

# PublicGaming

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**International Lottery Expo Heads for Miami**  
**Lottery Game Shows Around the World**  
**Higher Price Point Instant**

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The ILTS Intelimark is  
built around the Epson IR 300

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**ON THE COVER:**

Loews Miami Beach Hotel

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Public Gaming International is now also available on the web.

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# NASPL REPORT

by Arch Gleason, NASPL President



Legislative sessions across the U.S. were rife with talk of expanding gambling back in January. The National Governor's Association projected budget deficits in 35 states to reach as high as a cumulative \$50 billion. The thought of massive new revenue generation without raising taxes was too good to resist for many legislators across America.

But, by the time the dust settled and legislative sessions were wrapping up, there was no real gaming expansion to speak of in lottery states.

Major initiatives in Kansas, Kentucky, Indiana, Florida, Maryland, Minnesota, Nebraska, and Rhode Island were either tabled or defeated. And, at this writing, the prospects of gaming expansion bills in Ohio and Pennsylvania appear to be no better. Proposed gaming bills in some other jurisdictions were never even introduced.

With numerous and significant state budget deficits and many legislators opposed to raising taxes, those of us in the public benefit lottery industry are left to wonder, "what happened?"

Well, the reasons vary from state to state, of course. But, we must remind ourselves that considering the expansion of gambling is one of the most difficult decisions legislators face next to raising taxes. This is true despite the fact that lottery states that have expanded their gaming options to include more aggressive games are reaping great financial rewards. We can look to Delaware, Rhode Island, and West Virginia as examples.

Further, we must remember that it is a very divisive issue. Many legislators fear the repercussions of voting to expand gambling from the more conservative members of their constituency, even though gaming has become a widely accepted form of entertainment in North America and around the world. Studies show that 65 percent of the American adult population participate in lotteries or other forms of gaming, and 95 percent of those who play do so in a responsible manner. And for the small percentage of people who have a gambling problem, there is help. Over 90 percent of North American lotteries now have some form of responsible play program in place.

While this is the case, we mustn't forget that the expansion of gaming is a matter of public policy. It isn't our decision to make. Our lotteries should be exactly what the cit-

izens and policymakers of our various jurisdictions want them to be.

Yet, we all know that there is a good deal of misinformation about lotteries, which unfortunately many legislators have heard and, worse yet, accepted as gospel. It is therefore incumbent on us in the lottery industry to ensure that legislators receive a balanced presentation of factual information.

Certainly, there are strong arguments both for and against expansion. As public officials we must recognize that, in addition to the benefits, there are social costs to consider. Expansion or not, we should always be advocates for adequate levels of funding for education and treatment of people with gambling problems.

But, as we all know, the benefits of lotteries are tremendous. Our lotteries are doing great things for their respective jurisdictions. They are helping millions of people.

Last year U.S. lotteries sent over \$12 billion to their state governments for use toward a variety of good causes like primary and secondary education, college scholarships, senior citizens, environmental improvements, bricks and mortar, and other beneficiaries. Without the latitude to offer more aggressive forms of games, in many states we're left to do the best that we can to fund these programs and projects with the products we currently have to offer.

Our lotteries are filled with professionals who have great passion for their jobs and the good causes we fund. I know that, even with limitations, we will continue to find ways to be creative and generate increased sales and profits.

We must, because hundreds-of-millions of citizens are depending on us.

A handwritten signature in black ink that reads "Arch Gleason". The signature is fluid and cursive, with a large, stylized "A" and "G".





# DON'T MISS THIS RIDE!

It's been North America's most popular Lottery game theme for five years running. And beginning this summer, there's more reason than ever to put a Harley-Davidson® instant game or on-line promotion onto your planning schedule. As part of their year-long celebration, Harley-Davidson will give lottery players a chance to win highly coveted Limited Edition 100<sup>th</sup> Anniversary model motorcycles. It doesn't get any better than that for a Harley fan. And it's exclusively available through MDI.

Opportunities like this don't ride by very often. And this one won't stand still for long. So, hop on. Contact MDI Entertainment, toll-free, 800-572-7082, for more information.



Brands that speak for themselves.



# Industry News

## Pennsylvania Extends with Scientific Games

The Pennsylvania Lottery has extended its instant tickets and Cooperative Services contract with Scientific Games Services for a term of 3 years. The agreement is valued at approximately \$48 million.

Lorne Weil, Chairman and CEO of Scientific Games Corporation stated, "This renewal is proof that our focus on customer satisfaction works. The fact is that through the use of our Cooperative Services program, we provided the Pennsylvania Lottery with a package of value-added services, including marketing, warehousing and distribution that resulted in an increase of 25% in ticket sales in 2001."

## Interlott Receives Order from Idaho, Oregon and Hoosier Lotteries

Interlott Technologies, Inc. has received a purchase order from the Idaho and Oregon Lotteries for additional ITVMs.

The order from Idaho includes six remanufactured eight-bin combination units configured for pull-tab and scratch-off ticket sales, 18 new 12-bin ITVMs and 10 certified new 16-bin ITVMs.

The order from Oregon includes 125 new 16-bin ITVMs and 100 certified new ITVMs as well as additional parts inventory. As part of the contract for the certified new 16-bin ITVMs, the lottery will return 200 of its eight-bin machines.

Both lotteries are taking advantage of Interlott's certified new program, which allows previously purchased machines to be returned.

