in 1994, it has added highly desirable, high-end gifts to its offerings of fantasy vacations to tropical destinations and trips to Las Vegas resorts and casinos.

Spielo Contracts with New York and the Netherlands

Spielo has been selected by the New York Lottery to negotiate a contract to supply VLT equipment, games, maintenance, and marketing/promotional services for New York's new VLT program. Spielo operates similar programs with the Rhode Island Lottery and Delaware where expansion of the Spielo network was ordered and installed in 2002.

Spielo also signed long term software maintenance contracts with two of its European clients for online lottery terminals. These contracts, each for a period of 7 years include software maintenance for its' Dream Station® and VeriMax lottery terminals and protocol maintenance. ■



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Around the World

Australia

The South Australia Lottery launched Hollywood Stars, a licensed instant lottery game featuring logos and other imagery associated with The Hollywood Sign and Walk of Fame. The game features 500,000 \$2 tickets offering a chance at up to \$100,000 and one of two Hollywood Grand Prize dream trips.

The Western Australian Lotteries Commission set aside up to \$500,000 in response to the terrorist bombing in Bali. The money will go towards meeting the future needs of Western Australian victims and families. The WALC also wrote the lottery's biggest check ever –\$72m for WA's public hospitals and health services.

Estonia

The Estonian Conference Center initiated the competition "Right Decision!" to encourage top executives to develop their decision-making capacity. The top award went to Monika Salu, President and CEO of Eesti Loto. Salu was awarded first prize for a balanced system of measures, which led to a tenfold increase in the company's efficiency.

France

La Francaise des Jeux placed an order with Access Gaming for the supply of an interface connecting the AGS interactive gaming system with satellite based iTV players in the French market. The players will require a Set-Top-Box connected to their TV in their home.

Germany

GTECH has been selected as the preferred supplier to provide a new online and instant ticket central system solution and related services to WestLotto.

Greece

Instant Lottery S.A has launched a brand new ticket, "Instant Million". The ticket sells for 10 Euros and has 10 distinct play areas. The player has the possibility to win a top prize of 1.000.000 Euros. Moreover, it has a very high winning ratio of 1:2.6 The "Instant Million" is the biggest ticket ever introduced in the Greek market (10"x 4") and the only one that can be folded.

Ireland

GTECH agreed to provide an integrated online and instant-ticket lottery system to An Post National Lottery Co. The company will provide products and technical services beginning December 22.

Israel

Mifal Hapais teamed up with external business for the first time. Together with the Israel Hotels Association, the Lottery is encouraging Israelis to take a vacation in Israel.

The joint marketing effort will take place in the form of issuing the instant ticket Vacation in Israel, where it will be possible to win money prizes – first prize 250,000 NIS, and material prizes in the form of thousands of vacations for two in hotels, in dozens of hotel upgraded suites, weekends in guest houses and breakfasts in hotels across Israel.

New Zealand

NZ Lotto is attempting to boost sales with a relaunch. The new-look game launched at the end of October. The re-launched version promises to produce a millionaire each week, and the logo will be freshened for the first time since 1987.

Norway

The government of Norway has suggested that Norsk Tipping be given the exclusive right to run VLT machines in Norway. If the proposition passes Parliament, Norsk Tipping will gradually take over the market from 2004 to 2006.

Philippines

The Philippine Charity Sweepstakes Office will introduce new features to make its sweepstakes game more attractive. The "Talo Na, Panalo Pa" will feature a cash prize of P5 million for the winner, non winning tickets will qualify for a second-chance draw to win a brand new car, and now there will be only one winner in the sweepstakes game.

Spain

It's back. El Gordo, the world's biggest lottery, has returned and is reportedly selling even faster than normal. This year, Spaniards are expected to buy 2.2 billion Euros worth of tickets for a chance at winning a share of tax-free prizes totaling £980m. Loteria Nacional in Madrid is predicting a 10% increase on last year's sales.

Taiwan

The Taiwan National Lottery recalled previously issued instant tickets. Someone reportedly decoded the algorithm on bar codes, making it possible to tell which tickets are winners without scratching them.

TaipeiBank plans to increase the payout in a bid to cash in on the public interest rekindled by the cracking of the system. The normal payout of 58.6 percent will be increased to 65 percent for the next batch of tickets, while the subsequent batch will be increased to 72 percent.

Thailand

Thailand's Government Lottery Office expects online lottery tickets to be on sale by the middle of next year. Vendor bidding for terminal installation was expected to be completed by the end of November. It's expected that 20,000 machines will be installed by 2004. ■

From the Publisher,

A Time for Change (Not!)

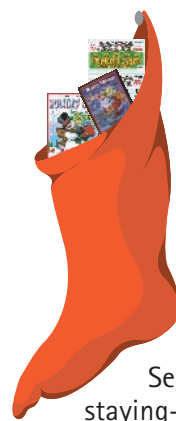
With the recent U.S. gubernatorial elections, there is the possibility that some governors-elect will be thinking about replacing the current lottery director. I am here to advise them that this is not a good time to change lottery directors.

I know that I am preaching to the choir in addressing this to the lotteries since most lottery directors want to keep their jobs. But this year, in particular, I believe that director and staff need to do what they can to make clear to the governor-elect that it is in the best interests of the finances of their state that the key, revenue related position of lottery director should not change.

Anytime that there is change at the top there are delays for education of the new appointee, disruption of revenue related plans, a loss of business momentum and associated losses of revenues to the state. History has shown that the most common mistake for state lotteries is to place a person of inexperience in a job that needs a qualified business CEO, that can also act as a public official and statesman, in the fishbowl exposed to the press. This is not a good time to risk change and thereby risk losses of critical revenues considering that most states are already in desperate financial straits.

So, what can be done? Although I was the lobbyist for the US and Canadian lotteries in Washington, DC for several years in the late 1970's, I am not a political expert so, therefore, not qualified to advise anyone on the politics of the situation. There are, however, some seemingly, common sense things that can be done by those directors who are committed to the successes of their lotteries and who believe in their own abilities to keep their lotteries most successful and growing.

First, be sure that the revenue achievements of the lottery during the tenure of the current director are well documented.



This document can demonstrate the value and financial benefits that this director's leadership has brought to the state.

Second, don't wait to be contacted regarding staying-on. Let the governor-elect, transition leaders and others know that you have done a good job for the state and that you are committed to the continuing success and growth of the lottery under the new administration.

Third, get what bi-partisan support that you can from legislators who appreciate the good job that you have done by getting them to write to the governor-elect on your behalf.

There are lots of other things that an individual director can do as well to further the cause of persuading the incoming governor of the wisdom of not changing the leadership of the lottery at this time.

My opinion is that the state is going to be better off financially if the new governor retains the services of the current lottery director. I think that if the director believes that also, then he or she should aggressively campaign to be retained as head of the lottery.

I will put my money where my mouth is and hereby volunteer to travel to any state where invited and testify to the above on behalf of the current lottery director.

Best wishes to you for a happy holiday season!

Duane V. Burke
CEO/Publisher

People

Rebecca Paul, President & CEO of the Georgia Lottery Corporation, was privileged to be the first recipient of the distinguished Friend of the University Award from the University of Georgia Alumni Association in recognition of her dedicated and outstanding services to the students, faculty, and staff of the University of Georgia. She is the first non-alumni to receive an award from the Alumni Association. Approximately 50,000 students at the University of Georgia have received a lottery-funded HOPE Scholarship since inception.

The Arizona Lottery announces the appointment of **Jeff Boehm** as the new Security Director. Jeff, who retired from the Phoenix Police Department after 33 years of service, has served in several executive level law enforcement positions in his career. His last position was as Executive Assistant Chief to the Director of Public Safety. Jeff suc-

ceeds **Bill Rudd**, who retired from the position.

Joel Irvine recently joined ALC as the Director of Sales, Retail Channel, bringing with him more than 25 years' experience in general management, sales, marketing and distribution. Joel, a New Brunswick native, comes to ALC from Coca-Cola, where he was vice president/area manager for Atlantic Canada.

GTECH announced that **Timothy B. Nyman** has been named Senior Vice President of Global Services. Mr. Nyman joined the Company in 1981 and most recently served as Vice President of Client Services.

Diane Connell-McGlinn, a Regional Sales Director for Oberthur Gaming Technologies Corporation (Oberthur), won a Powers Award at the 2002 NASPL conference in Baltimore, Maryland. ■

Penelope W. Kyle

Small Town Charm, Big City Corporate Ideas

What do you call a quasi-government agency that produces over a billion dollars a year in sales? One of the most successful businesses in Virginia. And why do you call it that? One reason: Penelope W. Kyle.

Since Penny Kyle took the reins of the Virginia Lottery in 1994, it has become a top performer. From her roots high in the Blue Ridge Mountains of Southwest Virginia to Executive Director of the state lottery and president of the North American Association of State and Provincial Lotteries, Kyle has applied her energy and kept her trademark enthusiasm and that infectious laugh.

Kyle Kyle is only the second executive director the Virginia Lottery has had in its nearly 14 years of existence – and the first female. She was first appointed to head the organization by then-Governor (now U. S. Senator) George Allen, and reappointed in 1998 by then-Governor James Gilmore, both of them Republicans. In 2002 Democratic Governor Mark Warner reappointed her. Her appeal across the party lines stems from one thing: performance. performance.

"I'm not a political person," Kyle says. "I'm a business person." That may well be the most important reason that the Virginia Lottery under Kyle's stewardship has increased sales 23%. In fiscal year 2002 that amounted to nearly \$368 million for Virginia's public schools (in 2000 Virginia voters approved a constitutional amendment mandating lottery profits to public education K-12).

Along the way, Kyle has instituted programs within the Virginia Lottery to increase employee participation and reward good performance, to apply the practices of corpo-

rate America to the sometimes bureaucracy-laden halls of a state government agency, and to make that agency more receptive to the public.

In order to track Penny Kyle's rise, you start in the mountains. The tiny hamlet of Galax, Virginia is known for its annual Fiddlers' Convention. It is also a place where folks know each other, and the importance of the family is paramount.

"When it came to aspirations and dreams, my family raised us to believe there was no difference between boys and girls," Kyle says. "When my parents talked to us about the importance of higher education, about

working and using that education, what they said to me was no different than what they said to my brothers."

Moving away from such a tight-knit community was not easy. At 17, Kyle took the first plane ride of her life to move to Dallas, Texas to attend Southern Methodist University, where there were more students than the entire population of Galax.

"It was an eye-opening experience for me," Kyle says. "Not only was I exposed to more cultural diversity in Dallas than I had experienced before, but SMU was an academic challenge."

The challenges would not stop there. Later, while Kyle was teaching English in the Virginia Community College



\$368 Million? True, to date the MegaMillions jackpot hasn't reached that level. Virginia's Executive Director Penny Kyle simply used a MegaMillions billboard to make a splash with the media regarding the Virginia Lottery's record profits in FY 2002.

system, she hired a pair of corporate attorneys to handle a family business matter. They saw something in the young professor that suggested a legal mind, and encouraged her to pursue it. Within a year Kyle had returned to the role of student – at the prestigious University of Virginia Law School.

After a few years at a top international law firm practicing commercial real estate law, Kyle joined transportation giant CSX railroad, at its newly relocated corporate headquarters in Richmond. Her performance stood out so much that she was soon named assistant corporate secretary – thus becoming the first female officer in the company's history. She would eventually rise to become vice president of finance and administration. She would also earn an MBA degree from the College of William and Mary along the way.

In spite of her success in the corporate world, Kyle says there was something missing.

"I may have played an important role in a big machine, but I wasn't the leader. I wasn't the CEO."

That all changed in 1994 when Kyle was tapped to lead the Virginia Lottery. She was an outsider to the world of state government and bureaucracy. It soon became obvious that "outsider" status was an asset. Kyle set to work molding the state lottery along the lines of the major corporation

she knew it could become.

"I knew from my experience in a Fortune-500 company that you need to listen to your customers and listen to your employees. That doesn't always happen in state agencies."

Kyle set to work, adding many more scratch games to give players a wider selection, streamlining costs and instituting employee incentives. When Virginia was denied admission into the Powerball game, Kyle joined with four other state lottery directors (Illinois, Michigan, Massachusetts and Maryland) to form the Big Game. That highly successful venture has since morphed into Mega Millions, which is now offered by ten states. Kyle also welcomed the formation of the multi-state game Lotto South, which includes the Georgia, Kentucky and Virginia Lotteries.

