

PUBLIC

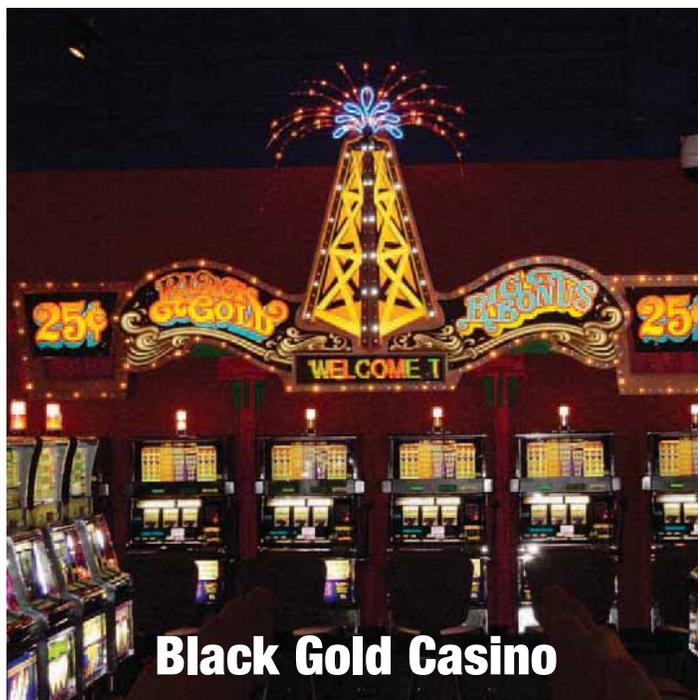
GAMING

I N T E R N A T I O N A L

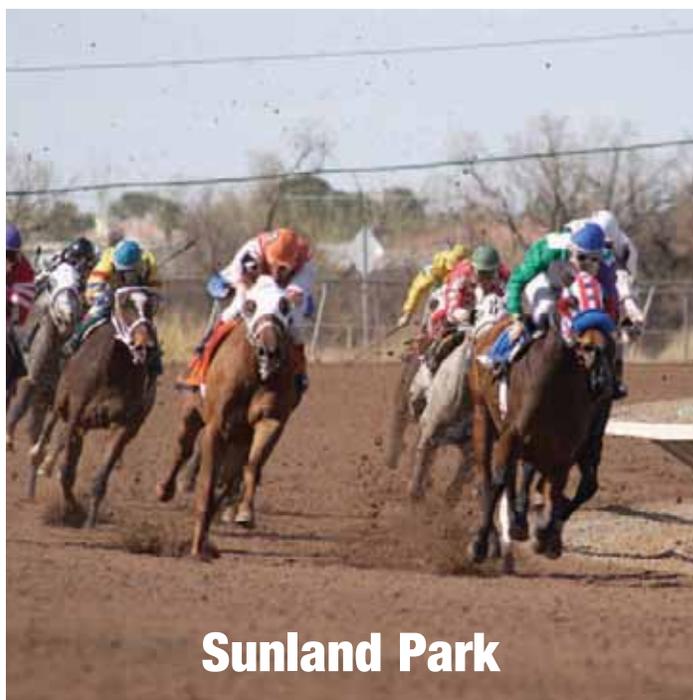
World's most widely read Lottery-Racino-Gaming magazine • Video, Racino, Casino, Internet, Wireless, Online, Scratch-Off



Key Customer Strategies

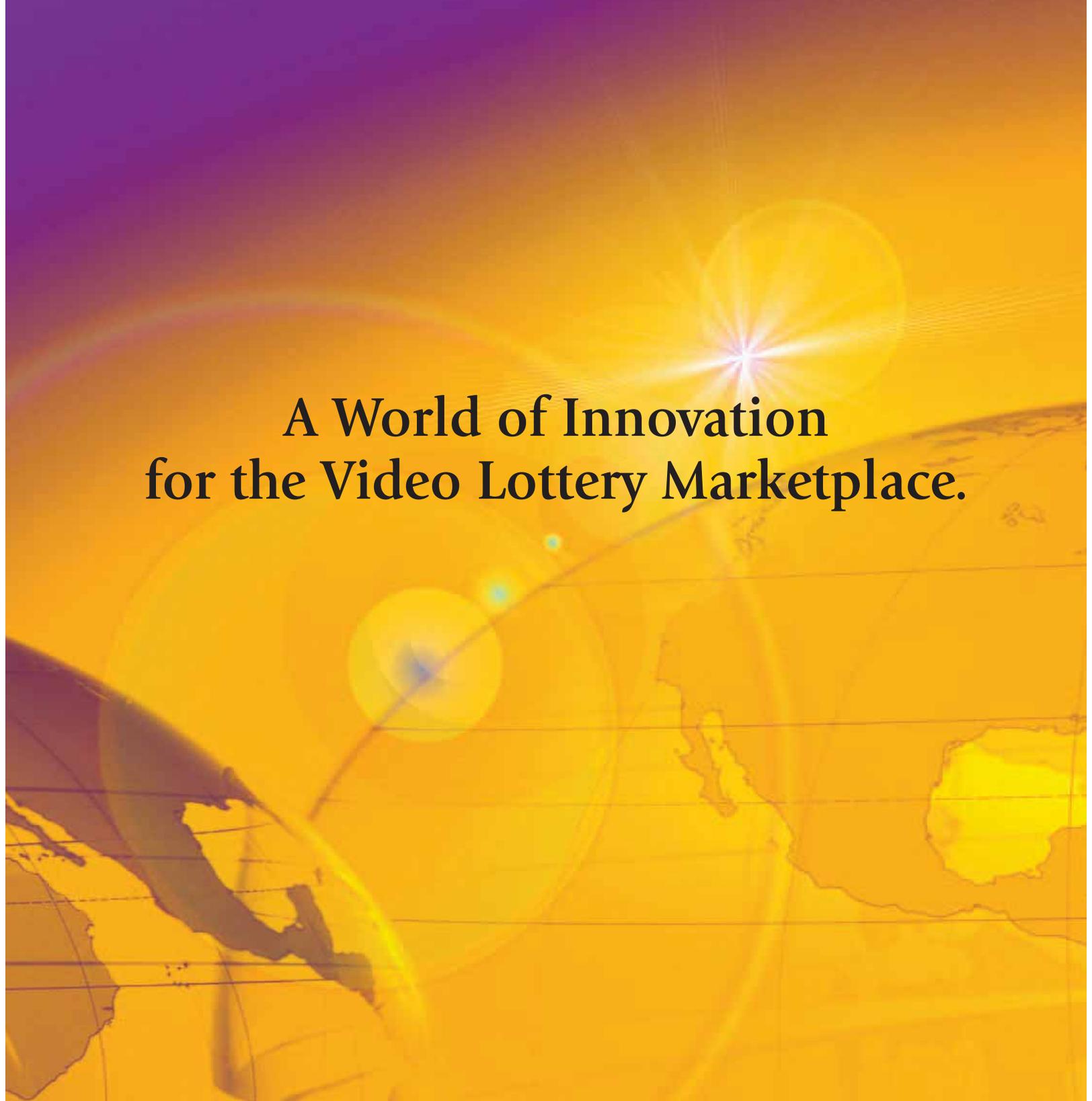


Black Gold Casino



Sunland Park

Growth in Rhode Island • British Columbia Casino Security



**A World of Innovation
for the Video Lottery Marketplace.**

*International Game Technology
Redefining What's Possible*



International Game Technology

Sales Headquarters – IGT Las Vegas

1085 Palms Airport Drive, Las Vegas, NV 89119-3749 • 702-896-8500 Fax 896-8686 • www.IGT.com

PUBLIC

GAMING

I N T E R N A T I O N A L



On the Cover:

Dwayne Chase, Nancy Polumbo, Laszlo Somorai, John Musgrave, Reagan Greer, Steve Casebeer, Penelope W. Kyle, Greg Saunders, Paul S. Ruppel, Harold Payne, Mark W. LaLonde, Bruce Rimbo, Peggy Gordon, David Clark, Bob Matteson, Brennan Lawrence, New Mexico's Black Gold Casino and Sunland Park.

Departments

Industry News	6
Around the World	7
Racino News	22
Games People Play	23
Video News	24
On the internet	25
People	26
RoundUp	27



PUBLIC GAMING RESEARCH INSTITUTE, INC.
P R O F E S S I O N A L

Features

- 2 **Guest Editorial: Useful Debates for the Lottery Industry**
by Camelot's David Clark
- 8 **UK Betting on Expansion**
Country in the midst of one of the biggest nation-wide gambling expansions in history.
- 10 **Key Strategies for Getting, Keeping & Growing Customers**
- 14 **Rhode Island Lottery – Reaching Record Highs**
The Rhode Island Lottery celebrated its 30th anniversary by pulling in record revenue numbers and compiling the highest sales per capita in the U.S.
- 16 **Oregon Looks to Line Games to Generate Revenue**
After several years, it finally looks like Oregon will be able to offer more than just video poker in bars and taverns.
- 18 **Connect it and They Will Come**
AEGIS-Video™ combines with SAS protocol to reenergize New Mexico's gaming machine themes and state profits.
- 20 **British Columbia Leads the Way with Gaming Security Officer Training Standards**
BCLC is implementing new security standards at its casinos. The changes could be the impetus for new standards worldwide.

Public Gaming International is now also available on the web.
www.publicgaming.org

PUBLIC GAMING INTERNATIONAL

PUBLISHER
Duane V. Burke

EDITOR
Todd Koepfen

ART DIRECTOR
L. Robinson

CEO/CHAIRMAN
Duane V. Burke

DIRECTOR OF OPERATIONS
Susan Jason

EXECUTIVE VICE PRESIDENT
Doris J. Burke

FORMER DIRECTOR
Ralph Batch

CIRCULATION

Tel: (425) 935-3159
(800) 493-0527
Fax: (206) 232-2564
(800) 657-9340

ADVERTISING SALES

VICE PRESIDENT OF MARKETING
Susan Burke
Tel: (425) 985-3159
(800) 493-0527

VICE PRESIDENT OF SALES
Raquel Orbegozo
Tel: (425) 765-4119
(800) 493-0527
Fax: (206) 232-2564
(800) 657-9340

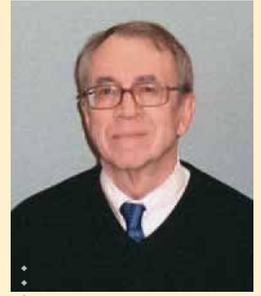
Public Gaming International (ISSN-1042-1912) January 2005, Volume 31, No. 1. Published monthly by the Public Gaming Research Institute, Inc., 218 Main Street, #203, Kirkland, WA 98033. (425) 935-3159. ANNUAL SUBSCRIPTION RATES: United States: \$145. Canada & Mexico: \$160(U.S.). All other countries: \$225(U.S.). POSTMASTER: Send address changes to Public Gaming International, 218 Main Street, #203, Kirkland, WA 98033. SUBSCRIPTION REQUESTS: Sent to same address. NOTE: Public Gaming International is distributed by airmail and other expedited delivery to readers around the world. ©2005 All rights reserved. Public Gaming Research Institute.

E-mail: publicgam@aol.com

Web site: www.publicgaming.org

Useful Debates for the Lottery Industry

by David Clark, Camelot



David Clark, Chief Executive, Camelot International Services Ltd.

Having now spent 25 years in the lottery industry after 15 years with packaged goods multi-nationals, I continue to be fascinated by some of the on-going debates and dichotomies that may never be completely resolved. Here are a few examples beginning with some lotto game design debates:

- 1** Lotto price – big or small. In New Zealand and Australia, lotteries have often been priced at half the price that would have been chosen in North America or Europe. Those lotteries have been just as successful as the North American and European lotteries. Each side believes that its strategy is best. Who is right? I think that both are right because that is how their lottery operation developed. Now, their consumers are accustomed to whichever policy was chosen at the beginning.
- 2** Many retailers or relatively few. There again the Antipodeans tend to have fewer retailers, often giving them territorial protection, than do the North Americans. Who is right? The “many” proponents believe that lotteries must be made as accessible as possible. The “few” defenders want their retailers to become lottery promotional centres. Both methods work well if at the beginning the consumer develops purchase habits that correspond to the method chosen. Players will travel further in New Zealand but will receive a more complete service when they get there.
- 3** With the advent of interactive delivery methods directly to the player, I have had a long debate with Don Stanford. Don has always believed that lotto sales via interactive means would not represent more than 5 or 10 % of the total in our lifetime. Habits are too engrained. My position has always been, “*Why would the player wait in line in a store when they can buy a ticket just before the draw (They love doing that.) in the comfort of home, bar or train?*” I think half of our sales will be via interactive within the next 30 years of my intended life. So far, Don is winning, but give me time.
- 4** Should scratchcards pay 60% in prizes or 75%? Obviously, 75 will sell more, but will it raise more money for the beneficiaries long term? Will 75 kill off the numbers games and leave the lottery operation very vulnerable and dependent on one game type? Does a state run lottery really want its image to be projected by scratchcards exclusively? There are some states that must be asking these questions.
- 5** The relativity and consequences of huge jackpots. In general, Europeans believe that it is damaging to the lottery industry to have mega jackpots that rise beyond \$50 million more than once every 3 or 4 years. The American multi-state powerball games appear to be designed to go well beyond that level as quickly and as often as possible. Detractors say that such a policy causes the players to become lottery “tourists” and to wait for a huge jackpot before playing. They also believe that the Americans are burning up their market and making local big prize games seem puny and insufficient. EuroMillions was designed to be an excellent game with many small prizes that would develop a loyal clientele. Thus far, the game appears to be well designed since the jackpot is being won before jackpot “obscenity” is reached and sales are buoyant in most countries.
- 6** Good causes v. Treasury as beneficiary. If you are operating a lottery in a country that has a very aggressive tabloid press, it is much easier to operate a lottery where all the money goes to government. There is always a majority against nearly every specific money grant. But in many jurisdictions, the lottery would never have been approved in the first place had the good cause promise not been part of the deal. This is particularly true in protestant lands. I personally believe that where the money goes has no impact whatsoever on lottery purchases. I may be wrong; there may be exceptions. Where you have a single purpose cause such as education (Georgia) or Olympic athletes (the former Loto Canada), the use of healthy, vibrant youth in advertising can give the lottery an excellent image if developed in good taste.
- 7** And finally, the legal debate in the European Community. Some of the EC bureaucrats are trying to treat the lottery/gaming industry like any other consumer goods industry. The big betting companies are using the courts to try to pry open the lottery market. They have succeeded to some extent in the UK although the National Lottery is still relatively well protected. To me it is beyond comprehension that those bureaucrats cannot understand that a government sponsored operation will do a more efficient job of protecting the population from abuses than will a free market open to unbridled competition from all the gaming companies that are currently present on the internet. Complete commercial chaos would be the result of a free market and within one year, the population would be clamouring for government regulation and protection.

So there you have it, the possibility of many useful debates in our dynamic industry. ♣

It takes a really good **game plan** to keep winning over customers year after year

The only way to keep a winning hand in the lottery and gaming business today is to have a game plan that continually evolves with changing consumer needs.

Concerted efforts in research and development, sharing innovative concepts and generating winning solutions are what make up Loto-Québec's game plan. Imagine the possibilities when the world's leading lottery and gaming organizations team up.

info@ingenio-quebec.com.



Improving the odds with R&D



SMART-TECH 2005 Bellagio Hotel

February 28 – March 3, 2005

CONFERENCE REGISTRATION FORM

Please fill out this form and fax back to 206-232-2564. Please mail original and payment to:

Public Gaming Research Institute, 218 Main Street, #203, Kirkland, WA 98033, or charge to American Express, MasterCard, or Visa (see below).

Each Registration is \$895.00

Conference registration includes all events, cocktail parties, continental breakfasts, luncheons, exhibit hall, all conference seminars, off-site events.

*****THERE IS NO CHARGE FOR LOTTERY, GOVERNMENT, CASINO, RACING OR RACINO EXECUTIVES ******

Contact/Title: _____
 Company: _____
 Address: _____
 City: _____
 State/Prov./ _____ Zip/Postal Code: _____
 Tel.: _____ Fax: _____
 Signature: _____
 Email: _____

Number of Registrations _____ Total \$ _____

Payment Terms and Options:

Please charge to my credit card _____ Please invoice me _____

Payment is accepted by American Express, MasterCard or Visa credit cards.

Fill-in below for charges.

Amount: _____
 Card Number: _____ Exp. date: _____
 Signature: _____ Date: _____
 Name on Card: _____

HOTEL RESERVATIONS: CONFERENCE ROOM RATE \$159/ ROOM
Bellagio Hotel, 3600 S. Las Vegas Blvd., Las Vegas, NV 89109
Contact Room Reservations Department at (888) 987-6667, (702) 693-7444
or on the website at www.bellagio.com under the PUBLIC GAMING /
SMART-TECH 2005 to get special room rate.

Don't Miss

SMART-Tech 2005

The gaming industry's premier stage
for sharing ideas
that grow government gaming revenues

February 2005
Las Vegas

For more information
contact Susan Burke
800.493.0527 susanjason@aol.com

Industry News



MDI and Sony Pictures Sign Contract Extension

MDI Entertainment, a wholly-owned subsidiary of Scientific Games, has signed a contract extension with Sony Pictures Consumer Products (SPCP) keeping *Wheel of Fortune* and *Jeopardy!* in MDI's portfolio as exclusively licensed for scratch-off lottery properties through December 2008. *Wheel of Fortune* and *Jeopardy!* are the two most popular syndicated shows in television history.

"On behalf of our lottery customers, we're very pleased to continue our successful relationship with *Wheel of Fortune* and *Jeopardy!*," said MDI President Steve Saferin, adding "Both licensed properties have proven track records as very successful instant lottery ticket scratch themes."

Since MDI first acquired the licenses in 1997, over 125 million *Wheel of Fortune* and *Jeopardy!* lottery tickets, valued at close to \$300 million have been produced by 22 U.S. and Canadian lotteries. MDI has fulfilled over 400,000 *Wheel of Fortune* and *Jeopardy!* second chance merchandise prizes and has managed vacation trips to Hollywood for over 300 lottery players, their families and friends, including close to 150 winners who received *Wheel of Fortune* TV game show auditions as part of their second chance Grand Prize. Six lottery players from New Jersey, Florida, Wisconsin, Nebraska and Pennsylvania have appeared as contestants on *Wheel of Fortune* as a result of the auditions they won in the lottery game.

This latest contract extension mirrors the one the two companies signed with MDI in August 2002, making *Wheel of Fortune* and *Jeopardy!*'s title, logos, artwork, set designs and sound effects available to lotteries in the United States and Canada.

Said Saferin, "The graphic and creative elements of each show translate to some of the most compelling and entertaining tickets a lottery can offer their players with games designed to let players experience the same entertainment elements that they watch every day on *Wheel of Fortune* and *Jeopardy!*"

JCM American Announces New Development Initiatives

JCM American announced a new development initiative that will result in even more compelling product development and customer service. A corporate restructuring is at the center of the initiative. Two divisions were created specifically to understand and develop more responsive solutions to customers in their respective fields.

The new Gaming Solutions Division will continue JCM's history of developing innovative currency solutions for the gaming industry around the world. JCM products, such as the embedded bill validator, have revolutionized the gaming industry, and the new Gaming Solutions Division will analyze the industry and create solutions for all gaming automated transaction needs.

The newly formed Commercial Solutions Division will seek out currency challenges in the commercial arena, most notably the vending, retail and banking industries and develop solutions for those needs. The division will also focus on the growing kiosk industry.

Paltronics Collaborates with Modern Gaming

Paltronics Inc. recently announced its agreement with Modern Gaming Inc. for product distribution rights of its One Link Media Systems, Slot Systems, Table Systems, and display equipment throughout Mississippi,

Louisiana, and several other southern jurisdictions in the U.S. The agreement allows Modern Gaming to sell, install, service, distribute, and promote the sale of Paltronics gaming technology, while assisting the company in

finalizing purchases within each targeted territory.

Scientific Games Chooses NCR

NCR Corporation's human factors consultants will develop the next-generation user interface for Scientific Games' self-service and teller-operated terminals used for pari-mutuel race wagering. The user interface design project is scheduled for completion in early 2005 and will be incorporated into self-service and teller-operated wagering devices for the Scientific Games Racing Quantum System.

Buffalo Raceway and Horsepower Sign Deal

Sungold International Holdings Corp. announced that its wholly owned subsidiary Horsepower® Broadcasting Network International Ltd. and Buffalo Trotting Association, operating under Buffalo Raceway have entered into a five-year Horsepower® Authorized Racetrack Affiliate license agreement.

Iowa Extends Scientific Games

Scientific Games Corporation announced that the Iowa Lottery has extended the company's online lottery contract. The contract is estimated at \$14 million over the term of two years beginning June 28, 2008. In addition, the Iowa Lottery is adding 330 new Extrema® terminals to its retailer network and upgrading another 170 terminals.

ALC Contracts with OGT

Atlantic Lottery Corporation has chosen Oberthur Gaming to implement and support ALC's Corporate Inventory Management System. Subject to final negotiations, the contract will be for a period of four years, commencing in early 2005.

Patents Purchased by Shuffle Master

Shuffle Master has purchased two patents owned by ENPAT, Inc., U.S. patent numbers 5,735,742 and 5,651,548, which relate to the use of RFID technology at gaming tables and throughout a casino.

Under the terms of the agreement, Mikohn Gaming Corporation's obligations under its non-exclusive license agreement for certain uses of these patents at gaming tables will be owed directly to Shuffle Master as licensor. Similarly, Gaming Partners International Corporation will retain its exclusive license for the use of these patents in the manufacture and sale of RFID gaming chips and readers.

GTECH to Acquire Controlling Equity Stake of Atronic

GTECH Holdings Corporation and the owners of privately-held Gauselmann Group announced that both parties have entered into an agreement whereby GTECH will acquire a 50% controlling equity position in the Atronic group of companies owned by Gauselmann.

Under this agreement, Atronic will continue to maintain its current operations and its established worldwide brand identity.

Based on Atronic's medium-term outlook, GTECH expects the all-cash transaction will have a total value of approximately \$100 million to \$150 million, for its 50 percent share including the assumption of debt. ♣



Australia

EssNet announced that the implementation of a brand new ELOS system for Tattersall's was completed on Monday, Nov. 29. The switch over from the old system went according to plan and 915 retailers across four Australian States and Territories can now benefit from 1,500 new E6 terminals.

China

Win Win Gaming, Inc has signed a Letter of Intent with a major U.S. gaming machine manufacturer to provide a complete video lottery system for ultimate placement and use in various jurisdictions within the People's Republic of China. Under the terms of the proposed arrangement, the manufacturer would supply Win Win with a central determinant lottery system, network equipment, associated VLTs and related machine technology. The manufacturer would also provide proprietary video lottery games for Win Win to use throughout China.

Czech Republic

Czech lottery company Sazka a.s. raised net profits by Kc197 million year-on-year to Kc1.26 billion in January-September. The profit boost was attributed to higher gaming sales, lower costs, and higher income from cell phone recharging sales.

El Salvador

Oberthur Gaming announced its contract with Lotería Nacional de Beneficencia de El Salvador (National Lottery of El Salvador), for the supply of the Lottery's instant lottery tickets. The contract includes ten games of two million tickets each for a total of 20 million tickets.

Estonia

Progressive Gaming International Corporation has established a new regional sales office in the Estonian capital of Tallinn. The office will serve customers in Finland, Russia, Ukraine, the Baltics and certain Eastern European countries. The new office is located on the 5th Floor of Liivalaia 22, Tallinn 10118. Phone +372 6285023.

Finland

Veikkaus Oy, Finland's National Lottery, reported that between January and September it achieved a profit of 285.4 million, 3.1% more than last year during the same period. Turnover increased to 909.7 million (+7.1%). The most successful games were Fixed Odds Betting and Keno (+10.8%). The turnover of Fixed Odds Betting has grown by 96.9% after a game reform in February. The sales of Lotto also turned upwards (+3.2%) after the lottery raised the game price and increased the prize amounts. Veikkaus returned 284.2 million to the Finnish Ministry of Education in the period between January and September.

Germany

Tipp24, the German online lottery company, is to be sold to three state-owned lottery companies in Germany. Negotiations are being held with the Hesse, the Rhineland-Palatinate and Baden-Wurttemberg lottery jurisdictions.

Italy

Italian Lottery operator Lottomatica reported consolidated net revenues totaling 494 million Euro in the nine months as of September 30, 2004 – a 25.9% growth over the same period in 2003. 2004 nine-month figures show more than 45% growth in Lotto wagers and 32% growth in the commission due to Lottomatica, due essentially to the higher vol-

ume collected for late numbers. Revenues for Lottomatica totalled 435.5 million Euro.

Malawi

Malawi has approved a shortlist of three bidders out of five proposed candidates wishing to run the first national lottery in the country: IT Centre/Editec consortium; Mwayi Lottery Limited; and LVK World Trade.

Mauritius

The Central Tender Board (CTB) on behalf of the Government of Mauritius announced the launch of the international procurement process for the implementation and operation of the Mauritius National Lottery. The Invitation to Submit Proposals applies to all firms or corporate bodies having or being able to provide a proven track record in the implementation and/or operation of lottery systems and having or being able to provide the required knowledge, expertise and capabilities to undertake such a comprehensive assignment. The RFP is available for download at <http://mof.gov.mu/lottery.htm>.

New Zealand

The New Zealand Lotteries Commission has started the process to upgrade its telecommunications data links to Internet Protocol standard. NZLC will soon enter a Request for Interest process as the first phase in conducting a competitive RFP to select the new network. The requirement for the new network is that the current DDS network used by NZLC to access retail locations will cease to be supported in July 2006. Vendors interested in participating in the RFI should go to the Government Electronic Tenders Service website at <http://www.gets.govt.nz/> for more detailed information.

Norway

The State Lottery in Norway, Norsk Tipping, redesigned their Logo in 1990. The Norwegian Design Council recently awarded Norsk Tipping a highly prestigious award for this logo. The Classical Design Award is given to designs that have lasted for more than ten years. The Council reasoned that Norsk Tipping's logo has become an iconic symbol that is as powerful today as when it was first introduced in 1990.

Philippines

The Philippine House of Representatives has approved a bill extending the life of the Philippine Amusement and Gaming Corp. (PAGCOR) for another 25 years.

Anthony Miranda, vice chair of the Philippines' House committee on games and amusement, has introduced a bill that would legalize the popular underground numbers game Jueteng. The game operates on a 2:37 matrix.

Taiwan

The Taiwan Lottery's first generation Lottery, "small lotto" will be retired by the Taipei Bank as early as February, 2004. The game, which has been dwindling in popularity since the launch of Big Lotto, will be replaced by a new 'mini lottery' featuring better odds (6:40 matrix as opposed to a 6:42). Ticket will cost NT\$50, with the minimum prize NT\$200, and jackpots reaching as high as NT\$20 million.

UK

The BBC could lose exclusive TV rights to the National Lottery. Camelot is believed to be in negotiations with other broadcasters in an attempt to overhaul coverage when BBC's contract comes up for renewal in 2006. Camelot is reportedly seeking coverage before or after programs that are very popular with younger viewers. ♦

U.K. Betting on Expansion

In the last year, the United Kingdom has undergone one of the largest nationwide gambling expansions in recent memory, opening up the door for Internet and wireless gambling, expanded instant ticket offerings, and setting the groundwork for massive casinos offering limitless jackpots.