At the employee level, Kyle goes by the philosophy that says: every employee is a contributor. Although raising funds for education is the purpose of the Virginia lottery, Kyle likes to accomplish that with a little bit of "fun-raising." She instituted a casual dress policy and a weekly Monday morning e-mail that includes pictures of all new employees, birthday and promotion announcements and pictures of employees' new babies, as well as the major business objectives for that week. More importantly, she

INSTANT TICKET TASK FORCE

One of the innovations Penny Kyle brought to the Virginia Lottery was to streamline the process of moving scratch games from the idea stage to the retailer. To accomplish that, she put together the Virginia Lottery's Instant Ticket Task Force (ITTF).

The purpose of the ITTF is simple: to get all the major players involved in the process together in one room to share ideas and make decisions quickly.

"I was frustrated by how long it would take to get a scratch game on the market," Kyle says. "By putting everyone together in one room, we can benefit from all points of view."

More than a dozen Virginia Lottery employees make up the ITTF. Each is involved in the scratch game process in a different way: marketing, finance, research, sales and even artistic. They examine the games' payout, prize structure, advertising, eye appeal, how it will impact the bottom line and how it might or might not appeal to players. They also look at how a game might have fared in another state.

"Since the ITTF began, we have been able to make the review process much quicker," says Kyle. "It makes the decision-making process easier. If one person has a question, the person who can answer it will probably be sitting at the same table."

Since the inception of the ITTF, the Lottery's instant product sales have jumped 33% (\$109.5 million). Kyle feels that this increase is due, in large part, to the work of the ITTF. "We are much more focused now on this product line. Before the creation of the ITTF, two or three people would make most of the decisions regarding what kind of and how many scratch tickets we would produce. Having only two or three minds working on an issue is not the optimal way to get a wide range of diverse ideas. Now we get input from each department within the Lottery and from a variety of people and the result is better, more varied products for the multi-cultural citizens of Virginia." ■



Penny Kyle and members of the Instant Ticket Task Force, a team involved in all phases of scratch ticket creation and production.

instituted an employee compensation reform plan, in which every employee is rewarded for his or her performance. For fiscal year 2002, a record year for the Virginia Lottery, employees received incentive payments that could exceed 30% of their base salaries.

"We establish expectations for each employee at the beginning of the fiscal year," Kyle says. "Then at the end of the year we measure the employee's performance against those goals. If the lottery as a whole exceeds expectations for the fiscal year, then employees who meet their expectations benefit. Its just that simple."

It also goes against the grain of some government bureaucracies. But the results have been impressive. Although the Virginia Lottery is permitted by statute to spend up to 10% of its sales on administration, the cost of running the lottery has remained well below that number. In fiscal 2002, the administrative cost was a frugal 6.8%. Kyle says one of the reasons is employee involvement.

"When employees have a stake in the bottom line, it is amazing what they will do. They will almost always surprise their supervisors. They may even surprise themselves."

To give special recognition to employees who go beyond the call of duty, Kyle instituted Spot Awards, in which employees can receive an award publicly. Depending on what the employee has done, the award can take the form of a certificate, time off or a cash award up to \$500.

One of Kyle's early challenges was to retain good employees who could make more money in the private sector. The problem was especially acute in the field of Information Technology, where salaries in the late 1990's were outpacing the lottery's ability to compete. Since the Virginia Lottery is the only lottery completely run by its own employees, with no outside vendor running any part of the operation, losing employees to the private sectors can take an especially hard toll. This is particularly true in the IT realm. So Kyle ordered salary surveys conducted. She brought in an outside firm to conduct a benchmarking exercise, to bring the salaries of lottery employees more in line with those in private industry.

Communication has always been a top priority with Penny Kyle. Her desire to hear the opinions of employees led to the lottery's "Ask The Director" sessions. Conducted each year at the sales conference, the sessions allow employees to feel free to ask Kyle any question they want, without any other managers allowed in the room. Along

the same lines, a second employee attitude survey is currently in the works.

"It's vitally important for all CEO's to keep their fingers on the pulse of the employees," she says.

Likewise, Kyle has proven amazingly adept at keeping her finger on the pulse of players. She constantly watches the myriad of instant and on-line games to see which ones perform well in Virginia and which do not. Again, Kyle's idea is to apply the lessons of the business world to a state agency.

"What do Virginians want to play?" she asks. "Which games provide enough fun and entertainment that a player may want to play it again? Customer service doesn't need to be a foreign language at the state level."

And what is the result of such thinking? Fiscal year 2002 was the best ever for the Virginia Lottery, with sales surpassing \$1.1 billion. It was the second straight year the state topped the billion-dollar mark. The achievement is all

the more remarkable in a medium-sized bible-belt state, in which the slate of lottery games is quite conservative. You won't find Sunday drawings, Keno or video lottery games in the Old Dominion. What you will find is some of the strictest advertising guidelines in the lottery world, which rule out any promises of wealth or denigration of the work ethic.

Penny Kyle's transformation of the Virginia Lottery into what is for all practical purposes a "Main Street" business was recognized this year by Governor Mark Warner. A few months into her new term as the Lottery's Executive Director, Warner made good on a promise he made to Kyle when he reappointed her and became the first Virginia governor to set foot in the lottery's downtown Richmond headquarters.

Warner was taken to the "millionaire's room," the brightly painted room where jackpot winners are taken to receive their millions. The walls in the unique room are filled with messages written by those jackpot winners. Taking pen in hand, the governor wrote, "keep up the good work" on the wall. The message was clearly intended for the lottery itself, which Warner has described as the only bright spot in an otherwise troubled state economic picture. The message also illustrates the success that Penny has had in nearly nine years on the job. And keeping up the good work is exactly what she has in mind for the future. ■



Cynthia Shackelford, Senior Validations Specialist (center), accepts a "Spot Award" from Virginia's Executive Director Penny Kyle (R) and Director of Finance, Donna VanCleave (L). Cynthia was awarded for "stepping up to the plate" and managing during recent staffing shortages in the Virginia Lottery's Validations Department.

2002: The Year in Review

2002 was a banner year for many lotteries, as there were multiple additions to both multi-jurisdiction game groups, and NASPL lotteries recorded more than \$50 billion in sales for FY02. We certainly couldn't include a summary of the year for all the lotteries. Some brief highlights will have to do...

Arizona

The Arizona Lottery completed FY 2002 as the best year in its 20-year history. Total sales were a record \$295 million, instant ticket sales an all-time high of \$143 million and retailer commissions over \$20 million, another all-time high. The Lottery also experienced productive beneficiary relationships and a very impressive public integrity rating with regular market research surveys showing over 75% of the public believes the Arizona Lottery is run with honesty and integrity. FY02 was also the pinnacle of a five-year period, marking the first time in Arizona history that sales exceeded a quarter of a billion dollars for five consecutive years.

Atlantic Lottery

The ALC's community events program was a success again this year, with ALC supporting more than 55 festivals and community fundraisers throughout the region. And through sponsorship of events such as the East Coast Music Awards and the Canada Games, ALC helped celebrate the culture and the people of Atlantic Canada.

ALC continued research on games and received feedback from players and, as a result, game enhancements included changes to the spiel game TAG, the launch of OVER/UNDER, a new sports game, and ATLANTIC 6/49, an Atlantic-only game played with Lotto 6/49. The Lottery also developed eClub Rewards, a free online club that offers consumers promotions and special benefits.

Finally, the Lottery helped organize Canada's first province-wide Responsible Gaming Awareness Week, which was held in Nova Scotia. It was a great success.

Bulgarian Sports Totalizator

- Bulgarian Sports Totalizator (BST) celebrated more than 45 years in existence.
- Named Mrs. Ireana Krasteva executive director. She graduated in classical languages and specialized in Company management and advertising.
- A Second Toto Chance was introduced in mid-August 2002 – it is a game with additional cash and non-cash prizes. It involves slips from all three drawings and the winners are chosen by the preprinted number of the slip through an additional drawing. As a result of this game the turnover has increased by 20 percent.
- BST will soon establish an on-line system, SMS toto and different new games.

British Columbia

- A new law, the Gaming Control Act, was created that strength-

ened and streamlined the management of gaming in BC.

- Ordered \$1 million in Jenosys' electronic bingo systems.
- Launched a program allowing bingo addicts to have themselves barred from bingo halls.

California

- California had its second consecutive year of contributing over \$1 billion to education.
- To promote California Treasures, the Lottery wrapped a limo with graphics and drove a mannequin Millionaire around the state.
- The Lottery had its highest-ever \$193 million jackpot, and another jackpot of \$122 million.
- CA awarded its gaming system contract to GTECH after a very competitive bid process. This will also bring brand-new equipment to retailers.
- The Lottery's Winners Handbook won a NASPL award.
- CA expanded its Speakers Bureau to help promote the lottery's image around the state.

Colorado

- The Colorado Lottery set an all-time sales record of \$414 million. This achievement also generated record proceeds in the amount of \$110 million returned to the Lottery's proceeds recipients.
- The Lottery introduced the \$3 Scratch game Slingo. The game continues to be one of the Lottery's most popular games.
- The Lottery teamed with MGM Studios to introduce the Scratch game, Die Another Day. The Lottery supported the game with unique point-of-sale material and a retailer incentive program that included tickets to a premiere showing of the movie.
- The Lottery continued to lead the nation in Powerball PowerPlay percentage. More than 35 percent of all Powerball tickets sold in the state feature the PowerPlay option.
- The Lottery and General Motors team up for the Scratch game Chevy Road Trip. The \$3 game offered players the chance to win one of three Chevy Avalanche trucks. The Lottery supported the game with promotions statewide during the summer months.

Connecticut

The Connecticut Lottery turned 30 years old on February 15, and celebrated with a special event to honor its original commission members, the former Governor who signed the Lottery legislation into reality, and retired employees from the lottery's first years of operation. To promote the anniversary, the Lottery launched the nation's first \$30 scratch ticket, with excellent results.

In another industry first, the CT Lottery launched a "progressive" play style scratch game. By scratching latex areas in sequential order, players created "winning streaks." The amount won depends upon how many streaks were revealed, and the values for each run. CGI was the Lottery's partner in this effort.

Lottery sales records for the FY ending June 30 reached an all-time high of \$907 million. The Lottery transferred a record \$271.5 million to its beneficiary, the state's General Fund.

D.C.

The D.C. Lottery celebrated its 20th Anniversary during the 2002 Fiscal Year from October 1, 2001 – September 30, 2002 with monthly Lunchtime Bashes. Hundreds of people participated, hoping to win a chance to get inside the Money Machine – a Plexiglas cube filled with air blown cash – for 30 heart-pounding seconds. More than 12 lucky players grabbed thousands of dollars.

Along with the Lunchtime Bashes, higher prize payouts garnered extensive media coverage, including live television broadcasts. In June, DC-4™ players won nearly \$2.4 million dollars over a two-day period. On the 26th mid-day draw, DC-4 players cashed in on 7-7-7-7, while 13-13 hit the next day on the evening draw. Nine record winning Quick Ca\$h™ grand-prize winners collected \$250,000 each. Agents were also winners, as commission on sales increased to five percent.

Delaware

- Introduced a revamped brand, which included a new logo and tagline.
- Partnered with state agencies to develop Instant Games that support state initiatives or specifically appeal to Delaware players.
- Introduced the second phase of the Instant Games Branding campaign that continues to support increased ticket sales.
- Conducted second annual Summer Live Events at popular local bars to promote the fun and excitement of playing Instant Games by distributing free tickets to 21-to-39-year-olds.
- Received a Batchy Award for the delottery.com home page.
- Delaware player wins largest prize to date (October 26, 2002) on POWERBALL® Instant Millionaire TV Game Show.

Florida

- Became the first Lottery to allow Amber Alerts to be broadcast via online terminals.
- Launched Play FLA USA, featuring more than \$10 million in cash prizes and 90 in-state vacation packages. Non-winning tickets were redeemable as coupons at several tourist destinations.
- Governor Jeb Bush signed a bill allowing the Florida Lottery to increase Instant prizes in order to increase revenue.
- Received the prestigious Golden Image Award from the Florida Public Relations Association.