Camelot

Camelot, the operator of the U.K. National Lottery, launched in 1994 with one game. Since that time the Lottery has grown to hold one of the most diverse product offerings in the lottery world. Still, it hasn't been an entirely rosy run, as the Lottery has been under scrutiny in recent years due to falling sales figures, and a perception from some that their monopolistic hold on all things Lottery should come to an end. In 2004, it seems that an answer was found for both the sales and monopoly sides of the argument.

The UK Department for Culture, Media and Sport recently reported that one company would once again be responsible for operating all aspects of the U.K. National Lottery when it comes up for bid again in 2007 (the actual license will begin in 2009), and that single entity may hold the Lottery contract for as many as fifteen years. While that ruling won't do much to quiet the dissenters that believe multiple companies should be involved in operating the Lottery, those who felt that sagging sales signaled a need to change operators were soon silenced by a sudden boom in Lottery sales brought on by relaxed regulations in regards to the types of games that Camelot could operate.

In the first six months of the 2004/2005 fiscal year, National Lottery ticket sales grew by more than £100 million (a 4.7 percent increase over the same period last year), reaching £2,354.6 million. By October, 2004, overall sales had grown to a rate of more than £90 million per week.

One of the big reasons for the revenue boost was the continued growth

of the National Lottery's non-Lotto portfolio. Scratchcard sales reached a six year high, boosted by the introduction of new games including Scrabble, Jaws and Monopoly and a £5 million investment in new format scratchcard dispensers in retail. Weekly sales were over £13 million, up 13 percent year-on-year. In addition to new titles, relaxed regulations have allowed Camelot to offer higher price point instants to enter the marketplace.

The National Lottery has also benefited from expansions in the realm of online games. As part of Camelot's strategy to broaden access to its portfolio of games approximately 600 new draw-based terminals were introduced between September 2003 and September 2004, bringing the total number to 25,940 - the largest number of draw-based terminals since the launch of The National Lottery in 1994.

Increased distribution is one way to grow sales. Another is to add products to the portfolio. In addition to its long-running Lotto game, Camelot's players can now purchase tickets for a daily 7:27 game (draws every day but Sunday), and the multi-jurisdiction mega-jackpot game, EuroMillions.

In the long run, EuroMillions is almost certain to boost Camelot's sales significantly. The game has grown at an unbelievable pace, and further growth seems inevitable. Launched in February 2004 by La Française des Jeux (France), Loterías y Apuestas del Estado (Spain) and Camelot, the game has expanded to include seven other jurisdictions: Österreichische Lotterien (Austria), La Loterie Nationale (Belgium), An Post National Lottery Company (Ireland), La Loterie Nationale

Caesars to Partner in Luxury London Casino Project

In its first move into Europe, Caesars Entertainment announced plans to develop and operate a luxury casino resort in London, adjacent to the redeveloped Wembley National Stadium and the legendary Wembley Arena. The project is part of a major redevelopment effort intended to transform the historic sporting area into an international leisure and tourist destination.

Caesars' partner in the casino project is Quintain Estates and Development PLC, one of the UK's leading property investment and development companies. Each company will own 50 percent of the planned joint venture.

The \$600-million Caesars Wembley, to be built on 13 acres in the 58-acre redevelopment area, will include:

- 75,000 square feet of gaming space accommodating 135 gaming tables and 1,250 slot machines.
- A 400-room luxury hotel, to complement the Stadium, Arena and other facilities, located on 9 levels above the gaming area, overlooking Wembley and the surrounding area.
- A new swimming pool and full-service spa, open to the public and which can be opened to the rooftop sun deck and gardens

in good weather.

- 26,000 square feet of flexible meeting space, with a large single, multi-purpose ballroom supported by smaller meeting rooms and a large outdoor covered breakout terrace.
- A diverse array of restaurants, bars, and lounges, all open to the public.
- 9,000 square feet of designer retail outlets.

The joint venture launches the next stage of Quintain's plans for the revitalization of Wembley, which when completed is expected to draw millions of visitors a year from London and its surrounding areas, as well as the rest of the United Kingdom and overseas.

The Wembley renewal project, to be financed and developed by Quintain, will surround the new National Stadium. The project will include the redeveloped Wembley Arena - a major music and entertainment venue soon to undergo a design overhaul; designer shopping outlets; a dedicated sports mall; a nightclub and the largest cinema multiplex ever built in Britain.

The plan to bring a casino to Wembley is subject to scheduled deregulation of the UK's gambling laws. ♦

Please Note: This website portal and theUKLottery.com is not a gaming website. Just an Online Ticket purchasing service for buying tickets in the UK National Lottery from anywhere in the world.

Secure Site: Protect yourself from lottery email scams -

Home Lottery 2007 > Facts & Figures > Useful Links > UK Lottery Newsletter

With twice weekly jackpots running up to £20 million, a ticket in the UK Lottery might just allow you to fulfil your wildest dreams!

"WIN YOUR DREAMS..."

You do not have to live in the UK to play the UK Lottery. Actually, anywhere in the world can play and win millions of pounds. Some £10,000 and sometimes more. With over one million winners each week, it is however, no surprise that this game is so popular as well. It has never been this easy to become a millionaire in a second!

Crave for the UK Lottery take place twice weekly on Wednesdays and Saturdays with a prize fund of up to £20,000,000. For your chance to win big, all you need to do is to click, buy and register as a first time user, after selecting your six numbers between 1 & 49, cross your fingers and hope for the period that can change the rest of your life!

Somebody has to WIN and it JUST MIGHT BE YOU.....

BUT IF YOU'RE NOT IN IT... YOU CAN'T WIN IT!!

For just a few pounds you could have a chance of becoming a multi-millionaire!!

click here to PLAY!!

Win millions of pounds sterling payable...
...anywhere in the world!

(Luxembourg), Jogos Santa Casa (Portugal), Loterie Romande (Switzerland), and Swisslos (Switzerland). With the new additions, the game covers an area with a population of nearly 195 million people, making it the largest lottery game (by population) in the world.

Interactive UK

BBC News recently reported that Nielsen/NetRatings found more than four million U.K. residents gamble online regularly. Of all the sites available to UK residents, Nielsen/NetRatings found that the U.K. National Lottery site is the most popular option, seeing an average of 1.4 million visitors each month.

Offering all products through interactive channels was a major development for

Camelot, and the investment has been considerable. Over a seven-year period the company will invest £45 million to ensure that everything goes off without a hitch.

The investment is definitely paying off. Through October, Camelot's sales through its website and Sky Active averaged £1.5 million per week, a rate which is believed to make Camelot the UK's biggest single-product Internet retailer. Altogether, National Lottery sales across interactive channels (the internet and Sky Active) in the six months to September were £33.9 million, with over 600,000 registered players

But wait, there's more. In late 2004, with the portfolio diversification continuing to build sales and the popularity of interactive channels experiencing double-digit growth, Camelot launched a new service enabling people to play National Lottery games by text message. Lotto, EuroMillions and Daily Play games are all eligible for purchase through mobile phones on all major UK networks including Orange, O2, T-Mobile, 3 and Vodafone. Players can register for the service either online at www.national-lottery.co.uk or by calling 0845 2788000.

Changing Casino Climate

The UK casino market consists of roughly 135 casinos in 56 cities housing more than 1,700 slots and more than 1,600 table games. There is also one racino in the country – Belle Vue Greyhound Stadium, which houses 8 slots.

To date, the UK casino climate has been centered more towards table games than slots. There are a few exceptions – like Stanley Star City in Birmingham, which houses 200 slots – but the average casino holds roughly a dozen machines.

There are, however, several gaming machines in approximately 6,000 establishments, including fast food shops and taxi ranks. Recently, moves have been made to get these machines out of these non-age-restricted areas and to concentrate them in betting shops, casinos, and other arcades where they will be tightly licensed by local authorities. This change is being sought by a bill that would pave the way for Las Vegas styled super casinos within the UK.

According to a 2001 government report, gambling turnover in the UK is estimated to be worth more than \$60 billion a year. Over the first five years from the implementation of the Bill, the Government further estimates that over GBP 4.5 billion (US\$7 billion at 2004 prices) of new investment will take place throughout the industry. It has also been estimated that the bill would create as many as 85,000 jobs.

When the bill was first introduced, it was estimated that it could foster the development of 20 to 40 super casinos within the UK. The number of casinos the bill will allow in the initial phase of development remains unconfirmed, but current estimates are that eight super-casinos would be allowed for a trial run, and more could be added at a later time.

UK Sports Minister Richard Caborn said, "Our analysis has always suggested that the number of regional casinos would increase gradually in the early stages of the new regulatory environment, because of the safeguards we are putting in place. As an additional reassurance, we will limit the number of regional casinos in the first phase to 8. They will be able to open after the Bill is brought fully

Continued on page 27...

NASCAR

Stay ahead of the pack with this instant game.

You can now supercharge your next instant game with the power of NASCAR®. With MDI you can capture fast paced spirit of NASCAR with action photos from the championship series, or you can select from a catalog of individual drivers to profile. Either way, your instant game will lap the rest with the strength of the official NASCAR logo. Take advantage of the fastest growing sport in America and make your next instant game a winner with NASCAR.

Time to make your move!

Visit our web site at www.mdientertainment.com
For more information, call your MDI sales representative toll-free at 1-800-572-7082.

NASCAR® is a registered trademark of the National Association for Stock Car Auto Racing, Inc.

MDI
A Scientific Games Company

Key Strategies for Getting, Keeping & Growing Customers

“The most important thing is to know your customers and treat them individually...”
 – Patrick Smyth, Chairman & CEO, Gaming Transactions Inc.

Customers are the name of the game. Whether you're trying to retain current customers, attract new ones, or trying to get certain customers to spend more, one of the central focuses of the gaming industry (if not *the* focus) is customers.

In the spirit of sharing knowledge, Public Gaming International recently inquired with several key gaming industry insiders as to key strategies for getting, keeping and growing customers. The response included individuals that operate or service casinos, lotteries and Internet gaming.

Casino and Internet

George Levenback, President, CRMA, Inc.: TELL THE TRUTH! This manifests itself particularly in the following, among so many others: 1. Lead time; 2. Suitability for the application. If not suitable and we have no suitable product, advise where the suitable product can be obtained. 3. Estimated delivery cost. 4. Recent problems other customers may have encountered with the product.

Göran Wessberg, Director International Affairs, Svenska Spel: 1. Keep on fighting for the regulated market against foreign private book-makers. 2. Persuade the government to raise the payout for sports betting games. 3. Introduce more probability games, poker and casino games on our website www.svenskaspel.se 4. Launch more gaming opportunities and services for mobile phones. 5. Introduce a new kind of VLTs for more excitement and entertainment. 6. Celebrate Lotto 25 years. 7. Focus on our responsible gaming strategy.

Jim Bakunowicz, Cadillac Ranch: Customer interaction at all levels of the business. Getting the employees to promote, promote, promote.

M.L. Gaimaro, CEO, Worldwide Casino Equipment, and President, M.L. Gaming Consultants: In my opinion the key strategy for keeping and growing a customer base is personal service to each and every customer. The customer is king, regardless of the amount that they game in your casino. Getting a customer into your gaming establishment starts with word of mouth from your customers. Good customer relations get you ten new clients, bad customer relations loses you one hundred clients.

Patrick Smyth, Chairman & CEO, Gaming Transactions Inc.: The most important thing is to know your customers and treat them individually. When you frequent a restaurant often, the Maitre'D makes it a point to get to know your name and your tastes. The same goes for online customers. Just because you can't greet them in person, doesn't mean you shouldn't take the time to know their gaming preferences or betting favorites. Hence, my most important investment next year will be excellent CRM Software.

Paul S. Ruppel, National Account Executive, Maritz Loyalty Marketing: In our experience, we believe that loyalty is centered upon identifying, retaining, and growing your best players. Identification happens through researching your current players and analyzing what they "look like"; which can give demographic, behavioral, and attitudinal insights. Retention and growth come through providing the experience that matches and exceeds the player's expectations. This can occur by communicating to them based upon their interests and needs, providing surprise and delight experiences and rewards, or by rewarding desired behavior.

William J. Palermo, CEO, Gaming & Resort Development, Inc.: While there isn't any secret to what one does to get, keep and grow casino patronage, the devil is in the details of how one goes about creating and maintaining market relevant amenities, competitive value and most importantly great customer service.

Lottery

Agustín Lorenzo Lopez, Coordinator of the Economic and Gaming Consultancy of O.N.C.E.: The ONCE this year, 2004, has continued offering passive lotteries to its clients, but given that this market has suffered some erosion, the ONCE launched on the 23rd October 2004, "EL COMBO". It is a weekly numbers-lotto game sold at 1 the stake with draws every Saturday.

André Nadeau, Senior VP, Marketing and Strategic Development, Oberthur Gaming Technologies: Our strategy remains to continuously provide attractive, entertaining, high quality and revenue-generating products to exceed our clients' expectations

“In our experience, we believe that loyalty is centered upon identifying, retaining and growing your best players...”
 – Paul S. Ruppel, National Account Executive,
 Maritz Loyalty Marketing



“...To keep pace and get new customers, the lottery industry needs to develop new technologies to place our products in front of the consumer in a more convenient and entertaining manner... Games using a code from a traditional game ticket to access Web-based games have a lot of potential.”

– Carole Bono, Assistant Director for Marketing, Oregon Lottery

and grow their business. In partnership with our customers and business associates, our strategy also consists of continually improving and pioneering the future of lotteries with innovative products and services, such as OGT's Cyber Games™ or lottery games on mobile phones.

Bob Matteson, Marketing Manager, Rhode Island Lottery: Consistent prospecting for new retailers is an on-going process. We must have the attitude that the best “Retailer” is still out there waiting to be opened and sold on the benefits of Lottery. Some of them come to us but others need to be convinced that Lottery can and will improve their bottom line.



Bob Matteson,
Marketing Manger,
Rhode Island Lottery

Keeping and growing customers are two fold. We must train them on Lottery's best practices so they can maximize profits for success.

Buddy Roogow, Director, Maryland Lottery: Attracting and retaining our loyal player base involves maintaining a core portfolio of games that is frequently enhanced with effective and original promotions. We provide existing players with refreshing, value-added options so they continue to play favorite games and try new products.

To reach new customers we focus on the emerging 18-34 year old market. Messages are tailored using demographic-appropriate products and communication tools. Sports sponsorships have also been created to help gain recognition and interest among potential players.

Carole Bono, Assistant Director for Marketing, Oregon Lottery: The public is faced with quickly-evolving technology and a multitude of new places to shop and things to buy. To keep pace and get new customers, the lottery industry needs to develop new technologies to place our products in front of the consumer in a more convenient and entertaining manner. To keep and grow customers, we need to place our product in front of the consumer more frequently – i.e., be where the consumer is going. We need to bring new, exciting games to market in a more rapid fashion to keep them engaged. Games using a code from a traditional game ticket to access Web-based games have a lot of potential.

*“In a nutshell, SERVICE, SERVICE, SERVICE...
You have to make yourself known along with your product.*

*You have to constantly focus on your message,
what your product does for the customer. You have to
make sure the customer is aware of the benefits for using
your product or service.”*

– Jack A. Boehm, VP National Sales, SCS

The 2005 Mustang has already made a strong impact with its introduction in the fall of 2004, but it's about to make an even bigger splash as the convertible is unveiled this Spring. This gives you an exciting opportunity to put Mustang muscle into your summer instant game.

When you add grand prizes of this hot new pony car, you've got a game with plenty of horsepower.

Mustang fans can't wait to play!

Ford

MUSTANG

New style, new muscle, great '05 game opportunity.

MDI
A Scientific Games Company

Visit our web site at www.mdientertainment.com

For more information, call your MDI sales representative toll-free at 1-800-572-7082.

Ford Oval and Mustang are registered trademarks owned and licensed by Ford Motor Company.

WIN UP TO \$30,000

WIN UP TO 10 TIMES

FOR A NEW FORD MUSTANG INSTANTLY

PRIZE PRIZE PRIZE PRIZE PRIZE PRIZE PRIZE PRIZE PRIZE PRIZE



“It’s about understanding the gamer of today: What is relevant, resonates and is valued? What are the trends to watch? How are our demographics changing? Once armed with these insights, we must harness our creativity, concentrate our innovative spirit, and focus our research and product development efforts in these new directions.”

– Dwayne Chase, Director, New Business Development,
Atlantic Lottery Corporation

Donald J. Cataldi, Monitor Games Coordinator, Rhode Island Lottery: The strategy for developing new customers is to educate them on the feasibility and profitability current Lottery Retailers enjoy. Most important is to be sure the staff is comfortable and understands their additional duties will be rewarded with an increase in tips. In keeping and growing customers, it is necessary to make every retailer feel important regardless of their sales performance. Sharing success stories with lower performers is a good tool to increase sales. Be sure all retailers have current supplies and POS material. All staff should be knowledgeable about all Lottery products. And last but not least, develop a personal relationship with your Retailers. It’s important for them to know they have someone they can count on.

Foster Krupa, Marketing Manager of the NJ Lottery: The NJL over the past seven years has had tremendous success with keeping customers and gaining new customers through its Lottery Bonus Zone second chance drawings. Because variety is the spice of life, customers enjoy playing a wide range of themed instant tickets that run the gamut from vintage television shows to themed sports to nostalgic icons. It’s the added value of having a second chance to win unique merchandise prizes and the entertaining appeal that the themes and brands bring to cultivate new customers and keep them coming back.

Julie Martin, Deputy Director of Washington’s Lottery: Implement GTECH Retailer Optimization Program to help us improve sales and relations with existing customers. We have a corporate account recruitment focus currently in place and have already added one national corporate account. We will be targeting individual accounts through our regional offices and have developed a comprehensive recruitment document.

John Musgrave, West Virginia Secretary of Revenue, and Director, WV Lottery: The West Virginia Lottery is like any other retail busi-

ness. Here, we know that providing excellent services and quality entertainment experiences is absolutely necessary to maintaining customer loyalty. We are competing for the disposable entertainment dollar, and we must be as exciting and rewarding as the movies, bingo halls, shopping and Internet gaming. To keep our competitive edge, we must offer products that can deliver more fun and more prizes than that which may be found elsewhere.

Our customers are the general public, but the retailer is the real Lottery customer. The West Virginia Lottery has programs to reward our retailers, and a new program that provides several levels of certification as a Lottery sales specialist for retailers’ employees. In addition, our Lottery travels the state to host retailer rallies and awards ceremonies.

A future project is a state-of-the-art web site that will serve both retailers and the general public.

Joseph D. Pfister, Internal Auditor, Hoosier Lottery: The key to getting, keeping, and growing customers is introducing and reinforcing to them that WE clearly meet their profit-making needs. We do that by delighting them with super-efficient, super-available communication and product. The more efficient that we can make our business processes, the more customers will want to make money with US.

Laszlo Somorai, Spokesman, Szerencsejáték Rt.: During promotions, and Christmas our regulars receive promotion gifts at the point of sale. We arrange promotions regularly (usually monthly). The promotion generally lasts for a week and each day per hour our customers win valuable products (for example cars) or money. The Jackpot is advertised



Laszlo Somorai,
Spokesman,
Szerencsejáték Rt.

“...We are competing for the disposable entertainment dollar, and we must be as exciting and rewarding as the movies, bingo halls, shopping and Internet gaming. To keep our competitive edge, we must offer products that can deliver more fun and more prizes than that which may be found elsewhere...”

– John Musgrave, West Virginia Secretary of Revenue, and Director,
West Virginia Lottery



*“Cost efficient = getting,
customer service = keeping and innovative
solutions and products = growing”*
– Tom Little, President & CEO,
INTRALOT Inc.

continuously in the papers and we place commercials on TV and in the radio.

Nancy Palumbo, Director, New York Lottery: The New York Lottery's core strategy for getting, keeping and growing customers is to support an aggressive year-round marketing, advertising and grass-roots promotions program; launch new and exciting games designed to appeal to a wide variety of existing and prospective customers as well as maintain an on-going strategic direct mail loyalty effort.

Peggy Gordon, Director, Colorado Lottery: The Colorado Lottery will focus a lot of effort on expanding our retailer network to include areas not currently reached, increasing our Web Site as a marketing tool by increasing the number of Internet second-chance drawings and the awareness of our products through unique promotions that focus on introducing our games to the 18 to 35 year old demographic.

Penelope W. Kyle, Executive Director, Virginia Lottery: On regular basis, the Virginia Lottery reviews and updates media strategies and elements to ensure we are attracting new players and still reaching existing players. The Lottery continues to develop new and exciting sales and merchandising materials to help retailers sell products and to help players identify new products. We continually explore cross-promotion of different product categories and expansion into new, non-traditional outlets.

Reagan E. Greer, Executive Director, Texas Lottery Commission: Our strategy at the Texas Lottery is actually pretty simple. We use all available resources, including technology, market research and historical data, to determine the mix of products that will most appeal to new customers. We also listen to our current customers, including our players and retailers, and respond accordingly. Perhaps most importantly, we ensure that all of our strategies and efforts incorporate flexibility. The ability and willingness to embrace change has been, and will continue to be, critical to the success of the Texas Lottery.

Steve Casebeer, Senior Vice President of Marketing & Sales, Kentucky Lottery Corporation: Winner awareness is key to our marketing strategy in Kentucky, so we keep winner faces in front of both players and retailers. We always want to provide a product players want, and we've responded by producing scratch-offs with higher price points and better play action. Finally, we're always looking for new and exciting online games, raising the bar with two innovative game launches this fiscal year. ♣



Nancy Palumbo,
Director,
New York Lottery



Peggy Gordon, Director,
Colorado Lottery



Penelope W. Kyle,
Executive Director,
Virginia Lottery



Reagan E. Greer,
Executive Director,
Texas Lottery
Commission



Steve Casebeer,
Senior Vice President
of Marketing & Sales,
Kentucky Lottery
Corporation



HIGH-STAKES GAME BRINGS INSTANT PLAYERS TO THE TABLE.

Fire up your players with an instant game that gives them the red hot poker action of the World Series of Poker®, complete with an authentic Texas HoldEm™ play style. With World Series of Poker, MDI lets you ride the wave of poker popularity via TV's hottest tournaments and gives your passionate poker players a dream grand prize of a seat at an actual World Series of Poker event.

PUT YOUR LOTTERY IN THE CHIPS.



A Scientific Games Company

Visit our web site at

www.mdientertainment.com

For more information,

call your MDI sales representative

toll-free at 1-800-572-7082.

The World Series of Poker® WSOP and related designs are trademarks of Harrah's License Company, LLC. Used with permission.

Texas HoldEm is a trademark of MDI Entertainment.

Rhode Island Lottery – Reaching Record Highs

In January, the Providence Journal reported that the Rhode Island Lottery was the tops in sales per capita for U.S. lotteries, and that the state's revenue from gambling has grown by 1,000 percent in the last ten years.

Of course, most people in the Lottery industry know that the most impressive figure is the latter, as reporting methods play a heavy factor in sales figures and legislated payout percentages and the types of games allowed affect not only sales, but the net revenue to each jurisdiction.

Still, any way that you look at it, the Rhode Island Lottery has been on quite a hot streak. The state's combination of Lottery products has been so prolific that income and sales tax rates haven't risen since the early 1990s, and at one point the income tax rate even decreased.

2004

For the Rhode Island Lottery, 2004 marked not only its 30th anniversary year, but also its most beneficial to the state and its residents.

Lottery sales in the state for FYE 2004 reached a record high of \$1.5 billion. After paying prize winnings, commissions, and other operating expenses, over \$281 million was turned over to the state.

Rhode Island offers a variety of games, including on-line, instant tickets, monitor games and video lottery to serve players' diverse gaming interests. Although the state is small in geographical size, its lottery has achieved the highest per capita sales of any state.

"Naturally, it's gratifying to know that all the work our staff puts in every day produces tremendous results for our state," said Gerald Aubin, executive director of the Rhode Island Lottery. *"Rhode Islanders have used lotteries in one form or another throughout the state's history for entertainment and as a vehicle to generate revenue. I guess you could say we're just carrying on a tradition of success."*

During Aubin's tenure as the Lottery's executive director which began in 1996, the Lottery has increased its revenues 225%. Over the Lottery's 30 year history, \$1.8 billion has been generated for the state.

While the Rhode Island Lottery is ranked as number one in per capita sales, it should be noted that different statistical and accounting methods used among the states explain the high numbers. As an example, says Aubin, some states with VLTs, including Rhode Island, use gross receipts in accounting for total gambling revenue, while others use net receipts.

Another factor pointed out was that the state's two VLT operators,

Rhode Island VLT's – Fast Facts

- Rhode Island Video Lottery debuted in September of 1992 with 1,282 VLTs operating at the State's two pari-mutuel facilities, Lincoln Greyhound Park and Newport Grand Jai Alai. Since that time, the number of VLTs has grown to the current total of 3,292 VLTs at the two facilities. Lincoln Park has 2,272 and Newport Grand has 1,020.
- The VLTs are owned by the technology providers; who receive 7% of the Net Terminal Income.
- The State of Rhode Island receives 59% of the net terminal income from Lincoln Park, and 63.5% from Newport Grand.
- Additional Net Terminal Income Distribution: The technology providers (who own the machines) receive 7%, Lincoln Park receives 27% and Newport Grand currently receives 26%. The central system provider receives 2.5%, and the dog owners receive 3.4%. The town of Lincoln and the city of Newport each receive 1%.
- Technology providers: IGT, WMS Gaming, Spielo and GTECH
- Rhode Island facilities are over 95% utilized on weekends.
- The Rhode Island Lottery Commission recently approved an additional 1,011 VLTs. ♣

Lincoln Park and Newport Grand, draw players from other states that enjoy the entertainment offered at these facilities.

Nonetheless, as reported by the Providence Journal, the success of the Rhode Island Lottery has made a significant impact on Rhode Island residents by maintaining, and even lowering state income taxes over the years.

"Whenever you are on top, there's only one way to go," Aubin joked. *"We will continue to develop new games, cultivate new Retailers and give our players what they want. Being number one in the country is certainly a notable achievement. But being number one in providing entertainment and financial benefits to Rhode Island is our real goal."* ♣

Gerald S. Aubin

Gerald S. Aubin is the third Executive Director to lead the Rhode Island Lottery, appointed to the position in May 1996. Prior to overseeing the Lottery, Aubin served 21 years as a police officer for the City of Providence, Rhode Island, retiring as Deputy Chief of Police, and then served as the Director of the Rhode Island Municipal Police Academy.

Under his leadership as Rhode Island Lottery Executive Director, revenues grew from \$456 million to \$1.5 billion, and the payment to the state's General Fund increased from \$90.4 million to \$281 million.

Aubin implemented several procedural and management ideas to provide proactive security measures, as well as ensure ongoing upgrades and maintenance to technology systems that serve the 1,200 Lottery Retailers. As a result, the Rhode Island Lottery employs some of the most advanced systems available to meet the state's needs, and enjoys the benefit of new games, often designed specifically for the Rhode Island consumer.

A graduate of Bryant College in Smithfield, Rhode Island, and the FBI National Academy, Quantico, Virginia, Aubin is currently President of MUSL, as well as First VP of the NASPL Executive Committee and Chair of the NASPL Security Committee. He also serves on the Board of Directors of Amos House, which provides food and services to impoverished individuals living in Rhode Island. ♣





save the date—G2E 2005.