Georgia

- The GLC set new records for its highest fiscal year sales of \$2.449 billion and highest fiscal year returns to education of \$726 million.
- Passed the \$5 billion mark for proceeds transferred to education since inception.
- Won the Best of Show at the ADDY Awards, a Bronze Clio Award

and was a Semi-Finalist for the Radio * Mercury Awards for Instant Game Monte Carlo radio spot "14 chances".

- Launched the Change Game – becoming the first lottery in the world to introduce this new and innovative game.
- Introduced the multi-state game Mega Millions to replace the Big Game.
- Record \$26 million Lotto South jackpot won in Georgia.
- The Big Game jackpot climbed to \$331 million (estimated at \$325 million), making it the second highest jackpot in U.S. history. One of the three winning jackpot tickets was sold in Georgia.
- Set a record for the highest payout to a single winner in the Fantasy 5 game – \$1,056,754.

Hong Kong Lotteries Board

In July 2002, the Hong Kong Lotteries Board changed its Mark Six lottery matrix from 6:47 to 6:49. In addition, a 7th prize category was introduced for entries picking any three of the six drawn numbers, and the maximum limit for the first division prize was removed. These changes have been very successful in sustaining turnover growth. Between July and October, the Mark Six turnover saw a year-on-year increase of over 24 percent.

Hoosier

- Launched its first online game allowing for five consecutive draws on one \$5 ticket – MAX 5.
- Launched the Design a Game from Scratch contest – first place received \$2,000.
- Introduced Winter Spectacular, its first \$20 Instant.

Idaho

- Had a record sales year in FY02 -- \$93.3 million. Gave away 2 GMC Sierra trucks in the Buy X get Y promotion held in January.
- Introduced the \$2 Harley Davidson Instant.
- Twenty-four schools competed in the second Idaho Lottery Scratch for Schools fundraiser.
- Launched a promo giving two free scratch tickets to players that buy five scratch tickets of the same game, pack and sequence if none of the five tickets were winners.

Illinois

The Illinois Lottery closed Fiscal Year 2002 with \$1.59 billion in sales, marking an increase of \$140.2 million over those of Fiscal Year 2001. In addition, FY 02 sales mark the highest one-year sales increase since Fiscal Year 1989 and the fifth-highest in Lottery history. Instant ticket sales were \$643.8 million, the highest in six years and the second highest in Lottery history. In addition, sales recorded in the multi-state (Big Game/Mega Millions) category were \$221 million, marking the highest multi-state sales ever.

In another success story, the state's Common School Fund received \$54 million more than the previous year, as year-end transfers exceeded \$555 million. All Illinois Lottery profits are deposited, or "transferred," into the state's Common School Fund, which pays for K-12 public education in Illinois.

Iowa

- 2002 saw the Iowa Lottery increase sales, launch its first \$2

pull-tab game and begin a host of retailer-specific promotions.

- When fiscal year 2002 closed out in June, the Iowa Lottery reported that sales for the year were up about 3.5 percent, at \$181.2 million, compared to FY 2001 figures. Revenues to the state were up nearly 9 percent at \$48.1 million.
- In February 2002, the lottery released its first \$2 pull-tab ticket. "Triple Hit" offers three \$100 top prizes in each pack of tickets. Sales have been strong in the game and the lottery has placed another order for it.
- The Iowa Lottery also worked with its retailers on some chain-specific and store-specific promotions in 2002. One of the largest was the Kwik 5 for Kwik Fun promotion from July through September at Kwik Star convenience stores in Iowa.
- With each purchase of \$5 or more in scratch tickets at Kwik Star stores, lottery players received a free Kwik Fun scratch ticket. Some of the Kwik Fun tickets were redeemable for in-store products such as free coffee and fountain drinks, baked goods or lottery tickets. The promotion increased instant-scratch sales at participating stores by 7 percent compared to the same time period the previous year.

Kansas

- The Kansas Lottery launched Super Kansas Cash in February. The game is an enhanced version of the Kansas Cash powerball-styled online game, featuring a minimum \$100,000 jackpot and a minimum \$2,000 prize for matching five. Additional low-tier prizes were added. Since the changes, sales have increased 30%.
- A promotion was launched that offered a chance to win a weekend at Kansas Speedway. With each \$3 Super Kansas Cash purchase players received an entry.
- Kansas and Nebraska launched 2by2 in June. The game has the best overall odds of any Kansas online game.
- The \$2 Kansas Thunder instant, featuring a \$10,000 top prize, also offered a second-chance for a 2002 Ford Thunderbird.
- The Lottery launched the Powerball Instant Millionaire Game Show instant.
- Four Carnival Cruise prize packages were awarded in the "Cruisin' With Keno" promotion. Players received an entry in the drawing with a \$10 minimum Keno purchase on a single ticket.
- Two instants were launched to celebrate the Lottery's 15th Anniversary. The 15th Birthday \$5 ticket and the \$2 Up and Away Doubler.
- The Lottery's first \$10 instant launched in 2002. The ticket offered a \$75,000 top prize and the best odds of any KLC ticket.
- 2002 was the first successful year of bar-coded pull-tab games for Kansas.

Kazakhstan National Lottery

March was first drawing of the hybrid-game (instant traditional) Altyn-Adam (Golden Man). The name of the game is connected with an archaeological discovery not far from Almaty in the 1970s. The game has a live monthly drawing on the popular TV-Channel "First channel. Eurasia".

"Surprise", an inexpensive (50 tenge) Instant launched, featuring a guaranteed winner on each ticket. There are no cash prizes in this game, but impressive markers, pencils, key-rings, note-books,

clocks, calculators and so on with National Lottery symbols.

During the Nauryz holiday (eastern New Year, March 22) the Lottery registered the highest sales ever of its game TV-Bingo – 5,760,965 tickets were sold.

Kentucky

- The KLC closed out FY 2002 with record sales of \$639 million and record dividends to the state of \$173 million.
- With regards to Instant products, the Lottery launched Treasure Tower and its first-ever \$20 game – \$100,000 Holiday Riches.
- Introduced a Player's Fun Club on its web site and web-based coupons.
- Launched an anti-youth gambling campaign and Play Responsibly PSA's featuring famous country music stars.
- Won several awards, including a Batchy for online game advertising and an Idea Forum Award from the U.S. Postal Service for KLC's mailable scratch-offs for second chance drawings.

Lotto- Toto Sachsen- Anhalt

In March 2002 Lotto-Toto Sachsen-Anhalt started a new series of instant tickets. Since that time the Lottery changed the design as well as the main prizes of the tickets every two or three months. The sale of this new product is very successful and the turnover has increased more than 60 percent compared to 2001. The Lottery's bestseller was an extra-salary-ticket, which gave the winner an additional salary of 1,000 Euro per month for five years.

Louisiana

- FY02 was one of the best ever for the Lottery as it finished with \$311.7 million in sales and \$110.9 million in beneficiary funds.
- Through fiscal efficiency the Lottery saved nearly \$1 million in expenses.
- Won its fourth straight Certificate for Excellence in Financial Reporting from the Government Finance Officers Association.

Maine

Used three unclaimed Volkswagens from a game that ended in January 2001 as prizes in three different second-chance promotions.

Maryland

- For the fourth consecutive year the Lottery generated record-breaking sales – \$1.3 billion.
- Revenue to the state equaled \$443.4 million – \$36 million more than in 2001.
- Brought back Bonus Match 5.
- Hosted the 2002 NASPL Conference.
- Moved into a new location – Montgomery Park Business Center.

Massachusetts

- The Lottery celebrated its second Clean Fun Sweepstakes anti-litter promotion. Players submitted \$10 in non-winning instants for a chance at up to \$100,000. The campaign resulted in the recycling of 76 tons of instant tickets.
- Extended its Instant ticket contract with Scientific Games for one more year.

Minnesota

- Launched Hot Lotto.
- The Golden Ticket Games II made its second appearance in 2002. The \$10 foil pouch contains two tickets, and guarantees a \$3 winner.
- Debuted the Environmental Experience, a 53-foot trailer with interactive displays that showcase the Lottery's contributions to Minnesota's environment.

Michigan

Michigan Lottery ticket sales approached \$1.69 billion in FY02, roughly 4% ahead of last year! The Lottery's contribution to the state School Aid Fund is expected to be over \$605 million – a more than 3% increase!

Much of the ticket sale increases are due to the success of Mega Millions, the Daily 3 and 4 games, and instant tickets. On April 16, 2002, The Big Game jackpot reached \$331 million– boosting ticket sales all across the state.

The Lottery's Daily games maintained a strong foothold in the Lottery market, comprising 42% of the Lottery's total lineup while posting a collective 3.2% gain over last year. The success of these games is partially due to the new Daily 3 & 4 EXTRA, allowing players to spend an extra dollar for a chance to win \$500 instantly at the terminal. This new game brought in an additional \$12.7 million in sales for the Daily 3 & 4 games.

Instant tickets continue to grow rapidly. A February promotion featured coupons offering players one free \$2 instant with the purchase of a \$5 instant. The promotion was so popular, that the Lottery brought it back in April and September 2002.

The Lottery also teamed up with McDonald's to offer customers a coupon for a free \$1 Michigan Lottery instant ticket or \$1 off any higher-priced instant ticket with the purchase of a Bacon Ranch Crispy Chicken Sandwich Extra Value Meal.

Missouri

- Despite a sluggish economy, the Missouri Lottery announced in July that sales in fiscal year 2002 increased 15 percent and broke all previous sales records.
- On May 28, the lottery introduced "Club Keno" in age-controlled environments to increase proceeds to public education.
- Additional highlights in 2002 include the introduction of the Lottery's first \$10 Scratchers game, "\$300,000 Cash," on Aug. 24.
- In July, the lottery ended its televised "Fun & Fortune" game show and introduced a new "Fun & Fortune Wheel Spin" to take its place and offer players a chance to win up to \$250,000.

Nebraska

- Brought back its popular Truck\$ and Buck\$ ticket for the seventh year. The game features a chance at one of five fully-loaded 2002 Dodge Ram 1500 quad cab 4x4 trucks.
- Successfully launched 2by2 with the Kansas Lottery.
- Became one of the first lotteries to allow Amber Alert announcements to be made via online terminals.

New Hampshire

- New Hampshire's Tri-State WinCash ended with the winning numbers drawn in February.

- Tri-State Cash Lotto went on sale in February. Top prize is \$200,000.
- Launched Hot Lotto.

New Jersey

New Jersey Lottery scored a record breaking 2002. In June, the Lottery crossed the \$2 billion sales threshold for the fiscal year. As a mature Lottery, New Jersey is always looking for ways to increase sales without large jackpots. Game enhancements like Bonus Match on Pick 3 and 4 and Double Cash Weekends on Jersey Cash 5 along with the re-launch of Mega Millions, an added draw on LOTZEE and the introduction of Big Money Spectacular offering a 70% prize payment enabled the Lottery to do so. On-site promotional events, van tours and the use of FSIs and coupons helped drive the Lottery's message and sales. What's more, New Jersey was introduced to its single highest jackpot winner when Sundel "Sonny" Judson won \$165 million in the multi-state Mega Millions game.

New Mexico

- In February, a Las Cruces, NM, couple won the \$32 million Powerball jackpot; and a 5-year contract extension was awarded to GTECH.
- In March the NMLA won three New Mexico Advertising Federation "Addy Awards".
- During April the NMLA marks 6th anniversary by breaking sales records.
- In May, the second Harley-Davidson ticket launched; and a 5-year contract was awarded to advertising agency Kilmer & Kilmer.
- During June the NMLA partnered with New Mexico Harley-Davidson dealers for cross-promotional "scratch and run" events.
- In July the NMLA returned a record profit to education.
- During September the Harley-Davidson Softail Classic motorcycle drawing was held at The Whole Enchilada Festival in Las Cruces.
- In October, the Powerball matrix changed, including elimination of multiplier one for PowerPlay. The Lottery also made Pick 3 enhancements, including prizes for matching front two/back two numbers.
- During November, a TV drawing station reached #1 in 10 pm news, during which Pick 3 and Roadrunner Cash drawings are aired.

New York

- Officially joined Mega Millions.
- Reported a record fiscal sales year – \$4.67 billion in sales and \$1.56 billion in revenue.
- The Lottery offered a one-time-only \$50,000 bonus to the first New York-based NY Lottery retailer to sell a Mega Millions jackpot ticket.
- Conducted a statewide promotion, New York's Mega Millions \$1,000,000 Shoot-Out Sweepstakes, to give one lucky person a chance to sink a half-court shot for \$1,000,000.