September 13-15, 2005 Las Vegas Convention Center

September 12, 2005 G2E Training & Development Institute

Global Gaming Expo (G2E) 2005 will attract thousands of gaming professionals from around the world who'll come to sharpen their competitive edge. Join us, and ensure you stay ahead in this challenging market. Mark the date on your calendar.

For more information, visit www.globalgamingexpo.com

Questions? Call toll free 1-888-314-1378 or 1-203-840-5626

global ^{G2E}
gaming
expo

F&B
SOLUTIONS AT G2E



An American Gaming Association Event

Organized by

 Reed Exhibitions

Oregon Looks to Line Games to Generate Revenue



While a formal vote to go ahead with slot-styled games won't come until sometime in January, the Lottery is proceeding with the intent to launch line games by July 3.

Oregon Governor Ted Kulongoski has put the Oregon Lottery in the position to greatly increase revenue for the State. After many years of lobbying for a games upgrade on VLTs, the Lottery at last has been given the go-ahead to add line games to its 10,250 VLTs positioned in bars and taverns throughout the state.

While a formal vote to go ahead with slot-styled games won't come until sometime in January, the Lottery is proceeding with the intent to launch line games by July 3.

Oregon has been operating VLTs that offer video poker since 1992, and recently has offered up to 35 versions of poker on four different VLT models. Through 2003 the games generated over \$4.2 billion in gross sales, and more than \$2.2 billion in transfers to the state. In FY 2003, the average weekly net sales per VLT was \$1,030 and the average weekly net sales per capita was \$2.81.

Still, as grand as those figures are, the Lottery has long advocated that they could greatly accelerate gross and net revenues if they were allowed to offer line games that would enable Lottery machines to fully compete with the machines operating in nine tribal gaming venues throughout the state.

Recent attempts to add line games were opposed by former Governor John Kitzhaber, who was afraid that the addition would result in an increase in gambling addiction. Now, a looming budget crisis has forced the Governor to take action. Kulongoski has added the option of line games with the hope that the terminals would raise enough revenue to fund the state police and head off potential trooper cutbacks. It's been estimated that adding line games to Oregon machines could increase revenue to the tune of nearly \$35 million per year.

"This was one of the most difficult policy decisions in the budget," said Governor Kulongoski. "Although I have not been a proponent of the

state expanding into line games, I believe the impact it will have on public safety outweighs my concern. With this move, I am ensuring that we have 329 patrol officers in the streets and in the communities of this state, protecting Oregonians.

"For two decades we have been cutting the state police, increasingly putting not only our communities at risk, but putting each trooper in harms way. My budget provides a source of funding for state troopers through administrative means without asking the public for more tax dollars."

The Governor went on to say that if the Legislature were to find alternative funds to keep the police force strong, that he would funnel the new revenue from line games into education.

Retailers Rejoice, Renegotiate

It comes as no surprise that the Oregon Restaurant Association fully supports Governor Kulongoski's decision to add line games to their video lottery products.

ORA Government Relations Director Bill Perry explained that in all previous lottery contract negotiations, commission reductions have been made in light of the potential for adding line games. "Since 1994, video lottery contract negotiations have decreased commission rates for retailers with repeated references to new products on the horizon," explained Perry. "Hospitality business customers will be happy to hear that we may soon be able to offer their games of choice."

Oregon's lottery retailers recently completed contract negotiations, which culminated in a six-year contract that reduced compensation for hospitality businesses offering video lottery products. During a series of public forums held during negotiations for the contract, more than 1,200 video lottery retailers were told to expect a discussion on the addition of line games.

With the new contract including a provision to renegotiate should new games be added, the joy the retailers feel may be short-lived. Governor Kulongoski has also recently stated the he wants the Lottery Commission to reopen the recently approved six-year contract.

Currently, Oregon's 2,000 video retailers keep 29 percent of video sales, meaning the average retailer would make a commission of \$67,000. The commission percentage is expected to drop under the Lottery's rationale that the new games would not require the retailers to incur additional costs.

Still, the ORA has gone on record to say that the increased demand caused by the added games would create more work for retailers, thereby warranting a pay increase. ♦

The Ultimate Lottery Research Panel

The Internet has emerged as the key source of information for this generation of consumers. Lotteries have responded with Players Clubs and Online marketing programs. Lottery research methods have also changed to leverage this new communication channel.

The amount of customer intelligence available online from Lottery Players has exploded while research costs have come down.

Is your Lottery taking advantage of this? Kopel Research Group can show you how. We have the proven track record to help your Lottery harness the new on-line research methods.

Learn how to develop and manage your own state Lottery Research Panel by obtaining our FREE:

“Guide to Online Lottery Research Panels”

Call now: (781) 784-3343

Our Services

- Benchmark Survey
- Game Concept Analysis
- Player Segmentation
- Player Research Panels
- Market Concept Testing
- Retailer Studies
- Advertising Awareness

Our Methods

- Online Surveys
- Online Player Panels
- Telephone Surveys
- Focus Groups
- Intercept Interviews
- Mail Surveys



Our Team



KOPEL RESEARCH GROUP INC.

Web: www.kopel.com
Email: info@kopel.com
Phone: 781-784-3343

Over 15 years of Lottery Market Research Expertise

Connect It and They Will Come

AEGIS-Video™ combines with SAS protocol to reenergize New Mexico's gaming machine themes and state profits



Sales at Black Gold Casino have exceeded projections by approximately 15% since the November 15, the first day of operation of AEGIS-Video™.

The venue operators of New Mexico's licensed non-tribal racetracks knew they had a marketing problem that even the bright lights and buzz of the casino floor couldn't camouflage from players.

At issue was their ability—or more appropriately, lack of ability—to compete effectively with the full-fledged Native American gaming casinos in New Mexico and the casinos in Las Vegas.

At its very core, the issue came down to this:

New Mexico's relatively small market size—combined with the engineering cost required of manufacturers to adapt their gaming machine implementations to the central control and monitor system's proprietary communication protocol—had limited significantly the number of manufacturers willing to bring new games to the state. Indeed, the cost of taking a standard game from the casino floor and bringing it to New Mexico is extremely high, with very little return on investment.

This business reality has caused venue operators to wonder aloud: How can we possibly maximize revenue—for ourselves and for New Mexico—when very few manufacturers are willing to make the investment to bring new gaming themes to our state to keep our players excited?

The answer is obvious. You can't.

And yet here they were, in the summer of 2004, still hoping against hope that players would continue to be excited about their games, many of which had been in the market for years and, truth be told, should have been replaced with newer themes long ago.

Case in point: Dick Clark's New Year's Rockin'Eve 2000, a now five-year-old theme that has clearly seen its best revenue-generating days, yet still abundantly dots the casino floor landscape at New Mexico's state-controlled racetracks.

Says Harold Payne, general manager of Sunland Park, "We don't have a lot of competition around us, but our players go to Las Vegas all the time. And so they get to see the newest and hottest games, and when they return, their first question is always, 'Why can't we get these games in New Mexico?'"

Bruce Rimbo, general manager of Ruidoso Downs and the newly christened Black Gold Casino, hears much the same from his players. "For the last five years, players have consistently asked us, 'How come you don't have this?

How come you don't have that?' What's been difficult to explain to them is that we've really been handcuffed by certain limitations."

Those handcuffs—albeit methodically and cautiously—are gradually coming off.

The Pilot and the Promise

Last summer, the New Mexico Gaming Control Board chose Scientific Games to conduct a pilot project for a central control and monitor system replacement of its original five-year-old system.

"We issued an RFP with very specific criteria of what we required for our jurisdiction and Scientific Games was the only one who responded to those criteria," says Greg Saunders, Deputy Director of the New Mexico Gaming Control Board.

Pilot preparation began in September and the pilot began on November 3rd and calls for the migration of up to 20 percent of New Mexico's approximately 2,300 gaming machines to Scientific Games' AEGIS-Video™ Control and Monitoring system. The 20 percent cap applies only to the four original licensed racetracks and the 62 non-profit veteran and fraternal organizations. The new Black Gold Casino—with no existing gaming machines to replace—is exempt from the cap. All 600 machines are connected to the new system.

"What we have with AEGIS-Video™ is a system that gives us the ability to jurisdictionally control the security and integrity of the machines and the facilities, while also giving our venue operators everything they want," Mr. Saunders continued.

Of course, what venue operators want most is the marketing flexibility to compete. Translation: The ability to offer players the hottest new games on a launch schedule consistent with Vegas and New Mexico's Native American gaming casinos.

To meet the RFP requirements, the AEGIS-Video™ system also had to com-



Greg Saunders: Deputy Director, New Mexico Gaming Control Board



Bruce Rimbo: General Manager, Black Gold Casino

¹NOTE: On December 21, 2004, the Maine Gambling Control Board announced that it had awarded to Scientific Games the central monitoring system contract for its new gaming machine network. Subject to the negotiation of a final agreement, the AEGIS-Video™ central monitor system will begin operation in 2005 and will initially monitor 1,500 gaming machines at Bangor Historic Racetrack.



The 24 new gaming machines connected to AEGIS-Video™ are outperforming the house averages by as much as \$100 a day per machine.

ing is expected to begin in late September.

AEGIS-Video™ will be installed next at Sunray Park, followed by Ruidoso Downs, the Downs of Albuquerque and the state's 62 non-profit fraternal and veteran organizations.

So, what is it about this state-of-the-art system that is suddenly capturing the attention of gaming control boards across the U.S. – from New Mexico to Maine? (See footnote at the bottom of page 18.)

For starters, AEGIS-Video™ is an extension of the proven AEGIS® (Advanced Entertainment Gaming & Information System) product portfolio, an open system solution introduced in 1996 that uses industry standard hardware, operating systems, data communications protocols, data and system security and encryption, system and network monitoring, and database and reporting tools.

AEGIS-Video™ also uses the Slot Accounting System (SAS 6.01) protocol – and a lower version of the protocol when requested – to communicate with gaming machines. This is significant, because SAS is the casino industry standard, which means gaming machine manufacturers are in a ready-made position to bring new and progressive game themes more quickly to the casino floor.

With New Mexico's original system, manufacturers are required to adapt their gaming machine implementations to a proprietary protocol. This involves costly and extensive rewriting of software and complex, time-consuming reprogramming.

As Mr. Rimbo says, "Manufacturers have basically said, 'Let's go somewhere else where we don't have to bother with that.'"

Since the 1999 inception of racetrack casinos in New Mexico, only nine casino gaming manufacturers have become licensed to do business in the state. Of that number, only three have participated in the market, and even they have offered only a fraction of their total game library mix.

That should change now. In fact, that's one of the key advantages of AEGIS-Video™: Gaining access to gaming machine manufacturers that provide 95% of the gaming machines on the casino floors today.

Indeed, while presently only IGT gaming machines are on the Black Gold Casino floor, Rimbo says "AEGIS-Video™ has opened the door to meaningful discussions with Spielo, Aristocrat, Bally, Williams and several other major manufacturers."

According to Brennen Lawrence, Scientific Games' Director of Business Development, everybody in the country is now looking at adopt-

ing SAS, and with good reason. "Without question, the implementation of SAS standards and future BOB [Best of Breed] standards offer regulators and venue operators advantages that are simply not attainable with other systems. Scientific Games systems are designed to easily accommodate BOB – a future standard currently being developed by the Gaming Standards Association (GSA) – as well as the pending issuance of IGT's new Super-SAS standard."

Through December, AEGIS-Video™ had been installed successfully at two locations: Sunland Park, along the state's southern border about 10 miles from El Paso, Texas; and Black Gold Casino in Hobbs, which opened November 15th, becoming New Mexico's fifth non-tribal racetrack casino venue. Work continues on the latter facility, a sparkling \$45 million project. A permanent buffet, steakhouse and simulcast area is scheduled to open on or around April 1, while live horseracing is expected to begin in late September.

ing SAS, and with good reason. "Without question, the implementation of SAS standards and future BOB [Best of Breed] standards offer regulators and venue operators advantages that are simply not attainable with other systems. Scientific Games systems are designed to easily accommodate BOB – a future standard currently being developed by the Gaming Standards Association (GSA) – as well as the pending issuance of IGT's new Super-SAS standard."

The Proof's in the Profit

The early feedback on the AEGIS-Video pilot is overwhelmingly positive.

"We're thrilled with the new system," says Mr. Rimbo. "It has taken us from basically having old, outdated equipment to the best and the brightest, and giving us the ability to add any new game we need to compete in the marketplace. We've now got all the newest stuff, with theme games that include Austin Powers, the newest versions of Wheel of Fortune, Cash Convoy, I Dream of Jeannie, and some really great poker products."

Since the installation, sales at Black Gold Casino have exceeded projections by approximately 15%, according to Mr. Rimbo.

Meantime, at Sunland Park, 24 new gaming machines have been connected to AEGIS-Video™, with an additional conversion of 116 machines scheduled for 2005, consistent with the specifications of the pilot program.

"The conversion was seamless, with no interruptions and no disruption of business," says Mr. Payne. "The team did a really good job and actually was ahead of schedule on the implementation and the installs. When we were told we could buy 24 of anything we wanted, we called IGT and told them to just give us the next 24 games off the line. We were desperate for anything different."

So far, players are responding to the new themes. Mr. Payne says the 24 new machines connected to AEGIS-Video™ are "outperforming the house averages by as much as \$100-a-day per machine."

Better game content and more revenue is only part of the AEGIS-Video™ story. The system also offers regulators improved monitoring capability and superior reliability. It incorporates industry-leading features and functionality that includes 24/7 operations and monitoring of all components on the system, frequent data collection and access, integrated local and wide area progressives, and application downloading.

Mr. Lawrence says AEGIS-Video™ is like having a "24/7 'set of eyeballs'" to monitor the security and integrity of the operation and that translates to a cost benefit for regulators.

Mr. Saunders agrees. "We did a cost-benefit analysis and determined that AEGIS-Video™ could save us about half what we pay to provide 24-hour staffing to ensure the same high level of operational integrity."

Progress brings Praise

Saunders, Rimbo and Payne all say the pilot is a significant step in the right direction for bringing New Mexico's Continued on page 28...



Harold Payne: General Manager, Sunland Park



Brennen Lawrence: Director of Business Development, Scientific Games

British Columbia Leads the Way with Gaming Security Officer Training Standards.

by Mark W. LaLonde, Program Director, Justice Institute of British Columbia

In many instances, the first staff contact guests have at a casino is a uniformed security officer in a parking lot, casino entrance or on the gaming floor. While the officers may look professional, their security knowledge, customer service skills and security related competencies can vary wildly from casino to casino and from one jurisdiction to another. Some may have completed a comprehensive in-house training program, others may have attended an orientation in which they viewed videotaped lessons, and a few may have little or no actual training.

In many jurisdictions the selection, training and certification of casino security officers takes place entirely at the discretion of the employer. Most large casinos understand the importance of investing in well-trained security officers. For some, however, security is seen as a cost centre that does not generate revenues and is thus not given the attention it deserves or needs.

In British Columbia, the BC Lottery Corporation (BCLC), which regulates the gaming industry, is taking a leadership role by establishing a new mandatory pre-employment training standard and program for casino security personnel. The Gaming Security Officer (GSO) training program will be piloted in early 2005, with an anticipated province-wide roll out by late summer of 2005.

To ensure public, industry and regulator needs are met with this training, the GSO is being developed in consultation with an advisory committee which includes all stakeholders, along with professional training developers.

The GSO program will be administered on behalf of the BCLC by the Justice Institute of British Columbia (JIBC), a public post-secondary institution with a mandate to deliver criminal and social justice and public safety training within the province.

This multi-party approach ensures that the needs of the regulator and

gaming public are met; that training is delivered and administered by a neutral third party; that casinos have a well trained pool of applicants to recruit from; and that a standardized path to employment is defined for interested job seekers.

Additional benefits include a significant savings to employers through pre-employment training, the transfer of risk related to training content from the employer to a public post-secondary institution, and the enhanced level of guest protection through the establishment of a provincial training standard.

The goal of the BCLC is that all persons applying for positions as casino security officers will first have successfully completed the GSO training program. The course will be eight to ten days in length, and focus specifically on the unique knowledge and competencies required in the world of gaming. Additionally, applicants will be required to have already completed first aid training prior to seeking employment in the industry.

On behalf of the BCLC, the JIBC will implement a grand fathering process for current casino security officers in the first half of 2005.

A Picture of Casino Security

Across North America, government mandated training standards for general duty security officers vary wildly. In the United States, some twenty states currently have no mandatory training standard, while several have legislated only a minimum of four to eight hours of training. Only four states require forty or more hours of pre-employment or new-hire security officer training to be completed. In a few states, security



Mark W. LaLonde,
Program Director,
Justice Institute of
British Columbia

We go everywhere, every week!

Have Public GAMING International go there for you!

Modified from National Oceanic and Fisheries Association photo

Public Gaming International and The Morning Report

We reach tens of thousands of key gaming industry decision makers worldwide five times each month.

No other publication offers that kind of exposure.

Place an ad today and put us to work for you!

Contact: Raquel Orbeagozo

Tel: 425.765.4119

Email: raquelpr2@aol.com

officers can carry a firearm after as little as sixteen hours training. In many states, there is no formal licensing of officers, let alone mandatory security or background checks.

In several European countries, governments have mandated training standards for general duty security officers. A few, including Belgium and Finland, have gone so far as to require formal certification and exams for prospective security officers.

Currently, British Columbia (Canada) has the most stringent pre-employment training standard for contract security officers in North America. Prospective officers complete five days of intensive classroom training followed by an additional three days of physical skills training before they can apply for government licensing. Included in the licensing process is a criminal records check.

The current BC security officer training standard is administered by the JIBC, and is based on the Canadian General Standards Board standard, which also forms the basis of the Gaming Security Officer training program.

The GSO program is being developed in consultation with both the regulator (BCLC) and representatives from the local gaming industry. The development process began with a number of face-to-face meetings and a subsequent facilitated full-day session in which a skills profile chart was created and key learning points identified for each required skill. A professional curriculum designer then partnered with industry subject matter experts to create the first draft of the training materials.

In addition to seeking ongoing input and advice from the industry, the JIBC collected materials from casinos and industry consultants in other parts of Canada and from the United States, as part of the training program development process. The International Association of Security and Investigative Regulators was consulted, as was the Gaming and Wagering Protection Council of ASIS (American Society of

Industrial Security) International.

The key components of the GSO training program, as identified by the regulator and industry advisory group, include an overview of GSO duties, ethics and professionalism, customer service, laws and regulations, gaming facility protection, basic investigative skills, and customer and staff protection. The instruction will be a combination of classroom and physical skills training, culminating in a comprehensive written and skills demonstration test.

The GSO training program is being developed with the understanding that each employer will still deliver some post-employment training to meet the unique needs of their operation.

In British Columbia, security officers working in casinos start at salaries that are 20 to 70 percent above those paid to general duty contract guards. This is due to the specialized nature of the job and the prevalence of union contracts in the industry. The attractive salaries will help ensure a steady stream of participants in the GSO training program.

To ensure a large enough pool of applicants to meet employer and regional needs, the JIBC will offer the training at least monthly, on both weekdays and weekends, in communities across the province where casinos are in operation.

By the end of 2005, the goal is that all casino security officers will have completed the Gaming Security Officer training program, and be able to perform to a standard that ensures the protection of the guests, staff and assets of the casino in which they are employed. To accommodate existing staff, a process is being developed to certify existing officers.

The GSO training program reflects the commitment of industry stakeholders in BC to ensuring the safety and security of the gaming public; and sets a new benchmark for the training of gaming security staff across Canada and North America. ♦

PUBLIC

GAMING

I N T E R N A T I O N A L

Subscribe to the world's most widely read Lottery-Racino-Gaming magazine today!

Annual Subscription Rates

Public Gaming International (monthly magazine)

\$145 U.S.

\$160 Canada/Mexico

\$225 All Other Countries

PGI's International Morning Report (weekly fax or email)
Industry news bulletin. FREE only with IALS membership.

To order, contact our circulation department at:

Public Gaming International

218 Main Street, #203

Kirkland, WA 98033

ph: 800.493.0527 • fax: 800.657.9340

email: publicgam@aol.com • website: www.publicgaming.org

To Order:

Check publication(s) you wish to receive, and return completed form.

Name _____

Title _____

Company _____

Address _____

City _____ State _____

Zip Code _____ Country _____

Phone _____ Fax _____

Check method of payment. Amount \$ _____

Check VISA Mastercard American Express

Card # _____ Expiration _____

Signature _____

RACINO NEWS

Prairie Meadows Launches Table Games

Altoona, Iowa's Prairie Meadows Racetrack and Casino recently opened table games to the public, offering poker, blackjack, craps and other games. The racino is opening 33 table games in an area (overlooking the racetrack) that recently underwent a \$1 million renovation. State law had, until recently, prohibited table games at the track.

Prairie Meadows is currently seeking approval for a \$60 million expansion that would provide an additional 30 table games and 500 new slot machines.

Delaware Park Season Ends on a High Note

Delaware Park's 2004 live racing season ended recently, closing a notable chapter in the prestigious track's racing history. Having weathered many obstacles this season, the combined handle prevailed despite a bout of heavy rainstorms and the New York Racing Association contract dispute. Final daily average figures were reported to be \$1,854,524 for wagering on the live card (on-track and simulcast out).

Hoosier Park at Anderson Concludes 2004 Thoroughbred Meet

Hoosier Park concluded its tenth season of Thoroughbred racing Sunday, Nov. 21. The meet offered 59 days of action, beginning Sept. 2. Total wagering reached \$76.9 million for the 59-day meet compared to \$102.6 million during the 70-day meet in 2003. Average daily handle for the Thoroughbred meet decreased by 11.1% from 2003, as \$1,303,110 was wagered nightly on Hoosier Park's card around the country compared to an average of \$1,465,497 in 2003. Average daily on-track handle fell 6.6% as \$76,321 was wagered nightly in 2004 compared to \$81,736 in 2003. An additional \$18,550 was wagered nightly on the Hoosier Park card at the track's OTB locations around the state, a decrease of 14.2% from 2003. Average daily attendance was 955, which was 4% above last year's figure of 918. An average of 8.7 starters

went to the gate in 2004, compared to 9.1 in 2003. Average daily purses rose 24.8% in 2004, as horsemen raced for an average of \$144,756 in 2004 versus \$115,982 in 2003. Total purses distributed in 2004 amounted to \$8,540,624, an increase of 5.2% from the 70-day meet in 2003.

Churchill Downs Concludes Fall Festival

Despite racing in a month with near-record rainfall, a facility still limited by construction, and uncertainty over the absence of some of the track's best-known jockeys after only one week of the meet, Churchill Downs saw increases in on-track attendance and wagering while total wagering registered a slight decline from a record total as the historic track's "Fall Festival Of Racing" completed its 21-day run on Saturday, Nov. 27.

With portions of three floors of the track's renovated Clubhouse open for the first time, daily on-track attendance during the 21-day session averaged 7,467, an increase of nearly 11% from the 2003 average of 6,755. On-track wagering averaged \$1,098,931 per day, a gain of more than 8% over the daily average of \$1,015,696 during last year's fall meet. Average daily total wagering stood at \$7,791,943, a decline of just over 2% from the record 2003 average of \$7,995,677.

Continued strong distribution of Churchill Downs racing through the Churchill Downs Simulcast Network ("CDSN") and the popularity of the track's large and competitive fields of horses allowed the track to nearly equal the record-shattering Fall Meet of 2003, which saw its daily average for total wagering soar by nearly 18 percent. Average daily race purses for the meet surged to \$495,788, an increase of 17% from the 2003 fall average of \$424,017. Purses for the meet totaled \$10,411,550.

Codey Wants VLTs at Meadowlands

New Jersey Governor-elect Richard J. Codey is reportedly pushing a plan to place up to 5,000 VLTs at the Meadowlands. The Governor's 2006 budget is expected to rely on the estimated \$275 million the machines would generate (once fully implemented the machines could bring in more than \$500 million annually). A tax break for casinos may be considered in order to get them to endorse the plan.

West Virginia May Consider Table Games at Tracks

West Virginia Governor Bob Wise recently offered his support for a special legislative session to consider table gambling legislation. The legislation would allow citizens residing in counties with racinos to vote on whether to allow table games.

Wise has not been a table game advocate in the past, but Pennsylvania's entry into the racino market is causing many states to re-examine their options.

Casino de Montreal to Host Miss Universe® Canada

The Casino de Montréal is delighted to, in collaboration with Beauties of Canada, be playing host to the Miss Universe® Canada 2005 pageant – marking the very first time this highly acclaimed national competition is held in Québec. Beautiful ladies from nation's coast to coast are expected to arrive in Montréal on January 19, and the one to be ultimately crowned Miss Universe® Canada 2005 will represent the country at the world-renowned Miss Universe® competition in Bangkok, Thailand. ♦

BCLC Distribution Solution

The British Columbia Lottery Corporation has called tenders for new technology to upgrade its online gaming network in around 1,100 age restricted venues.

Summary Details: BCLC is in the process of implementing a new communications network to its Hospitality Network (HN) locations. The HN network is a network of age restricted locations located throughout BC such as pubs, bars, etc. BCLC's intention is to deliver game content via private television/video feed. Wagers will be placed over BC's traditional on-line HN Lottery network and content will be delivered over a private television channel (satellite and/or terrestrial). Initially, there will be a roll out to approximately 500 locations throughout the province of BC with further roll out to approximately 1,200 locations within one year's time. BCLC is looking for a vendor who can provide a full service package from initial rollout to ongoing maintenance.

The Request for Quote document can be viewed at: <http://www.bcbid.gov.bc.ca/open.dll/welcome> ♦

Games People Play



Electronic Game Card Product Surpasses Expectations

Electronic Game Card, Inc. confirmed that the initial response to the pilot conducted with its partner, Scientific Games Corporation, and the Iowa Lottery of the Quarter Play™ electronic GameCards in the Cedar Rapids, Waterloo/Cedar Falls and Dubuque areas of Iowa has surpassed the upper expectations set for the new lottery industry product.

As of December 13, nearly 90% of the 20,000 electronic GameCards initially ordered by the Iowa Lottery for the three-month trial have been sold to the public via the 130 outlets in eastern Iowa selling the GameCards.

Dr. Ed Stanek, CEO of the Iowa Lottery Authority, and a leading innovator in the US lottery business, commented: "We are delighted with the consumer response to the Quarter Play™ electronic GameCard

– sales being ahead of the targets set for the product. We believe electronic GameCards present a significant new revenue opportunity for the Iowa Lottery and we look forward to widening our electronic GameCard offering to the public in 2005."

To this end, Electronic Game Card, Inc., Scientific Games Corporation and Iowa State Lottery confirmed that an initial follow-on order of over half a million GameCard units is being made. The re-order will allow the continued roll-out of Quarter Play™ as well as the phased introduction of a further two electronic GameCard based products.

The results from Iowa are being closely watched by the industry. This re-order represents a significant step forward in the broader adoption of electronic GameCards by the lottery industry in the US. ♣

POWER UP Your Lottery Sales

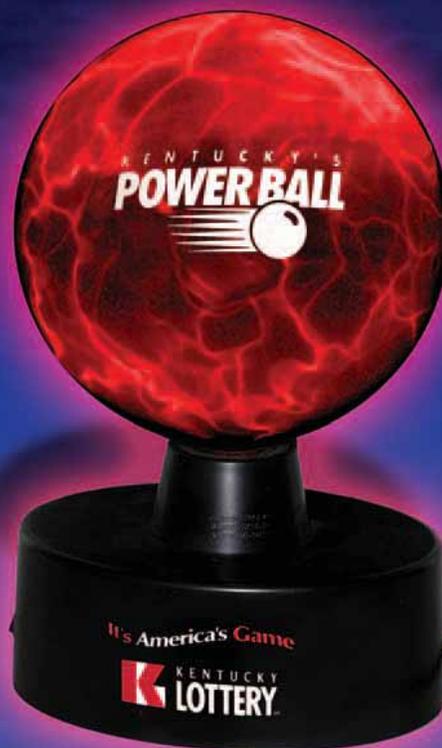
Introducing.....