New Zealand Lotteries Commission

- The New Zealand Lotteries Commission (NZLC) changed its flagship Lotto game to produce more winners and more millionaires.
- Fundamental changes to the structure of the game were made – a guaranteed millionaire every week plus 50% more winners.
- Powerball was also uncapped, with jackpots now able to reach

\$15 million.

- Daily Keno became a 7-day game and Instant Kiwi was rejuvenated.
- NZLC completed a major business reorganization, as well as launching a website – www.nzlotteries.co.nz.
- Lottery presented a submission on proposed legislation – The Responsible Gambling Bill which will introduce major changes to the gaming environment.

Ohio

- The OLC entered into an agreement with the Ohio Department of Alcohol and Drug Addiction Services to help people with combined gambling and chemical addictions. The pilot project provides outpatient treatment services for programs in four Counties. OLC provided \$200,000 toward the program.
- In April the Lottery's Super Lotto Plus game secured a record \$75 million jackpot. Fifty employees of Canton's Hoover Company claimed the top prize, creating statewide news for the winners, the Lottery and for Woodlawn Market, Canton, which sold the winning ticket.
- The Lottery made a change to Buckeye 5 by adding Wednesday and Saturday drawings. Buckeye 5 sales increased for the first time since FY93.
- Ohio joined the Big Game for the debut of Mega Millions.
- The Lottery held its first Altura terminal promotion to boost Buckeye 5 sales.
- Ohio introduced the Top Prize Drawing (TPD) concept for instant games with a price point of \$3 or more, keeping one top prize available for players throughout the life of a game.
- The Lottery completed FY02 with total transfers of \$633.72 million to the Lottery Profits Education Fund.
- The Lottery released its first \$20 instant game, 'Tis a Winning Season, as part of its selection of holiday instant games. Strong sales encouraged the Ohio Lottery to order 400,000 additional tickets.
- The Lottery began pilot testing of pre-paid wager gift cards, know as the Wild Card.
- Following through on recommendations by the Committee to Study the Impact of Gambling, the OLC approved advertising standards developed by NASPL for its use in future advertising.

Ontario

- Ontario set a new weekly lottery sales record of \$79.4 million in May.
- OLGC selected Scientific Games Inc. to provide new lottery terminals. All new terminals will feature consumer facing screens for jackpot and key message reinforcement.
- OLGC introduced lottery prize claims of up to \$250,000 at various charity casinos and slots at racetrack facilities. Over 8,800 consumers have used the service since its launch.
- OLGC celebrated its 100th Instant Millionaire with Ontario Instant Millions 10th Anniversary ticket.
- A new tie rule for ProLine means more ways to win. Baseball wagers now have up to three winning outcomes, and playoff Hockey final results that now including overtime, can give two winning outcomes.

Oregon

In FY 02, the Oregon Lottery set record sales of over \$790 million and record transfers of over \$350 million in net proceeds for the State. This achievement exceeded earlier forecasts by nearly \$50 million dollars. The Oregon Lottery acquired and deployed 2,000 new Video Lottery Terminals with new second screen bonus games to replace obsolete and low-producing VLTs. The Oregon Lottery also launched its new "Playtime" advertising campaign that creates a single brand image and reinforces its positioning as an entertainment company. This comprehensive campaign includes broadcast, print, point-of sale and a separate web site, www.oregonplaytime.com.

Pennsylvania

- Became a member of and launched Powerball.
- Conducted four second-chance drawings for its Elvis Instant. Each winner received a trip for two to Graceland.
- Returned as sponsor for two NASCAR Winston Cup Series races. Selected five finalists (and guests) to attend each race weekend, and to have a shot at up to \$20,000.
- Launched its first \$10 ticket – The \$10 Cash Spectacular.

Quebec

- Mr. Graéton Frigon was appointed new chairman and CEO of Loto-Québec.
- Lottery and CDP Capital-Amerique announced the creation of a joint venture dedicated to the development of casinos on the international scene.
- Loto-Québec received an award of excellence in the "Large Organization" Category during the 2002 edition of the Prix Arts-Affaires de Montréal.

Rhode Island

- Signed a five-year contract for a new video lottery central system from GTECH.
- Activated the first technically integrated, multi-vendor, wide area, progressive jackpot system on 72 VLTs from four vendors.
- Introduced Instant Match, a new way to play the Daily Numbers Game where players can win up to \$500 instantly.

SAZKA, a.s.

- A validation system for SAZKA instant tickets was launched (to serve for registration and verification of instant ticket winnings).
- In the second draw of Sportka game two players won (and split) a record jackpot amounting to 148,583,028 CZK (about 4.8 million USD).
- SAZKA embarked upon full-scale operation of a new service: GSM credit recharging via on line terminals for the Twist product of T-Mobile cell-phone Company. The project was eventually extended to recharge Go SIM cards of another cell-phone operator – Eurotel Praha, spol. s r.o.
- SAZKA launched their new KENO game where draws take place every 5 minutes.
- SAZKA decided to declare KENO game to be a flood lottery. The revenue received since the date of launching the game till the end of 2002 will be used for clearing the damage caused by immense floods that afflicted the Czech Republic in mid-August of 2002.

- Construction proceeded of multi-purpose SAZKA Arena intended to host Ice Hockey World Championship in 2004. The cornerstone for SAZKA Arena was ceremonially laid on October 27, 2002.

South Carolina

The South Carolina Education Lottery (SCEL) began selling tickets in January 2002, setting new records for South Carolina and the lottery industry. In the first 6 months of operation, the State of South Carolina estimated the SCEL would transfer \$67 million to the Education Lottery Account. Sales were so brisk with instant tickets and 2 months of Pick 3 sales, the SCEL transferred more than \$80.4 million. Since then, the SCEL has added two new on-line games, Carolina 5 and Powerball®. The SCEL average per capita sales as of the end of October were 46.5. The SCEL looks forward to setting new records next year!

South Dakota

- The South Dakota Lottery celebrated its 15th Anniversary in September, with the launch of 15 Grand Years – a \$5 scratch ticket with a top prize of \$15,000 a year for 10 years. The Lottery also partnered with 20 radio stations across the state to host call-in trivia contests regarding the Lottery's 15 years in business, along with Spin N Win promotions at retailer live radio remotes.
- In December, players who buy \$5 worth of Dakota Cash tickets will get a free Powerball WITH Power Play! A \$7 value for only \$5.

Texas

- Added the first ever day drawing with a Pick 3 mid-day draw.
- Sent \$57.2 million in unclaimed winnings to hospitals.
- Changed night draw times from 9:59pm to 10:12pm in order to allow more TV stations to air drawings.
- Launched a \$5 Harley-Davidson Instant giving away a total of 30 motorcycles.
- Bettered the odds in Cash Five from 1 in 100 to 1 in 8.
- Announced Gary Grief as its acting executive director.

Virginia

- Earned record \$367.7 million for Virginia public school education K - 12, with record sales of \$1.1 billion.
- Executive Director Penelope Kyle, after 8 years of Lottery service, reappointed by third Virginia Governor.
- Sales in FY02 exceeded forecast in all products.
- Highest ever sales in Big Game, Pick 4 and scratch tickets.
- \$5 scratch tickets now account for greater portion of scratch sales than any other price point
- In first full year, \$10 scratch tickets were 12.5% of scratch sales.
- Transitioned to Mega Millions, a national, multi-state game and created new website megamillions.com.

Washington

- Anthony S. Molica Washington was appointed Lottery Director.
- Became 10th Lottery to launch Mega Millions on September 4. A November winner generated more than 140 TV news stories.
- Two artists won \$5,000 each in "The 20th Anniversary Scratch Ticket Design Contest."

- The Lottery's "Caesars Palace®" Scratch ticket offered 250 bonus trips to the Caesars Palace® Casino in Las Vegas.
- Gold Makes it Great!—an enhanced version of the flagship Lotto game was launched April 28.
- Three Lucky for Life grand-prize winners in three days made history in March.
- The Lottery produced PSAs informing the public of a problem gambling helpline, which was modified and distributed nationally by the Nat. Council on Problem Gambling. The Lottery and ad agency Publicis received the coveted Gold Quill Award of Excellence.
- Washington Lottery was honored with four Smart Idea awards.
- Won the Certificate of Achievement for Excellence in Financial Reporting and the Award for Outstanding Achievement in Popular Annual Financial Reporting.
- Seahawks Stadium, built in part with Lottery proceeds, opened.
- Harley-Davidson launched offering a chance at ten motorcycles.
- The Lottery launched its new Web site at www.walottery.net.
- The Lottery developed and tested technology that allows ITVMs to self-diagnose "alarm" conditions and communicate these to the on-line terminal.

West Virginia

- At \$84.1 million, May was the second highest sales month in Lottery history. On January 1, all gray machines were declared contraband as the Lottery's VLT expansion began.
- Released a very popular series of CDs available with \$5 in non-winning Hot Lotto tickets: "Songs of Home: Songs of West Virginia by West Virginia Artists" and "Songs for America – Patriotic Songs Performed by West Virginia Artists."
- Launched its first ever promotional only ticket. The ticket was designed for retailer based promotional use and use at Lottery sponsored events across the state.
- Became one of the first lotteries to allow Amber Alert announcements to be made via online terminals.
- Received the Certificate of Achievement for Excellence in Financial Reporting for the fifth consecutive year.

Wisconsin

- Welcomed a new director – Bill Conway. Dave Storey moved to the Wisconsin Dept. of commerce.
- Celebrated the 11th anniversary of SuperCash – the Lottery's longest running online game.
- Launched City picks – an online game where players choose the order cities will be picked, rather than which numbers will be drawn.
- Debuted its new and improved TV game show, the Super Money Game Show.
- Wisconsin's Very Own Megabucks celebrated its ten year anniversary.

Western Canada

- WCLC's NHL scratch-and-win lottery tickets returned at nearly 10,000 lottery outlets. The tickets raise money to support the Edmonton Oilers and Calgary Flames.
- Selected GTECH to upgrade Saskatchewan's video lottery central system. ■

Vendor Highlights 2002

IGT Online Entertainment Systems

The year 2002 was one of the most evolutionary in the history of IGT OnLine Entertainment Systems, Inc. (IGT Systems).

The company changed its name from Automated Wagering International (AWI) to IGT OnLine Entertainment Systems, Inc. The name change marked the restructuring and refocusing of IGT System's commitment to innovative gaming solutions for the worldwide lottery industry.

IGT Systems has been providing innovative online lottery solutions to the industry for over 30 years.

As an affiliate of International Game Technology (IGT), one of the largest gaming machine companies in the world, IGT Systems is looking to enhance lotto and other on-line games and to bring an entertainment focus to game design.

IGT Systems also continues to provide leading edge systems and solutions to lottery jurisdictions around the globe.

ILTS

The year 2002 was another successful year for ILTS, as we continued the momentum from the prior year.

In early 2002, ILTS began delivery of an on-line lottery system to Playwin Infravest, a subsidiary of the Zee Group, who was awarded the contract to provide an on-line lottery system and services under a license from the Indian State of Sikkim. Playwin launched the first on-line lottery in India in March 2002, offering a Super Lotto game with a weekly draw. Thunderball was added to the game mix several months later. Also in 2002, Playwin secured the licenses to provide on-line lottery services for states of Karnataka and Maharashtra, and are planning to introduce new games for those jurisdictions. Playwin is currently the only operator offering on-line lottery games in India, and plans for expanding the on-line network are proceeding on schedule.

In late 2001 ILTS delivered the DataTrak system software and hardware to Sports Toto Malaysia, to be integrated with 1,000 new Intelimark touch screen lottery terminals that were delivered earlier in the year. The system and terminals were installed and underwent thorough testing during the first part of 2002 and began live operations in August. The DataTrak software includes an Internet account betting system that is scheduled for operation in early 2003.

In 2002 ILTS completed development of three new terminal products tailored for targeted segments of the lottery market. The Intelimark FLX is an economical alternative for gaming operations where cost is the most critical factor. It incorporates many of the same components found in the standard Intelimark terminal and employs a modular approach that achieves significant cost savings and provides a high degree of flexibility.

The ILTS CheckPoint is a player-activated device that allows players the convenience of quickly and easily identifying their own winning tickets.