The Lottery Lightning Ball

Exciting plasma "lightning & motion"

- Electrify your sales...
- Generate new or renewed retail agent & player interest in online products i.e. Lotto & multi-jurisdiction games
- Available in a variety of colors

**Get Charged Up...
Give Us A Buzzzz... Today!**



Benchmarc Lottery Merchandising

Contact Glenn Gratta Tel: (847) 353-6225
email: ggratta@benchmarc.com

Video

News

Québec to Reduce the Number of Video Lottery Terminals and Sites

Mr. Yves Séguin, Québec's minister of finance, recently announced that the Government of Québec has approved Loto-Québec's 2004-2007 Development Plan, which calls for a significant reduction in the number of VLTs and sites where they are installed. More specifically, the number of terminals will be reduced by at least 730 in accordance with the Government's commitment to combating compulsive gambling.

By diminishing the number of sites equipped with these units by 31%, the Government will be substantially decreasing accessibility. In effect, a total of 2,500 terminals will be withdrawn from the network of licensed establishments, with a certain number of these units to be relocated to controlled sites. Bar owners who will see their units removed are to receive formal notice 12 months prior to their removal, along with financial compensation equal to their commission received over the past year for each unit withdrawn.

In making his announcement, Mr. Séguin also indicated that Loto-Québec will increase its annual budget for the prevention and treatment of compulsive gambling from \$20 million to \$25 million. Exactly how this budget will be allocated will be made public after consultations are conducted with the Ministry of Health and Social Services and a number of organizations concerned. A work group will ultimately develop a series of proposals in order to most effectively determine and target the actions to be taken in the fight against compulsive gambling. Moreover, a special committee will be set up to establish a code of ethics governing the operation of video lottery terminals.

West Virginia Awards Permits for Final VLTs

The West Virginia Lottery Commission recently awarded permits for the state's final 225 VLTs, more than three years after the first permits were offered to bars and fraternal organizations. The permits were awarded through a drawing because the commission received tie bids from 28 potential vendors on November 19. Of those, 21 vendors received permits at the commission's minimum price of \$3,500 per permit. When the first permits were offered in August 2001, the going price was \$1,000 per permit.

Pennsylvania Slots Board Adopts Ethics Code

Pennsylvania's new gambling commission adopted an ethics code last week and began searching for top-level executives to implement its policies. The daylong meeting by the Pennsylvania Gaming Control Board was its first step toward making slot gambling a reality. A timeline provided to the board by a consultant suggested the first machines could be up and running under conditional licenses within nine months after they start taking license applications.

Delaware Group Recommends Expansion

Delaware's Video Lottery Advisory Council submitted a report to the state recommending additional gaming machines, longer hours and the possibility of sports betting. Delaware racinos are allowed to operate 2,500 machines, and the VLAC's request was that they be allowed to have

5,000 machines each in order to compete with racinos in Pennsylvania that will be allowed the same amount. Both the Governor and the Legislature would need to approve the recommended changes.

Minnesota Needs Added Product to Reach Goals

Minnesota Lottery Director Clint Harris said the state will need to introduce a new lottery product if the lottery hopes to meet its revenue goals. The Minnesota State Lottery wants to double its revenue in the next 20 years – from 100 million dollars to 200 million dollars by 2024. Harris says the lottery has sent a report to state lawmakers estimating revenues from the legalization of slot machines, keno and various video products being used by other states.

BCLC Opens Signal Point Community Gaming Center

Signal Point Community Gaming Centre recently opened its doors as the newest entertainment option in Williams Lake, British Columbia. Situated on 67 acres, it's a state-of-the-art 24,000 square-foot entertainment facility with a modern Chilcotin theme and seating for over 360 bingo enthusiasts – including 97 electronic slot machines.

The Centre has a 70-seat full-service restaurant managed and run by the Laughing Loon. There is a suite available for private parties, an interior finish that includes Italian ceramic tiles and granite countertops, and a spectacular view overlooking the lake.

LACG Seeks Additional Financing

The Louisiana Association on Compulsive Gambling is asking the Louisiana Gaming Control Board for an increase to its \$2 million in annual financing. The LACG says its current budget only allows it to meet a fraction of the need. If additional money is obtained, the LACG would like to expand youth outreach efforts.

Loto-Quebec Signs with Optimal Services Group

Optimal Services Group has signed a five-year agreement with The Societe des loteries video du Quebec Inc., and will now provide the SLVQ with inventory management, technical laboratory services, as well as, depot maintenance and repair services for SLVQ VLTs.

Veto Slip Complicates Pennsylvania Situation

Governor Ed Rendell recently vetoed Pennsylvania Senate Bill 1209, arguing that it undermines the ability of the newly established Gaming Control Board to work effectively to implement the provisions of Act 71 and removes important economic benefits originally contained in the Act. The main goal of the bill was to eliminate a provision allowing lawmakers to own up to 1% of a gambling interest, but Rendell argued that the Bill actually weakened the application of the prohibition by narrowing the definition of immediate family to allow parents and siblings of public officials to have a direct and unlimited interest in gaming companies.

The only problem is that the Governor vetoed the wrong version of the bill. Rendell's office calls the mishap a typo and maintains that the veto stands, but Republicans are saying it means the final version of the bill became law. It is highly likely that the courts will have to clear up the incident. ♣

WWW on the internet

The First Internet Scratch Card in Estonia

EGET has successfully delivered an internet scratch card game to Spordiennustus, an online gaming subsidiary of the Estonian Olympic Committee. This is the first game of this type to be offered in Estonia and yet another first for Spordiennustus, following the launch of their online sports betting site earlier this year.

The scratch card has a basketball theme, hence fitting perfectly with the site. It follows the standard scratch card model with two games, doubling the chance to win.

Players can also play for 'double-or-nothing'. The top prize can be as high as 100,000 EEK, depending on the price of the purchased ticket.

"Our wish is to offer for our customers new and interesting interactive gaming possibilities. The profit, which comes from the games goes to supporting Estonian sports", says Sven Kolga, Chairman of the Spordiennustus Board.

Until now, Spordiennustus has focused on offering sports betting on the Internet to the sports fans of Estonia. This new initiative demonstrates its decision to broaden its offering to include a range of instant games on the gaming site. This decision is supported by the rapid growth in traffic, indicating the success of sports betting. Another indicator of the accomplishment of Spordiennustus is that its turnover has doubled in 6 months.

"This shows how a successful online gaming solution can be diversified, bringing in new revenue streams," commented Lauri Gorski, CEO of EGET, *"Sports betting and Instant Games are complementary, encouraging players to spend more time on the site and strengthening their relationship with the gaming operator."*

The delivery of the scratch card is just the first phase of the arrangement. The cooperation with EGET will continue, with other releases of instant games to follow next year. These will include games such as Keno, which will be available at the beginning of next year.

TIPOS Internet Launch Update

The Slovakian national lottery company TIPOS, a.s. recently presented a new product in its portfolio – online betting. The rising demand from players and continuously growing tendency to use Internet in communication and entertainment were reasons given for the expansion. Within the first 24 hours after the launch the TIPOS site received more than 100 player registrations, and currently has about 1500 registered players. TIPOS, a.s. plans to release additional online games in 2005.

Playsphere Meeting Expectations

Darlene Doucet, spokeswoman for the Atlantic Lottery Corporation, said there's been a steady migration to web-based purchases of lottery tickets since its PlaySphere site was launched almost four months ago. PlaySphere participation is about what had been predicted. The site is meeting its sales target: approximately one percent of regular lottery ticket sales (\$5.9 million), and members of the site are wagering an average of \$6 weekly on tickets or sports games.

OGT and Ingenio to Offer Cyber Games™ Portal

Oberthur Gaming announced another innovation in the global lottery industry with the Cyber Games™ Portal. In partnership with INGENIO, a subsidiary of Loto-Québec, OGT will offer a comprehensive turnkey solution supported by a secure and robust infrastructure, which includes a wide range of instant multimedia lottery games. This portal will enable lottery corporations to take advantage of a library of instant multimedia lottery games including Tetris®, Mah Jong™, StarWars™ and of course, Cyber Slingo®. These and many more popular multimedia lottery games are available to be downloaded off the Web and have already proven to be a huge success in New Jersey.

EGET Launches Instant WinOne Platform for Internet and Mobile

EGET chose the WLA convention in Durban November, 14th-19th to launch the WinOne™ Instant Game Platform. The new platform will enable any lottery operator to add mobile and internet to their existing offering quickly and cost-effectively. The new offer runs on EGET's WinOne™ Gaming Platform, which already powers internet and mobile games of a range of large licensed gaming operators, including Sperospel, holder of a national lottery license in Sweden.

eLot Wins Patent for Internet Sale of Tickets

eLOT, Inc. has received a "Notice of Allowance" for a patent that covers their system for purchasing state and government lottery tickets over the Internet. The patent expands on earlier patents the Company acquired for its operating system, and now includes Daily Number and Instant game lottery products that are purchased and played on Internet and sold either on a daily basis or by a long-term subscription service.

This system will allow a lottery to sell daily numbers, Lotto, Powerball or MEGA MILLIONS tickets and instant games on a daily or long term subscription basis. The new patent also covers the eLOT system and method that: enables lottery players to receive player and ticket information; screens and verifies that lottery players satisfy state eligibility criteria; stores player and ticket information and determines winning tickets and notifies winning players, upon receipt of this data from state authorities.

Verifia Signs with BCLC

Verifia signed a software license and service agreement with BC Lottery. Working in conjunction with BCLC, Verifia has provided IP geography solution, NetGeo, for BCLC's PlayNow Internet purchasing site.

Games Inc. Gives Away Holiday Cash

Games Inc. featured a December tournament of its popular Pyramid Solitaire Game on its www.Games.Org website. Those who entered matched their skills against other players for a shot at the \$500 prize on December 23. There were also cash prizes for second and third place winners as well as daily prizes. The site offers daily skill-based tournaments and has given away thousands of dollars in prizes ranging from \$5 to \$25. ♦

People



KLC's Arch Gleason Slated to Become President of WLA

Arch Gleason, President and CEO of the Kentucky Lottery Corporation (KLC), has been elected Senior VP of the WLA. The current WLA president, **Reidar Nordby**, has announced he will step down next November, and under WLA bylaws, Gleason will then ascend to the office of the organization's president.

"I am truly grateful for the support of members from around the world who have presented me with this wonderful opportunity and challenge," said Gleason. *"It's an honor to be elected to a position on the WLA Executive Committee while also being chosen to serve as its Senior Vice President."*

"While much has been accomplished in the last five years by the WLA's past and continuing leaders, I look forward to working with the new executive committee members in building on prior accomplishments, making constructive changes, and setting its future course," Gleason continued. *"In addition, I look forward to working with and learning from experts in our field from around the world so I can bring those lessons back home to Kentucky."*

Chon Gutierrez, who helped lead Gov. **Arnold Schwarzenegger's** California Performance Review study, was recently named interim director of the California State Lottery. Gutierrez, 60, had been serving as the interim director of the Department of Motor Vehicles for the past year. The appointment is Gutierrez's second stint at the lottery. He also served as lottery head from 1986 through 1991.

Maine Secretary of State **Dan A. Gwadosky** will take over as director of the Maine Bureau of Alcoholic Beverages and Lottery Operations in January when his term in the Statehouse expires. Gwadosky served as secretary of state for eight years, and also completed a term as House speaker before being elected secretary of state in 1997. He served nine terms in the House, first getting elected in 1978.

During their gala celebration, the Delaware Chapter of the National Multiple Sclerosis Society awarded its highest honor to **William Rickman, Jr.**, President and CEO of Delaware Park, for his outstanding contribution to the community. Mr. Rickman's contributions and fundraising efforts help support M.S. research, education, and advocacy.

The Dutch State Lottery announced that **Mrs. Y.R.C. (Yvonne) van Oort** has been appointed CEO. Starting January 1, 2005 she will succeed **Hans Smits** who has managed the organization on an interim basis since November 2003. Mrs. Van Oort currently serves as CEO of ECI B.V./Euroboek B.V.

Montana Governor-elect **Brian Schweitzer** named **George Parisot** as director for the Montana Lottery. Parisot owns a Web design company called BigSkyWeb.com, a company he has been involved with since 1994 while also working as the technology administrator for the AG's office. Parisot will replace current Montana Lottery Director **Gerald LaChere**.

The Oregon Senate recently confirmed **Dale Penn**, as Lottery Director. Penn served Marion County as district attorney for 20 years.

Ohio Governor **Bob Taft** appointed **Tom Hayes** to the position of director of the Ohio Lottery after Dennis Kennedy resigned to seek a position in the private sector. Hayes most recent post was director of the Ohio Department of Job and Family Services

Indiana Governor-elect **Mitch Daniels** has asked Hoosier Lottery Director **John Ross** to send in his resignation. The Lottery Director is appointed by the Governor, and Ross, like 145 other individuals holding positions appointed by outgoing Governor **Joe Kernan**, is expected to resign by January 10, 2005.

Thomas J. Matthews will succeed **G. Thomas Baker**, as chairman of IGT effective March 1, 2005, at the company's annual shareholder meeting. Matthews was named Chief Operating Officer in December 2001 and was appointed CEO in October 2003. He has served on IGT's board of directors since December 2001, when Anchor Gaming was acquired by IGT. He will retain his CEO title in addition to his new title of chairman.