The ILTS instant ticket validation terminal, InstaVal, is a full-function

instant ticket terminal that supports instant ticket inventory management, accounting, and reporting functionality as well as validations.

MDI Entertainment

2002 Statistics

- 41 licensed games and promotions
- 30 great lotteries, their printers and their ad agencies with whom MDI worked
- 15 different MDI licensed themes marketed as lottery games and promotions
- 173 million MDI licensed instant tickets valued at more than \$460 million printed by Scientific Games, Oberthur, Pollard and Creative Games

Leading MDI games and promotions in 2002

- HARLEY-DAVIDSON®: 10
- ELVIS PRESLEY®: 8
- BETTY BOOP™: 5
- NASCAR® DRIVERS: 5

Milestones

- First MDI-licensed lottery pull-tabs produced for sale in Massachusetts, Minnesota and Missouri.
- Popular BETTY BOOP® licensed character debuts on lottery pull-tabs and on an extended play Connecticut Lottery Bingo scratch-off.
- First lottery market appearances by six MDI properties: The NBA, THE PINK PANTHER™, HEROES OF SPACE™, LIONEL®, UNIVERSAL STUDIOS MONSTERS™ and 2002 FIFA/WORLD CUP SOCCER.
- MDI properties sold on four continents: North America, Australia, Europe and Asia.
- Total quantity of MDI licensed instant lottery tickets printed reaches 663 million.
- Total retail value of MDI licensed instant lottery tickets printed reaches \$1.5 billion.

Some of the hottest MDI-licensed games in 2002

- Texas Lottery HARLEY-DAVIDSON®
- Pennsylvania Lottery PINK PANTHER™
- New Jersey Lottery TABASCO® Hot Cash™
- Maryland Lottery BETTY BOOP™
- Virginia Lottery UNIVERSAL STUDIOS MONSTERS™ Monster Money
- Illinois Lottery HARLEY-DAVIDSON®
- Missouri Lottery FAST TRACKS (NASCAR® Drivers)

Scientific Games

2002 illustrated the diversity and broad-based customer acceptance of Scientific Games' products and services:

- SGI plays an integral role in the instant and on-line start-ups of the South Carolina Education Lottery.
- SGI and BellSouth provide the industry's first Virtual Private Network telecommunications transport solution linking SCEL retailer terminals to the central system.
- SGI receives contract extensions from Delaware, Florida and Pennsylvania to provide instant tickets and Cooperative Services.

- SGI is named primary supplier of instant tickets by the Kentucky Lottery.
- SGI finalizes contract with the Ontario Lottery and Gaming Corporation to manufacture and deliver 8,518 state-of-the-art Extrema-M on-line terminals, related software and terminal repair services.
- SGI receives a new two-year instant ticket contract from the Connecticut Lottery Corporation.
- SGI receives a one-year extension on its instant ticket contract from the Massachusetts Lottery.
- SGI is awarded a contract to supply instant tickets and is named the exclusive provider of Cooperative Services to the Arizona Lottery.
- Scientific Games Latino America is chosen to supply instant ticket games to Loteria Nacional de El Salvador; Loteria Nacional de Nicaragua; and a private foundation in Mexico, Vamos Mexico.
- SGI is named the apparent winner of the contract to provide on-line lottery services to the Colorado Lottery.
- SGI is awarded a new seven-year contract to provide instant tickets and Cooperative Services to the Georgia Lottery.

Wincor Nixdorf International

Wincor Nixdorf International – a leading provider of IT solutions, products and services for retailers, banks and lottery companies – has approximately 4,400 employees and a turnover of 1.46 billion euros (in FY 00/01). Wincor Nixdorf operates around the world in over 70 countries, with subsidiaries in 28 of these countries. Wincor Nixdorf is the market leader in Germany and is ranked number 3 in the world for ATMs and POS systems. The Lottery Solutions Business Unit within Wincor Nixdorf is responsible for the lottery business worldwide.

Lottery Solutions develops tailor-made lottery solutions based on state-of-the-art technologies. Access to Wincor Nixdorf's entire product and services portfolio also means that solutions from Wincor Nixdorf are infinitely flexible and offer first-class quality – which could explain why more and more lottery companies around the world have now come to rely on this know-how and expertise.

After a string of international successes, in 2002 Wincor Nixdorf finally also succeeded in making the big breakthrough in Germany. At the start of 2004, the company will equip all WestLotto's lottery outlets with 4,300 Xion /Mtop lottery terminals. In addition, Wincor Nixdorf has also received a follow-up order from Hrvatska Lutrija – the Croatian lottery company – for 860 Xion /M terminals (the company ordered 615 terminals in December 1999). The additional delivery of 500 Xion /M terminals to Venezuela, plus the rollout of 600 printers for the Mecklenburg Vorpommern lottery company, wraps up the success story for the year that is now coming to an end.

With five new products on show, Wincor Nixdorf once again demonstrated its innovative strengths at the WLA Congress in Adelaide, Australia. The products displayed were the powerful Xion /Mtop multimedia terminal, the Xion /XS mini-terminal for small outlets, iPOS, a compact POS system ideal for lottery sales outlets, Certo, the kiosk terminal, and finally, Xicheck, the winning query terminal.

Take-A-Ticket

It has been an interesting year at TAKE-A-TICKET, Inc. with some

unexpected results.

- TAT's sales of "specialty" dispensers have been growing with the introduction of large format, high price point, and unique play games in Connecticut and Idaho. Diversified games may require more diversified "highlighting" dispensers to attract the lottery players.
- Our increased sales of dispensers, primarily in-counter units, to individual convenience stores and c-store chains were unexpected in view of the economy.
- The convenience store industry reacted quickly and favorably to the introduction of powder coated glass frames for the in-counter dispensers.

Seiko Instruments USA Inc.

Seiko Instruments USA Inc. brings over two decades of experience and innovation in direct thermal printing to the public gaming market. As an example of this leadership role, the company has achieved a position as the undisputed leader in thermal voucher printing for cashless casino gaming with sales of over 100,000 units to over 20 gaming machine manufacturers. A wide range of versatile and reliable printer products is available including small component mechanisms for counter-top lottery terminals and value-added subassemblies for kiosks and other freestanding units. And every product is backed by the exclusive SII Secure customer support commitment.

Intralot

- Intralot announced in April 2002 the establishment of its subsidiary in USA, Intralot Inc. Intralot Inc. is expected to become a gateway through which the company will penetrate the North American market.
- Furthermore, in April 2002 Intralot with its subsidiary Lotrom has started the installation of the on-line Videolotto terminals in Romania, successfully.
- In August 2002 under the agreement that Intralot signed with the state lottery organization of Chile, Polla Chilena de Beneficencia, Intralot's "Bing Bang" system was realized successfully.
- Intralot's income before taxes recorded an increase of 22.4% by reaching 63,5 million compared to 51,9 million on nine months 2001.
- Betting sales in Greece achieved an approximately 20% increase for the first nine months of 2002 compared to the same period last year.

PTI (formerly known as Promo-Travel International)

"A New Name For A New Game"

Promo-Travel International is now PTI. The name change reflects the company's strategy to assist lotteries with a broad range of unique, added-value marketing services designed to enhance lotteries' sales efforts.

Lotteries turn to PTI for bonus prizes that include: trips to Las Vegas resorts and casinos, all-inclusive vacations to tropical destinations, and high-end gifts from companies like Sony, Hard Rock, Chrysler, SeaRay and Vespa; licensed properties that include: Caesars Palace, Fantasy Island, Pyramid, Let's Make A Deal and Caribbean Stud Poker; and marketing services, geared to enhance both retailer and lottery player relationships, like Lottery Retailer Rewards.

Interlott

- Delivered 1,000 Expandable Dispensing System (EDS) ITVMs to the California Lottery and 500 to the Illinois Lottery.
- Delivered 1,000 new and certified new 12, 16 and 24 bin ITVMs to the New York Lottery.
- Awarded a contract with the Hoosier Lottery to provide Pull-tab vending machines and delivered an initial order of 500.
- Named to Fortune magazine's Top 100 list of small companies in the United States.
- Introduced the company's new GameGuardSM dispensing system – an automated instant ticket dispensing system designed for use at the point-of-sale with added security and reporting capabilities.
- Received a new order from the Oregon Lottery for 225 16 game ITVMs.
- New Mexico Lottery extended Interlott's contract for three (3) years.
- Received new order from the Idaho Lottery for 12 and 16 game ITVMs.

Spielo

It's been another tremendous year for Spielo with new products launched and new contracts awarded across all its product lines; from VLTs, to online equipment to VLT participation gaming contracts. Among the highlights:

- Several awards including being named in Canada's top 50 Best Managed companies and Canadian Exporter of the year.
- 2 seven-year software maintenance contracts for online terminals.
- Super Chain distribution opened with VeriMaxSM lottery terminals, no retailer training required with Spielo's multi-media Help for online terminals.
- New VLT contracts with Loto-Québec, ALC, WCLC, Saskatchewan where the PowerStation 5SM VLT offers responsible gaming features and downloading to help lotteries generate top net revenue while keeping operating costs low.
- Spielo's ambassador programs in RI & Delaware boost revenue.
- New York sees Spielo's participation gaming group to install VLTs in 8 tracks across the state.
- Delaware expansion contract signed and installed.

Editec

- New contract in Africa with LONACI
In January 2002, Editec signed a contract with the National Lottery of Ivory Coast for the delivery of a PMU system including 500 TPM 3000 and 500 OMR terminals.
- WinTV in Slovenia
WinTV delivered the latest Venus System to Loterija Slovenije in Slovenia. This system offers many features including the control of all drawing parameters through the use of a PC, the automated recognition of drawn balls, and the integration with proprietary TV bingo software. WinTV also delivered one Diamond and four Perle machines.
- Lebanon National Lottery Launches New Multi-mode Editec System
La Libanaise des Jeu successfully launched its new computerized lottery. The Editec system supports a variety of modes of operation required by the old and new sales networks of the Lebanese lottery, combining on-line real-time, semi on-line (store and forward), and off-line TPM 3000 terminals.

- WinTV Launches First PC-Operated Daily Game Drawing Machine
In June, WinTV introduced the PC-Operated version of its Topaze number game drawing machine. The Topaze integrates a PC-controlled automate which enables the programmable automation of all drawing sequences. The upgraded Topaze offers WinTV's Automatic Recognition System, as well as drawing balls security and management software. The first two machines have been supplied to Nanjing lottery in China and orders for six automated Topaz have also been received from Sazka, Österreichische Lotterien and Guinee Games.

Smartplay International

2002 was a record year for Smartplay International, Inc. A 34% increase in sales is attributed to extensive activity in Asia and the increased demand for custom television game show equipment. 2002 contracts included delivery of machines to the following agencies:

- Fundación Lotto pa Deporte, Aruba
- Treasury Department, Belize
- Loto Québec, Canada
- China Social Welfare Committee
- Haryana State Lottery, Martin Lottery Agencies, Playwin and Technoserve, India
- Kookmin Bank, Korea
- Lotería Pronosticos Para La Asistencia Pública, Mexico
- Loterie Nationale du Maroc, Morocco
- Pacific Online Systems; Philippines
- Panstowe Przedsiębiorstwe Totalizator Sportowy, Poland
- National Lottery, South Africa
- National Lottery, Taiwan
- National Lottery, United Kingdom
- Ukranian National Lottery
- DC Lottery and Charitable Games Commission
- Illinois Lottery
- Missouri Lottery
- New Mexico Lottery
- Lotería Electronica, Puerto Rico
- Tri-State Lottery Commission
- Washington State Lottery

Oberthur Gaming Technologies

Some of Oberthur's exciting new developments designed to help our customers increase sales and reach new markets:

- The continued success of Slingo[®] will have generated sales in 20 jurisdictions worldwide and the introduction of DilbertSM.
- The launch of OGT's Instant Marketing Methodology (IMM) in Wisconsin. IMM is a comprehensive analysis designed to examine all four Ps (price, product, promotion and place/distribution) of a lottery's marketing program, compare them to industry Best Practices and develop strategies to increase sales and market share.
- A joint venture with Netgame Factory to offer m-gaming to enable lotteries to reach their customers everywhere.
- A strategic alliance with the ImarcsGroup.com to offer state-of-the-art Internet technology within the lottery industry, which will ensure lotteries remain competitive, attract new players and increase sales. ■

What's New with Pull-Tab Possibilities

In the last few years some significant efforts have been made to make pull-tabs a more attractive product. Bar-coding, higher price-points and the prospect of a pull-tab vending machine that would utilize sight and sound to make the games more entertaining have combined to show that there are more possibilities for this product. The Kansas Lottery utilized some of these options in 2002 and saw their pull-tab sales soar from \$0.5 million in FY01 to \$4.4 million in FY02.

Public Gaming International (PGI) recently took the opportunity to pick the brain of some Lotteries that offer pull-tabs to get a feeling for how lotteries are approaching these new pull-tab possibilities.

PGI: *Has your Lottery offered pull-tabs with bar coding?*

Atlantic Lottery (ALC): No.

Kentucky (KY): Yes since 1996

Rhode Island (RI): No.

Iowa (IA): The Iowa Lottery's pull-tab tickets have bar coding on them, but it is used only for inventory control, not for validation purposes. The Iowa Lottery has had bar coding on its pull-tab tickets since November 1994.

PGI: *How has this changed your pull-tab offerings?*

KY: Bar coding offers a more secure ticket that offers the same convenience to our retailers and players that instant tickets do.

IA: It has not changed our offerings, but it has improved the process of selling tickets for our retailers. Before the use of bar coding, retailers had to stamp each ticket to identify that it was sold at their location. Bar coding now allows the tickets to be automatically scanned to determine that same information.

PGI: *How has bar-coding on pull-tabs affected pull-tab sales?*

KY: Sales went from \$23 million in 1996 to \$32 million last year.

PGI: *Is this something you are considering?*

ALC: It's not in ALC's plans for the immediate future; however, ALC may explore this further down the road.

RI: The Rhode Island Lottery is not currently considering offering pull-tabs with bar coding.

PGI: *What price points does your Lottery offer for pull-tabs?*

ALC: Usual price point for these tickets is 50 cents; however, ALC is introducing \$1 ticket in the social gaming environment on a limited basis.

KY: \$0.25, \$0.50 and \$1.00

RI: We currently offer 50 cent pull-tab tickets.

IA: The Iowa Lottery sells pull-tab tickets with price points of 25 cents, 50 cents, \$1 and \$2.

PGI: *Are you considering higher price-points for pull-tabs? Why?*

KY: Not at this time.

RI: We will be adding a \$1.00 pull-tab early next year.

IA: In February 2002, the Iowa Lottery began selling its first \$2 pull-tab game. Sales in "Triple Hit" have been strong and the lottery has placed another order for it. The game offers three top prizes of \$100 in each pack of tickets. That feature is advertised by the lottery and its retailers, positioning "Triple Hit" as an added-value product.

PGI: *Are pull-tab sales for your Lottery restricted to certain kinds of retailers?*

ALC: These tickets are primarily sold in traditional lottery retail establishments, such as convenience stores. However, ALC is introducing a \$1 ticket into the social gaming environment on a limited basis.

KY: None

RI: In Rhode Island, pull-tab tickets can only be sold by non-profit organizations.

IA: No, any Iowa Lottery retailer can sell pull-tab tickets.

PGI: *The Iowa Lottery has been exploring using video pull-tab machines where encrypted barcodes on the pull-tabs can be read as the tickets are dispensed, allowing the machine to create sight and sound for entertainment on a video monitor associated with the machine. The machines do not determine winning or losing in real time. Would your Lottery consider using such a machine?*

ALC: We have no plans to introduce such a machine.

KY: Yes – if it was affordable and approved by key decision makers. ■

PGI CLARIFICATION: In the 2002 U.S. Fiscal Year Summary printed on page 10 of the September issue of Public Gaming International, PGI stated that the D.C. Lottery was the only lottery to register a decrease in multi-state sales. While the statement is not factually incorrect, it is misleading. While most lottery fiscal years end in June, D.C.'s ends in October. The giant Powerball jackpot that caused most lotteries to see a big increase in FY02 sales was calculated into D.C.'s FY01 sales. So, as one can see, the D.C. Lottery was not fairly represented in the comparison – it's apples and oranges!

International Internet Update

In 2002 Public Gaming International ran quite a few stories on lottery use of the Internet. These stories revealed that some international lotteries were experimenting with sales over the Internet. We'd like to take the opportunity to update the progress of some of these lotteries.

Estonia

Eesti Loto has been using the Internet for ticket sales since December 2001. Keno-Loto and Viking Lotto have been selling for approximately a year, and player interest has been promising. Officials at Eesti Loto report that the games have been progressing at a rate that exceeds their expectations. Internet sales have been so good that the Lottery is planning to start offering Bingo via the Internet in Fall 2003.

In addition to the revenue from sales, the Lottery will soon be using the Web to aim campaigns at groups of customers. When players make a lottery purchase via the Internet, the Lottery can make observations regarding the player's age, sex, nationality and residence.

Finland

In April, Veikkaus reported that all online games (lottery, sports betting, etc.) were available for sale on the Internet. Scratch tickets weren't there yet, but the Lottery was looking at them for future product development.

At the time of that interview, the Lottery was selling at a rate of one-million Euros per week via their self-service channel. Along with the basic Internet site Veikkaus was selling through WAP, VRU (voice response unit) and Nokia Communicator retailed light interface.

In this month's follow-up interview, Veikkaus confirmed that Internet sales were improving. Internet sales, for 2002 calendar weeks 1-45, are up 45 percent over the same period last year. Total Internet sales for weeks 1-45 is 47.3 million Euros.

In addition to selling over the Internet, the Lottery has

experienced some sales via WAP units. While the Lottery has not been marketing the WAP sites, customers are buying through these sites at a modest rate. Weeks 1-45 produced 64,800 Euros in sales. Games made available over the wireless units include: Lotto, Viking Lotto, Joker, Keno, Spede's and Around the World TV Games, Football Pools, Fixed Odds Betting and Result Odds Betting.

Kazakhstan

The National Lottery of Kazakhstan (NLK) had been planning to sell their tickets for TV Bingo via the Internet by the end of 2002. While they were unable to meet this goal, they've still been forging ahead with their Internet plans. The NLK has been in negotiations with several companies to fulfill Internet sales plans in 2003.

It is possible that the NLK will move beyond merely offering TV Bingo over the Internet. Officials are considering plans to launch several Internet lotteries in 2003.

Norway

Since May 21 Norwegian players have been able to register their Norsk Tipping sports and lottery coupons directly from their own computer. At this point, the Lottery reports having 30,000 Internet players. The turnover on Internet is approximately 2-2.5 million Nkr every week. The turnover for Norsk Tipping every week is approximately 180-190 million Nkr. While the Lottery admits that Internet sales have yet to have a significant impact on overall sales figures, it is important to note that the Internet option has only been available for four months. ■

Cirsa Interactive: Developing e-Lottery Solutions

Cirsa Interactive Corporation, a division of Cirsa, was founded in 1998. The company develops its own on-line central system for inter-connected games and instant lotteries, as well as gaming software for the Internet, interactive television and mobile telephones.

Lotteries are by far the largest Internet gaming market, but Internet lottery sales lag far behind those of internet casinos and on-line sports betting. Many predict that lottery sales over the internet will grow rapidly over the next few years, even if legislative hurdles in the U.S. aren't overcome.

As access to the Internet increases, the use of this medium to access lottery sales and promotions will become more popular – especially with younger markets. Technological advances in banking, security measures and geo-location will all help to provide increased legitimacy to all forms of electronic commerce including lottery sales. Success of Internet lottery sales will depend highly on lotteries' ability to integrate the internet within their sales and marketing strategies successfully.

Cirsa Interactive develops a series of electronic instant lottery games that can be played over multifunctional terminals. This Self-service terminal contains electronic games that present several applications and value-added services both to the end user and to the distributor. Based on embedded PC technologies the terminals incorporate a flat-screen high-resolution touch screen colour monitor that can accept bills, coins and bar coded card payment methods. ■

Lotteries Launch Holiday Instant



California

The California Lottery is offering one holiday-themed instant – Holiday Tripler. The game, selling for \$2, offers a top prize of \$20,000. The ticket, which is being offered for the first time, is made to look like a greeting card and comes in different colors.



Camelot – U.K.

Camelot is offering just one ticket at Christmas time, although next year they will have a Valentines/Mothers Day card (their Mothers day is in March), an Easter card and are contemplating Halloween and summer games. Merry Christmas sells for £2 and offers a shot at £50,000. All other tickets sell for £1 and aside from Coming up Roses (the Valentine/Mothers Day ticket) with a £3,000 top prize, the top prizes haven't been figured. The Lottery will be offering Rabbit Riches for Easter, and may offer Beat the Heat for summer and Monster Money for Halloween. Coming up Roses is the only of these tickets that has been offered in previous years.

Merry Christmas is a greeting card (to and from boxes on it) and is also folded in the middle. All others are standard scratch-cards, which have appropriate graphics for the holiday period.



Delaware

The Delaware Lottery is offering three holiday tickets this season: Season's Greetings, Holiday Bingo, and \$250 Surprise Package.

Season's Greetings cost \$10 each and features a top cash prize worth \$25,000; Holiday Bingo sells for \$5 and offers a shot at \$15,000, and \$250 Surprise Package costs \$1 and features a top prize of \$250. None of these games have been offered in previous years.

The \$10 Season's Greetings ticket was designed to look similar to a greeting card.



Florida

The Florida Lottery is offering five holiday-themed Scratch-Off tickets for 2002: the \$5 Holiday Treasures, with a \$100,000 top prize; the \$2 Holiday Cash, featuring a \$10,000 prize; the \$1 Holiday bucks offering up to \$2,000; Holiday Bingo, selling for \$2 with a \$10,000 top prize; and the \$2 Fast New Year's Cash with a \$100 top prize.

Holiday Cash is a traditional Holiday Scratch-Off game for

Florida, and 2002 is the second year for Holiday Bingo and Fast New Year's Cash.



Georgia

Three are four holiday instant games for the Georgia Lottery Corporation: the \$1 Holiday Cash with a \$500 top prize; the \$2 Season's Greetings with a \$50,000 top prize; the \$5 Merry Money with a shot at up to \$150,000; and the \$10 ticket, Holiday Treasures, offering up to \$250,000.

Holiday Treasures, Holiday Cash and Season's Greetings have been offered in previous years by the GLC.



Golden Casket – Australia

This year Golden Casket has five themed tickets, the largest Christmas range ever offered. Tickets being offered in 2003 include: the \$1 Christmas Cracker offering up to \$25,000; the \$2 Christmas Gift with a shot at \$100,000; the \$4 Triple Tree with a top prize of \$200,000, the \$5 White Christmas topping out at \$250,000, and the \$15 Happy

Christmas gift pack, featuring five \$3 tickets with a shot at up to \$150,000 on each ticket.

The \$15 Happy Christmas gift pack was offered for the first time last year. Tickets in the \$1, \$2 and \$5 price points have been offered in previous years only with different names and themes.

While not specifically Christmas features, the \$4 Triple Tree ticket has an extended 'Pyramids' play style and the \$15 gift pack has five \$3 tickets and a guaranteed prize in every pack.



Illinois

The Illinois Lottery is offering 6 holiday Instant game tickets. Higher price point games include the \$10 ticket, Merry Millionaire, with a shot at \$1,000,000; and the \$5 Silver and Gold offering up to

\$100,000. Games selling for \$1 include Turkey Tripler (\$9,000), Holiday Cash (\$200) and Reindeer Games (\$1,000). HollyJolly Jackpot sells for \$2 and offers a \$10,000 top prize.

Merry Millionaire, Silver and Gold, Turkey Tripler and Holiday Cash have all been offered in previous years, and all ticket graphics were changed except for the Turkey Tripler ticket.



Iowa

The Iowa Lottery is offering two holiday-themed instant-scratch tickets this year: Bah Humbucks, a \$2 game with a "Scrooge" theme (it features artwork of a Scrooge-like character holding cash with a "Win Like The Dickens" slogan), and Candy Cane Cash, a \$1 game with artwork of elves and presents. In addition, the lottery is offering gift certificates during the holiday season that can be purchased in values of \$5, \$10, \$15 and \$20. The gift certificates are printed by the lottery's sales terminals and promoted with a "Share the spirit of winning" campaign.