Reed Exhibitions, co-producers of G2E has appointed **Nick Lewin** as the new Las Vegas-based national account manager for G2E. Lewin brings to G2E both gaming industry and trade show expertise from previous positions at The Mirage Hotel & Casino, ConvExx trade shows and The Freeman Decorating Companies. Lewin replaces **Ed Gallo**, who served as G2E's director of strategic accounts. Gallo was promoted to group sales director, managing G2E's full sales force.

Paltronics Inc. announced **Stephen Fleischmann** as their sales account executive to oversee operations in the Midwest region of the United States. Fleischmann joins Paltronics with over ten years of sales and marketing experience for various organizations.

Oberthur Gaming announced that **Art Kiuttu** has joined OGT's U.S. Sales division in San Antonio, Texas, as Lottery Account Executive. Art has over 19 years of lottery experience, having worked for the Oregon Lottery since start-up in 1985. While at the Lottery he held the positions of Regional Sales Manager, Corporate Sales Manager, Sales Development Manager and Traditional Games Product Manager.

Youbet.com, Inc. announced that **Lonny T. Powell** will join the company as VP Public Affairs and GM of the Central Region. Powell, who is currently President and CEO of the Association of Racing Commissioners International, begins his new assignment on February 1, 2005.

Pacific Lottery Corporation elected **Mr. Quah Chek Tin** as a director of the Corporation at the Annual General and Special meeting of shareholders. Mr. Quah Chek Tin is also the Executive Director of Genting Berhad, a gaming company listed on the Kuala Lumpur Stock Exchange.

Win Win Gaming, Inc. has retained **Mr. Kevin Delehant** and his firm Winpointe International, Inc. to consult on the expansion of the Company's lottery operations in China. Mr. Delehant has over 18 years experience in the lottery industry in areas including Business Development, International Sales and Marketing. Mr. Delehant was employed by Scientific Games for 15 years.

Delaware Park's Legends Restaurant Sous Chef, **Joseph Joyce**, was recently honored with the People's Choice Award for Best Seafood Chowder, for the second year in a row. This award is given annually by the University of Delaware College of Marine Studies. Joyce's entry, New England Style Chipotle Clam Chowder, was chosen by the over 500 people who sampled it at the Coast Day Festival. ♦

Atlantic

The Atlantic Lottery made improvements to OVER/UNDER's prize structure – which now operates like an odd-set prize structure. Players now see an "Over" odd, and an "Under" odd on the Game List. Also, both PRO•LINE and OVER/UNDER Games Lists now offer up to 255 games a week (twice as many basketball games, 25% more baseball games, and new sports: Golf, Tennis, College Football, and College Basketball).

California

To launch its new NBA Scratchers game to its NBA fan base, the California Lottery partnered with the Golden State Warriors and the Los Angeles Clippers, and held a "Media Shootout" during the halftimes of two of their recent games. At both venues, local television and radio personalities competed against each other for a grand prize of \$2500 to be donated by the Lottery to the charity of their choice. The object of the Media Shootout was to get as many baskets as they could in a 30-second period, with 3-point shots being worth the most points. And of course, the main objective was to have each reporter cover the details of the shootout, the competition and the winners on air. The event promoted the new ticket at these top venues and garnered a number of news stories on television and radio in each of these media markets at a minimal cost to the Lottery.

Colorado

Sometimes the best way to increase profits is to cut expenses. Colorado Lottery Director Margaret Gordon has led the Lottery to cut nearly \$1 million from its 2005-06 budget. The Lottery has been examining several areas where it could make cuts. In the final analysis, some of the areas include: eliminating two director positions, internalizing a marketing contract, buying less expensive supplies, and reducing the number of Instants printed in order to reduce the number of leftover tickets.

Iowa

Casey's General Stores, Iowa's largest convenience store chain, resumed sales of Iowa Lottery products for the first time in a decade.

Sales from Casey's 340 Iowa stores should generate an estimated \$4-\$5 million in annual lottery profits. Casey's operates more than 1,300 stores in nine Midwestern states, and has also resumed selling lottery tickets in Wisconsin and Indiana.

Massachusetts

The Massachusetts State Lottery has temporarily extended the hours of Keno to start at 5 a.m., rather than 10 a.m., Monday through Saturday. On Sundays, the start time remains noon. If the changes to the hours prove successful, Lottery officials may consider making the extended hours permanent.

Missouri

If you're an outdoor-lover and enjoy Missouri's rich beauty, the Missouri Lottery's new 2005 Missouri "Great Outdoor" wall calendar is guaranteed to be a favorite. The calendar features the 13 winning photographs from last year's Missouri Lottery "Great Outdoor" Photo Contest. The calendars cost \$5 each and can be purchased from the Luckytown Store located at www.molottery.com. All proceeds received from calendar sales will go to benefit public education in Missouri.

Nebraska

The Nebraska Lottery offered printable gift cards in December that customers could download and print for use in "wrapping" tickets being given away as gifts. Lottery customers had two styles to choose from. Each card could be printed on a standard 8.5 x 11-inch sheet of paper, and folded to a handy 4.25 x 5.5-inch size. The Lottery also had a promotion where MVP Club members could enter the name and address of one person (19 or older) to whom they would most like to give a Lottery holiday greeting card and \$10 worth of Scratch tickets. The Lottery held two drawings to pick 60 lucky winners of the greeting card and ticket package. As an added bonus, the MVP Club Members who entered a winning friend's name in the drawing also received \$10 in tickets.

...continued from page 9.

into force, which we expect to be in the course of 2007.

"Whether more regional casinos will be allowed in due course will depend on the result of a careful evaluation of their impact after an initial period."

Several US casino groups, including Las Vegas Sands, Inc., Caesars, and MGM Mirage are already developing projects in the UK. One such project is the \$600-million Caesars Wembley (in northwest London), a joint venture between Caesars and Quintain Estates and Development PLC, one of the UK's leading property investment and development companies, which specializes in strategic property acquisition, redevelopment and asset management across the UK.

"Wembley promises to become one of Europe's top new leisure destinations," said Caesars Entertainment President and CEO Wallace R. Barr in a statement issued October 12, going on to say, "Wembley is a natural location for our first European casino project."

Dissecting the Bill

The Bill proposes lifting certain restrictions on casinos and bingo halls in an aim to foster increased business opportunities – like the Caesars Wembley project – and greater commercial freedom in the gaming sector in the UK. These include:

- Removing the '24 hour' rule which states people must be a member of a casino or bingo club for 24 hours before they can enter,
- Removing the permitted areas rule that defines in law strict areas where casinos can be built,

Allowing casinos to advertise for the first time.

The Bill will also establish a new regulator – the Gambling Commission – that will police casinos, bingo halls, gambling websites and bookmakers. In announcing the Bill, Secretary of State for Culture, Media and Sport Tessa Jowell said, "It is nearly forty years since Parliament last had the opportunity to take a serious look at our gambling laws and it's not just attitudes that have changed since then. That's why I believe it is right to take this opportunity to remove some of the more draconian restrictions on casinos, such as the '24 hour' rule."

Ms. Jowell continued, "In the face of this, new protections are vital. Levels of problem gambling are low in Britain and I am totally committed to keeping it that way. That's why the Bill is so important. With a powerful new Gambling Commission policing these rules I'm confident the UK will become the safest gambling environment in the world." ♣

New Mexico

The New Mexico Lottery launched a search for homegrown musical talent that it will apply to a new series of Powerball commercials. The commercials will feature New Mexico based talent in both English and Spanish.

Ontario

A popular television commercial produced for Ontario Lottery and Gaming Corporation (OLGC) recently won an award. The PRO•LINE sports lottery ad entitled "Relaxed Cooler" won the Best Sports Advertising Award from the World Lottery Association. The commercial was recognized for its humorous and effective depiction of football players who accidentally become all-too relaxed before a game thanks to a clumsy team trainer who spills muscle relaxants into a water jug. The outcome is a very unusual performance by the team, demonstrating that, as PRO•LINE says, "Because anything can happen, anyone can win!"

Quebec

Loto-Quebec's popular special-edition Célébration lottery returned with its usual bounty of prizes. Selling for \$20, Célébration 2005 features \$23 million in prizes, including a \$5 million grand prize, two \$500,000 prizes and two \$100,000 prizes, all of which are drawn for the benefit of ticket holders at home. Each day in December, a pre-draw was held for one of the 31 2005 Jeep Grand Cherokee Laredo SUVs valued at \$50,000. And of course there's the ticket's instant segment, which gives consumers the chance to win prizes of up to \$50,000 or an entry in the draws set to take place during the draw extravaganza to be broadcast on TV on January 9, 2005.

Texas

The Financial Administration Division of the Texas Lottery Commission has been awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada for its Comprehensive Annual Financial Report for Fiscal Year 2004.

With a recent transfer of \$83 million to the state of Texas, the Texas Lottery Commission surpassed yet another major milestone in its 12-year history. As of December 6, the total revenue generated for the state by the Texas Lottery® is \$12,066,718,703.

The Texas Lottery's first year sales for Mega Millions topped \$234 million, with another \$55 million being spent by players on the Lottery's Megaplier feature.

Virginia

During the Virginia Tech - Maryland football game, the Virginia

Lottery gave three finalists in the crowd the chance to drive home in a brand-new 2004 Ford F-150 FX4 Supercab Pickup Truck, the top prize in the Lottery's "Tough Trucks, Big Bucks" scratch game. During half-time, three finalists for the prize drew remote keyless entry devices from a Virginia Tech football helmet. They then in turn pushed the panic button on their devices to see if it set off the alarm on the Ford F-150, which was parked in the end zone. The device that Robert Davis drew set off the alarm and made him the winner! The other two finalists, Jessica Hawks of Cana and Ramona White of Dale City, each received \$500. The three finalists were randomly chosen from among 114,933 entries in the "Keep on Truckin' Sweepstakes," in which Virginia Lottery players entered non-winning "Tough Trucks, Big Bucks" tickets. A total of 615 other entries won prize packages featuring a Ford Truck leather jacket, watch, denim shirt and ball cap, among other things.

Washington

PAC-MAN™ has made his first public appearance on lottery instant scratch tickets in the State of Washington. MDI Entertainment is the exclusive provider of PAC-MAN™ lottery licenses in the United States and Canada. In the Washington instant game, players wind their way through a simulated PAC-MAN™ video game board maze seeking to win cash prizes of up to \$20,000 and "instant win" PAC-MAN™ video arcade games, before one of the ghost characters catches them. The game went on sale November 16th. Washington Lottery's \$2 PAC-MAN™ CASH is the first of three instant games inspired by the world famous maze game that will greet U.S. lottery players this season.

Western Canada

People in Manitoba, Saskatchewan, Alberta, and the Northwest Territories, can now bet on American Hockey League games on Sports Select tickets. The WCLC is allowing customers to bet on the AHL games involving teams from Canada (St. John's, Hamilton, Edmonton and Manitoba) to give players an option while waiting for the NHL lockout to end. If the NHL returns the WCLC will evaluate the experience of allowing bets on AHL teams and determine whether to extend the option.

Alberta, Canada has achieved a new lottery milestone! In 2004, 15 prizes of one million dollars or more were claimed by Albertans for a record total of \$55,330,362.40. This easily surpasses the previous record total for million-dollar-plus prizes claimed in one year - \$41,877,833.30 set in 1993. The 2004 total does not include all other prizes of less than \$1 Million claimed within the province. ♦

...continued from page 19.

licensed racetracks and non-profits up to industry standard. Each also believes the support and cooperation of all parties has been the catalyst for the program's early success. "I think everyone has contributed for this common purpose," says Mr. Payne.

Greg Saunders concurs: "You don't see many instances where a government regulatory body, a private contractor and the regulated entity come together to make something happen. As a regulator, you want to do your job in the most effective manner possible, and the least intrusive to the person you're regulating. You don't want to be so overbearing that they can't survive in business, and I think this pilot program is one of the better models I've seen for doing that."

Mr. Rimbo, who had serious doubts the project could be pulled off

smoothly, is now a believer. "Based on the nightmare stories each of us lived through during the installation of our original system, I had my worries," he admits. "But the Gaming Control Board and Scientific Games did a tremendous job and everything's been very smooth."

So smooth, he felt compelled to praise the state for taking action. "We really appreciate how the state stepped up and made the change. It's been a long time coming and now we have a system that can do what we need. I can tell you the racetracks in the state are very grateful and very happy about it."

And should the pilot continue to go as well as it has to this point? "I can't imagine they wouldn't integrate and go 100% very shortly," says Mr. Rimbo. ♦



Any Game, Any Time — Anywhere

Advanced technology makes it possible to craft a solution for your gaming operation more flexible than ever before.

Boss Media offers exceptional online lottery and instant-ticket products and services that can enable your lottery to distribute games securely to players on any digital device. We tailor systems to fit your unique business needs.

Boss Media is a public company that has delivered tailored gaming solutions to many established gaming corporations, among others to Svenska Spel AB.

Boss Media offers

- Customised Interactive Lottery Solutions
- Bingo, Lottery and Fixed-Odds Games
- Full System Integration
- Effective Administration
- Security and Reliability
- Compliance with various media, such as PC's, mobiles, iDTV and VLT's.



www.bossmedia.se

Boss Media AB (publ)
Box 3243, SE-350 53 Växjö, SWEDEN
Tel: +46(0)470 703000 • Fax: +46(0)470 703050
e-mail: sales@bossmedia.se

HOLD 'EM ♠♦♣♥

CHASE 'EM <<<<

RACE 'EM 🏁🏁



**3 New monitor games
to excite your players
and accelerate**



your online revenues.



+1-770-664-3700 (USA)

EXPERIENCE. THE DIFFERENCE.

www.scientificgames.com

©2004. Scientific Games
PAC-MAN™ ©Namco Ltd.