Bah Humbucks has a top prize of \$12,000 while Candy Cane Cash has a top prize of \$700. Candy Cane Cash also was offered for sale during the 2001 holiday season.

Kansas

The Kansas Lottery kicked off the holiday season with four fantastic holiday tickets: Talkin' Turkey, Holiday Wishes, Lucky Holidays and Stocking Stuffer.

Holiday Wishes is the Lottery's first \$10 instant, and has a top prize of \$75,000. This is the largest top prize ever on a Kansas Lottery instant and is also the biggest ticket in size, measuring 11" x 4". The front of the ticket features a "To: and From:" tag and even folds like a greeting card.

The other holiday tickets also have great top prizes. The top prize for Stocking Stuffer is \$10,000, and the top prize for both Lucky Holidays and Talkin' Turkey is \$1,500.



Kentucky

The Kentucky Lottery launched four holiday-themed offerings: selling for \$20 is \$100,000 Holiday Riches, with a \$100,000 top prize; the \$2 Frosty the Doughman, with a \$10,000 prize; the \$1 Season's Greetings with a chance at \$500, and the \$5 Holiday Surprise Package with a shot of up to \$5,000. The Holiday Surprise Package features a To/From area on the ticket before it unfolds to reveal five different tickets.



Lotto Hessen – Germany

Lotto Hessen is selling winter-themed Advent-calendar tickets. Three-million of these tickets are printed and selling for 0.5 Euros each, offering top prizes of 5,000 Euros.



Maine

The Maine Lottery came out with four holiday tickets this year: The \$1 \$250 Christmas Club, top prize \$250; the \$3 Secret Santa, top prize \$75,000 (\$15,000 for 5 years); the \$5 Holiday Surprise, top prize \$75,000; and the \$5 Merry Money - top prize \$100,000 (362,625 tickets from last year)



Maryland

Maryland launched four tickets for the Holiday season. The \$1 Secret Santa has a top prize of \$500; the \$2 Holiday Surprise offering up to \$15,000; Holiday Jackpot - selling for \$3 with a \$30,000 top prize; and the \$5 Celebrate the Seasons, with two alternating scenes, a top prize of \$60,000, and odds of winning at 1:2.98.



Michigan

Four holiday themed tickets will be gracing the counters in Michigan this year. Wintertime Wishes (\$10) offers a top prize of \$500,000; the \$2 Stocking Stuffer comes in with a top prize of \$25,000; Reindeer Game, selling for \$1 features a top prize of \$5,000; and the \$5 Candy Cane Cash promises a top prize of \$250,000. None of these tickets have been offered in previous years.

Mifal Hapayis – Israel

Israel celebrates their holidays in September, but that hasn't stopped them from celebrating with a special end-of-the year draw in a game called Halleluja! The annual state draw, which starts this year, will be held at the end of each year and the jackpot will be NIS50 million or more. The new product is meant to shake up the gaming market with a special big draw featuring an especially big jackpot resulting in a unifying national event.



Montana

The Montana Lottery is offering the \$1 Bobsled Bucks in honor of the winter/holiday season. The ticket, featuring a \$100 top prize, has not been offered in previous years.

New Hampshire

New Hampshire will be offering 3 different Holiday Instant games on sale this year: the \$1 Jingle Bills offers up to \$100, Frosty the Doughman sells for \$2 and features a \$10,000 top prize, leaving Holiday Cash as the top priced ticket (\$10) and offering a \$150,000 top prize. None of the tickets have been featured in previous years.

The Holiday tickets are being used to break new ground for Instants in New Hampshire. Holiday Cash is the Lottery's

first \$10 instant game. Jingle Bills is yet another unique game as it offers a considerably higher prize payout – 75 percent versus the customary 63 percent. Also, a smaller print run was done to create a sense of urgency to purchase this game before it sells out.



New York

The New York Lottery introduced six new Instant games for the 2002 Holiday season: the Instant \$5,000,000 Spectacular, Secret Santa Doubler, Stocking Stuffer, Polar Cash Express, Winner Wonderland, and Superstar.

The \$10 Instant \$5,000,000 Spectacular features a prize structure for this limited holiday edition ticket that is even stronger than its predecessor -- the \$4,000,000 Spectacular debuted in 2001. This new game offers an auto win feature as well as a prize multiplier and, of course a top prize of \$5,000,000. Second prize for this game is an attractive \$100,000.

The \$1 Secret Santa Doubler game offers a top prize of \$5,000 and, as the name implies, features a doubler feature. The \$5 Stocking Stuffer game doubles as a gift tag, and offers three play areas, each with its own top prize adding up to \$333,000. The \$5 Polar Cash Express is a fun, friendly game offering a \$1,000,000 top prize and 12 chances to win. The \$2 Winner Wonderland is a colorful ticket featuring a \$25,000 top prize and 10 ways to win as well as a prize multiplier and auto win function. Finally, the \$1 Superstar is a winter-themed game with a top prize of \$2,500 and a prize multiplier feature.

The New York Lottery estimates cumulative sales for its 2002 Instant game holiday line up will total \$250 million.



New Zealand Lotteries Commission

This year, the New Zealand Lotteries Commission will be offering a range of three Instant Kiwi Christmas-themed tickets: \$1 Christmas Cracker; \$3 Crossword with Christmas theme; and \$5 Christmas Cheer game. Christmas Cheer features 3 top prizes of \$100,000 each, Christmas Crossword has 7 top prizes of \$50,000, and Christmas Cracker has 10 top prizes of \$10,000 each.

The Crossword game is a standard line for Instant Kiwi; however, the Christmas Crossword has been subtly themed with red and green to provide a festive feel for a core product. Christmas Cracker uses an existing play mechanic but features a new design.

The Christmas Cheer ticket is a new style of game for Instant Kiwi. Featuring five games with up to 10 chances to win on every ticket, it has three top prizes of \$100,000

available. The \$5 Christmas Cheer also features an increased prize payout and has more mid-tier prizes than any other Instant Kiwi game.

Christmas Cheer ticket has been on sale since mid October, but the other tickets will be launched in mid November.

This year, Instant Kiwi will be promoting a \$10 Gift pack, made up of a \$5 Christmas Cheer, a \$3 Crossword, and two \$1 Christmas Crackers, in a gift envelope. This will complement the Lotto and Instant Kiwi pan-brand gift pack, which will retail for \$15. The Instant Kiwi gift pack will be available from 24 November, to enable customers to easily tuck it into Christmas cards.

Instant Kiwi will be supporting the 'gifting occasion' this year with a television and radio campaign and full in-store point of sale. The media support will be airing during the first two weeks in December.



Ontario Lottery

This year, the OLG is offering 5 Instant Games in an Instant Holiday Gift Pack. Four additional Instant games can be purchased individually. Each Holiday Gift Pack sells for \$10 and contains a guaranteed winning ticket, and is designed as a gift tag.

Tickets that are only available with the gift pack include Holiday Treasures, promising two winners will receive \$35,000; Special Edition Instant Crossword featuring two top prizes of \$50,000; Holiday Cheer with two \$35,000 winners; Frosty the Doughman offering two top prizes of \$10,000, and Special Edition Instant Bingo promising up to \$50,000.

The OLG is offering two tickets at the \$2 price point: 12 Days of Christmas and Stocking Stuffer (designed as a gift tag). Each offers three \$35,000 jackpots. Two \$1 tickets, Holiday Cash and Tic Tac Noel, include two top prizes of \$10,000.

Oregon

This year, the Oregon Lottery is launching three tickets that they've never offered before: Winter Double Doubler, \$1 with a top prize of \$5,000; the \$2 Holiday Magic featuring a \$12,000 prize, and the \$5 Holiday Celebration offering a shot at up to \$25,000. The Holiday Celebration ticket makes things interesting by offering a unique play style – a match 3 of 25 with extended value.

Pennsylvania

The Pennsylvania Lottery kicked off the 2002 holiday season with six new holiday-themed instant ticket games. The 2002 holiday ticket line-up includes the following new games: Yule Win (\$20), Holiday Riches (\$10; \$120,000 tops), Holly Jolly Cash (\$5; \$50,000 tops), Treasures Under the Tree (the Lottery's first \$3 game; \$30,000 tops),

Holiday Magic Doubler (\$2; \$20,000 tops) and Merry Money (\$1; \$500 tops).

Yule Win guarantees a prize on every ticket between \$5 and \$10,000, and offers over 158,000 prizes between \$25 and \$100.

Rhode Island

The year, the Rhode Island Lottery is offering four holiday-themed tickets: the \$1 Holiday Surprise with a \$4,000 top prize; Fat Cat Wishes, selling for \$2 and offering a chance at \$10,000; the \$5 Secret Santa going up to \$50,000, and the \$10 ticket, Rhode Island Holidays, with a top prize of \$100,000.

Both Holiday Surprise and Secret Santa have an area marked "TO: and FROM:"



SA Lotteries (Australia)

SA Lotteries is offering one Christmas themed Instant at the \$4 price point. The game, The Night Before Christmas, offers a top prize of \$200,000, with a second prize of \$20,000.

The ticket, which has not been offered in previous years, revolves around the events that occur on Christmas Eve: hanging up stockings, milk and cookies left out for Santa, and Santa and his reindeer flying above rooftops.

South Carolina



The South Carolina Education Lottery kicked off its holiday season with three holiday-themed instant tickets: Holiday Treasures, Stocking Stuffer, and Holiday Jackpot. Tickets went on sale in over 3500 lottery retailers statewide on November 4, 2002.

Holiday Treasures, a \$1 dollar game, allows players to win up to \$2,000. This ticket features four different holiday scenes to choose from. The overall odds are 1 in 4.87.

Stocking Stuffer, a \$2 ticket, is sure to be a favorite because of the fun and unique shape. Stocking Stuffer also makes a great gift because it contains a punchout that will allow customers to hang it from a Christmas tree or tie onto a present! Players can win up to \$25,000 by matching their numbers to the winning numbers. The overall odds are 1 in 3.89.

\$100,000 Holiday Jackpot will be introduced as the SCEL's first five dollar ticket. The ticket offers a top prize of \$100,000 and gives players the chance to win up to 12 times on one card!



Sport-Toto Gesellschaft and Swiss Los

Sport-Toto Gesellschaft and Swiss Los are offering two holiday themed tickets this year: MillionenLos, selling for CHF 100, and

SwissLos Gold, selling for CHF 10. MillionenLos is giving away 11 prizes of CHF 1 Million, 27 cars (e.g. 911 Porsche Turbo), 40 world-trips, and 20 prizes of 1 Kg Gold. SwissLos Gold has a top prize of 50 Kg Gold which is normally valued at CHF 1 Million.

MillionenLos has been offered the last three years, and while the SwissLos ticket has been offered since 1937, this is the first year for the special holiday series called "Gold". The SwissLos Gold ticket is print coated with gold-foil.

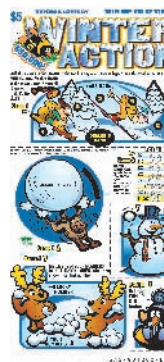


Vermont

The Vermont Lottery is offering six tickets featuring a holiday theme. Games selling for \$1 include Holiday Double Doubler with a \$1,000 top prize and Snow Bank, which offers a shot at \$500. The \$2 Jingle Bell Bonus features a chance to win \$10,000. Season's Greetings sells for \$5 and has a \$10,000 top prize. Celebrate the Season and Winter Action II are both \$10 games that offer chances at \$50,000.

Season's Greetings features Norman Rockwell art, and Celebrate the Season is like an advent calendar – it has 24 play areas numbered 1 to 24.

Jingle Bell Bonus, Celebrate the Season and Winter Action II are ticket themes that have run before in Vermont (Jingle Bell Bonus happens every year. The Lottery changes the artwork every year for Jingle Bell Bonus and Celebrate the Season, but the popularity of the games doesn't change.



Virginia

For 2002, the Virginia Lottery is offering three holiday games, plus a New Year's game. The \$1 Happy Holidays features a \$500 top prize. Season's Greetings sells for \$2 and offers up to \$15,000. Winter action, a \$5 ticket, has a \$50,000 top prize. Finally, the \$10 Millionaire Party II has a \$1,000,000 jackpot.

The Happy Holidays ticket looks like a gift card, with "TO" and "FROM" on part of the ticket. None of the tickets launching in 2002 have been offered in previous years.

Washington

The Washington State Lottery will be offering two holiday-themed tickets in 2003: the \$1 Polar Express, featuring a \$3,000 top prize, and the \$2 Holiday Gold, with a \$20,000 jackpot. Neither ticket has been offered in previous years. ■

Tennessee, North Dakota and Arizona Elections Favor Lotteries

The November elections were kind to Lotteries this year. Both Tennessee and North Dakota approved their Lottery referendums, with Tennessee support coming in at approximately 58%. Another Lottery victory was won in Arizona, as the Arizona Lottery was extended through 2012.

Passage of Tennessee's Lottery Referendum didn't actually create a lottery; it just removed the constitutional ban. There's still a lot of work to be done. In January a bill will probably be introduced to design the mechanics of operating the lottery.

In North Dakota, the Lottery will likely be limited to involvement in either Powerball or Mega Millions.

Loto-Québec Releases Action Plan

Loto-Québec made public its 2003-2006 action plan. Included in the plan is a move to significantly reduce access to VLTs, and investments of nearly \$600 million in the network of casinos and their complementary facilities, with the goal of attracting more tourists from outside Québec.

One of the action plan's goals will be a 41% reduction, by March 31, in the number of establishments that hold licenses to operate VLTs. The 1,319 establishments that currently operate one to three VLTs will have these terminals removed, in exchange for financial compensation.

The Corporation will also carry out a mandatory withdrawal of any VLTs in excess of 10, in all bars and taverns that currently exceed this number. In total, Loto-Québec will reduce the number of VLTs in bars and taverns by 3,370 units.

As a result of the reduced number of VLTs, Loto-Québec anticipates that the net income they generate will decrease by \$40 million annually, as of fiscal 2003-2004. For each VLT removed, Loto-Québec will pay compensation equal to one year of commission to operators affected by the withdrawal.

Also, In order to attract more tourists from outside the province, Loto-Québec plans to invest \$600 million in the network of casinos and their complementary facilities.

The Lottery is proposing that the Casino de Montréal remain on Île Notre-Dame and that \$470 million be invested in its redevelopment. This project includes a multi-level parking facility and a monorail connecting it to the casino. Loto-Québec anticipates that this investment will generate an additional \$30 million in net annual income.

A \$75 million investment in a tourist-oriented casino for Mont-Tremblant is also being considered. According to projections, more than 60% of the revenues it would generate would come from out-of-province visitors. The annual net income from this casino would be \$20 million.

New York Chooses VLT Vendors

The New York Lottery selected four vendors to supply VLTs at racetracks. Bally Gaming, IGT, Sierra Design Group and Spielo will supply the machines, games and software.

The companies will supply more than 13,000 VLTs, which could be up and running as early as April of 2003. Only four companies offered bids for VLTs.

Earlier this year, the Lottery awarded the central system contract to Multimedia Games.

Kentucky Lottery Awarded

The Kentucky Lottery recently received an award in recognition of excellence for being a family friendly employer at the Business/Family Partnership luncheon. The KLC was recognized for achieving a "Gold" designation in two of the three evaluation periods since the program began.

The Business/Family Partnership supports and recognizes organizations in and surrounding Jefferson County that help their employees strive to balance work and family issues. The designation is a recognition program that helps companies compare their work/family policies and practices with community benchmarks for organizations of like size.

Connecticut Launches Speaker's Bureau

The Connecticut Lottery's Speaker's Bureau is now available, free of charge, to civic clubs, colleges, continuing education business classes, and social organizations alike where "Lottery Ambassadors" will present "The Lottery Story" at group meetings in 30-minutes or less.

Lottery Ambassadors will provide fun, educational, and thought provoking information on topics such as: "The History of the CT Lottery," "Scratch Games from A to Z," and how the Lottery strikes "A Balance of Raising Money and Accepting Social Responsibility."

County Recommends VLTs for Wisconsin

The Washington County Board voted unanimously (29-0) to recommend that VLTs be legalized and licensed by the state of Wisconsin. One official would like to see the resolution amended to allow for up to five machines per tavern or restaurant, which would help the establishments compete with tribal casinos. It is estimated that the state could collect more than \$400 million over two years by taxing video gambling revenue.

Kentucky Lottery Helps Build Affordable Housing

The Kentucky Lottery has transferred \$17.5 million to the Kentucky Housing Corporation's Affordable Housing Trust Fund (AHTF) in the program's first four years. The latest Lottery check, from FY02, was for \$3,692,000. Kentucky Housing Corporation officials say the money will help build over 400 units of safe, decent, affordable housing for some of Kentucky's neediest families, the mentally and physically disabled and those on the verge of homelessness. The last three year's unclaimed Lottery money built more than 3,300 units of housing for needy Kentuckians in the first 275 AHTF projects. ■

Atlantic

ALC recently launched eClub Rewards, a free online club that offers consumers promotions and special benefits. Only individuals who have reached the age of majority and live in Atlantic Canada can join.

ALC is offering retailers a holiday season bonus in December. Three retailers (one from each of ALC's three sales regions) will be awarded \$1,649 in gift certificates to the store(s) of their choice. All ALC retailers are eligible.

The 20th anniversary celebration for Lotto 6/49 continued as ALC launched the new ATLANTIC 6/49 game with top prizes of \$1,000,000! The game offers two plays for \$1; has its own prize structure, five ways to win and a top prize of \$1,000,000.

Delaware

The Delaware Lottery conducted a second-chance drawing for LICENSE TO WIN, offering a chance at four-digit license plates, which are extremely hard to obtain. There are twelve four-digit license plates awarded in the game.

On October 30, the Delaware Lottery selected 67 winners from a second-chance drawing of non-winning HARLEY-DAVIDSON® Instant Game tickets. The winners receive a prize package featuring official Harley-Davidson licensed products and are entered into a Grand Prize drawing for a Harley-Davidson Sportster® 1200 Custom™ motorcycle.

Illinois

The Illinois Lottery launched its new version of the "players have more fun" campaign. The \$18 million campaign seeks to broaden its reach to the more casual players who only play when the jackpots get big enough, or who gamble elsewhere.

The new message is that playing the lottery can be fun for everyone, even if what you consider fun is dressing your dog to look like you, as one over-the-top TV spot suggests.

Kansas

The Kansas Lottery is continuing the giving spirit by giving away four Caribbean Cruises on Carnival Cruise Lines. The "Crusin with Keno" promotion began in September, and offers players a chance to win a vacation for two. Players receive a free entry for the drawings with each single ticket \$10 Keno purchase. Each trip is worth approximately \$3,234.

Kentucky

The Kentucky Lottery has given away nearly \$4 billion in prizes since inception. Now players are being given a glimpse of what it's like to win thanks to "Somebody's Gonna Win, Might As Well Be You," a TV special that aired in November. Viewers got to meet an \$80 million winner, and a recent \$1 million winner fresh off the Powerball game show.

Maryland

On Dec. 19 and 20, Maryland Lottery officials will join the Reistertown Plaza and its merchants for a special holiday cel-

ebration. The Lottery will introduce its latest promotion, Cash Encounters, a second-chance drawing contest designed to award more than \$1.6 million in prizes. The promotion is part of the Lottery's 2002 holiday shopping mall tour. The Lottery's exhibit features a 20-foot display highlighting the Lottery's contribution to the State General Fund.

Minnesota

On November 26, Minnesota is launching four new Scratch Games — Snow Bank, Mistletoe Doubler, Jingle Bucks and Smash for Cash. Lottery retailers will earn double commissions on each of these games.

A non-winning Smash for Cash Scratch Game ticket can be redeemed for \$3 off a select adult ticket to the three Monster Jam® Official Monster Truck events at the Minneapolis Metrodome — Motor Spectacular on Dec. 7; Grand Slam of Motorsports on Jan. 18; and Monster Jam on March 15.

New Jersey

The New Jersey Lottery enlisted Beetle Bailey creator Mort Walker during a special event at the Veterans Memorial Home in Edison, NJ. Walker joined the Lottery to present a \$6,000 check to the Home.

Ohio

The Ohio Lottery is testing a program offering gift cards that can be used to play several lottery games. The "Wild Cards," gift certificates, will be sold by 380 lottery agents in central Ohio. Cards can be purchased in amounts ranging from \$5 to \$50.

Quebec

Loto-Quebec launched the Bingo Vegas promotion, from which 50 participants will share \$100,000 in money to be won in addition to participating in a draw for a trip for two to Las Vegas. The Bingo Vegas evening will be further enhanced by the presence of the popular entertainers Guy Mongrain and Yves Corbeil. This unique evening will be held on February 1, 2003 at the Hilton Lac-Leamy Hotel in Gatineau.

Washington

Seattle's NBC-affiliated television show, Evening Magazine, celebrated the winning spirit of the Washington Lottery during its special, "Contest Crazy". Lottery Research and Planning Manager Todd Bauman was featured on the show as he shared interesting statistics and inside information with Evening Magazine host John Curley.

West Virginia

FY03 has started off with a bang for the West Virginia Lottery. So far Lottery sales are up 24 percent overall, race-track VLTs are up 26% and traditional scratch-off tickets are up 23 percent. Only online ticket sales are flat, compared to the same period in 2001, but the record Powerball jackpot in August 2001 set a high bar to top. ■

WLA Conference Update

Many thousands of miles from the US, 71 lotteries have met from all corners of the globe to discuss issues related to the lottery business. In a historically significant action today (11/22/2002) the WLA approved a Code of Conduct and changes to its bylaws that might affect lotteries and businesses around the world. With a unanimous vote, the organization agreed to adopt standards to prohibit cross border sales of lottery products over the Internet or using other technologies unless approved by the governments in the areas affected. Dr. Ed Stanek from the Iowa Lottery is the chairman of the New Media and Cross Border Sales Committee and the Bylaws Committee of the WLA. He presented the Bylaw changes and Code of Conduct principally authored by Austrian Lottery Director, Friedrich Stickler, to the WLA General Meeting.

As a condition of membership to the prestigious WLA, the governance approved would require all WLA members to abide by the code and risk being expelled if violated. It also would expel suppliers to the world lottery industry who provide products to non-compliant lotteries. Reidar Nordby, President of the WLA complimented Dr. Stanek and Friedrich Stickler and the other WLA members on the project for difficult and landmark setting recommendations that are now official WLA policy.

PGRI 2003 Conferences

SMART-Tech 2003

Co-Host: South Carolina
Education Lottery
February 9-12, 2003
Double Tree Suites
Historic Charleston, SC USA

ILAC Congress 2003

Co-Host: National Lottery of Mexico
April 26-29, 2003
Hilton Cancun Beach & Golf Resort
Cancun, Mexico

International Lottery Expo 2003

Co-Host: Florida Lottery
July 17-20, 2003
Sheraton Bal Harbour, Miami Beach, Florida

For more on PGRI conferences, please contact Elsie Grote.
Public Gaming Research Institute, Inc.
4020 Lake Washington Blvd, NE, Suite 100, Kirkland, WA 98033
Telephone: 425.803.2900 • Fax: 425.803.6830
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For specific information, contact TLC at (512) 344-5333 or 1-800-395-JOBS (5627) or www.txlottery.org. State of TX application required.

Applicants requesting special accommodations should call (512) 344-5143 three days in advance for appropriate arrangements. EOE

Washington State Lottery

LEGAL SERVICES MANAGER

The Washington Lottery is seeking a highly qualified Legal Services Manager. Duties include serving as Rules Officer, Public Records Officer, and Contracts Officer; providing ethics advice and training; providing legal analysis and advice on legal, policy, licensing, and prize payment issues.

Requires current Washington State Bar Association membership, a law degree from an accredited law school, and two years of legal experience in government or private practice, with emphasis on governmental procurements, administrative law, and/or financial investment/estate planning. Salary is \$54,700 to \$69,000 annually, DOQ.

For an application packet, call (360) 664-4813 or visit our web site at http://walottery.net/a_employment.asp. Closes December 1, 2002. AA/EOE.

Rhode Island RFP

The Rhode Island Lottery is issuing an RFP&Q to qualify Technology Providers for possible licensing as Video Lottery Terminal Providers. RFP&Q will be available as of December 5, 2002. All request are to be directed to:

Gerald S Aubin • Executive Director • 1425 Pontiac
Avenue • Cranston, RI 02920
401-463-6500 (Voice) • 401-463-5669 (Fax)



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