With the addition of the 16-bin machines, the Idaho Lottery will have the widest array of Interlott products in service for any domestic lottery. Upon delivery of this order, Idaho's 239 Interlott machines will include six-bin ITVMs, eight-bin ITVMs, eight-bin combination units, which offer both pull-tab games and scratch-off tickets, 12-bin ITVMs and 16-bin ITVMs.

Interlott has also been named the apparent successful bidder by the Hoosier Lottery for Pull-tab/break-open Ticket Vending Machines (PTVMs). Under the terms of the bid, Interlott expects the Hoosier Lottery to purchase up to 500 eight-game PTVMs. The PTVMs will be placed in retail outlets throughout the state.

## New Jersey and MDI Set to Launch Heroes in Space

The World Premier of the Heroes of Space® Lottery Promotion featuring 16 American Astronauts is lifting off in the state of New Jersey through MDI Entertainment. The game offers two play areas and more than \$7 million in prizes including prizes of \$30,000, \$10,000 and \$1,000.

In addition to the cash prizes, the New Jersey Lottery Heroes of Space® game offers a grand prize of a three-night trip to explore space in person at the Kennedy Space

Center/Space Port in Florida and visit the Universal Studios Theme Park in Orlando (for two) plus \$1,000 in cash. Winners may instead choose a Grand Prize Big Screen Home Theater.

The second-chance grand prize also includes a merchandise prize package of NASA: authentic Astronaut Flight Jacket, logo cap, tee-shirt and a long sleeve denim shirt. In all, 1,500 of the Heroes of Space merchandise prize packs will be given away in a series of 10 second chance bonus drawings which may be entered through the Lottery Bonus Zone Internet platform on the New Jersey Lottery web site.

The Bonus Zone Second Chance promotion offers 10 Heroes of Space "Winners' Choice" grand prize packages. These 10 winners can choose either the trip for two to Florida, or a prize package that includes a big screen home theater system. There are also 1500 merchandise prize packages including the authentic astronaut flight jacket and other NASA items.

The tickets feature collectable images and signatures of the sixteen legendary American astronauts. Pollard Banknote will print the 5.4 million tickets which are priced at \$2 each.

## Promo-Travel Signs Licensing Agreement with Sony

Promo-Travel International signed a licensing agreement with Sony Pictures to promote four of its most popular TV and game show properties on instant tickets for state lotteries. The brands now available through the contract include Fantasy Island, \$100,000 Pyramid, Bewitched, and I Dream of Jeannie.

## Danske Venture Partners and IT Provider invest in EssNet

In April, Danske Venture Partners and IT Provider, together with existing share-holders, signed agreements to invest a total of SEK 142.3 million (\$15.6 million) in EssNet. "This is probably the biggest investment in an unlisted company in Sweden this year, which shows great confidence in EssNet's growth potential," said Hans Vigmostad, CEO & President of EssNet. "We will now be able to expand our business even more and continue to be one of the leading suppliers of on-line systems to lotteries world-wide. We are already ahead in the development of electronic sales channels for gaming via the Internet, mobile telephony and interactive TV."

## GTECH Extends With Washington

GTECH agreed to extend its lottery services to the Washington State Lottery for an additional two years, through June 2006. The two-year extension represents \$20 million to \$22 million in revenue. ■

# Enter a new era



*The gaming industry has undergone a major transformation in recent years. State lotteries need efficient, creative and original technological solutions. Enter a new and innovative company you can partner with—Nter Technologies. Through its association with CGI, a worldwide IT supplier with 13,000 employees in more than 20 countries, Nter Technologies has the resources and innovative expertise to support the design, development and integrated management of IT solutions. Nter Technologies is already the preferred supplier for all of Loto-Québec's needs and is poised to assist the gaming industry in other markets as well. Enter a new era. You need only open the door.*

[www.tech-nter.com](http://www.tech-nter.com)



# From the Publisher,



## Winds of Change

Exciting changes are happening in lotteries around the world. The expansion of multi-jurisdictional games and participation in them is one of the most exciting, as well as new games using existing technology. Other exciting changes include the expanded applications of successful games, new products using new technology, improvements in game designs, more dynamic marketing, new communications technologies, and methods for bringing more to the bottom line. These are all just part of the great things that are happening.

Energized by the times and a renewed sense of purpose, lottery executives and staff are bringing increased focus to the opportunities for increasing net revenues for the good causes of the lotteries.

It is with these things in mind that the program for the

2002 International Lottery Expo in Miami Beach is being prepared. It is our hope that we will be able to catch the essence of these "winds of change" and their associated benefits for the participants in this year's International Expo.

International Lottery Expo, which was first held in Boca Raton, Florida in July of 1973, is Public Gaming Research Institute's longest running and most successful conference for promoting the success of the lotteries and the companies that serve them.

We hope that you will join us at this 30th anniversary of the International Lottery Expo to share your successes and to benefit from the success of others.

Duane Burke  
CEO and Publisher

## Around the World

### Virgin Islands

Gov. Charles W. Turnbull has applied on behalf of the Virgin Islands Lottery to join the Powerball lottery system.

Presently, V.I. Lottery operations consist of vendors selling paper tickets for the semi-weekly local drawings. If the game were to come to the territory, computer terminals might need to be added. An alternate possibility would be for the Caribbean Lottery Services, which operates under contract with the V.I. Government, to allow the game to be run through their computerized terminals.

### Taiwan

The Taipei Bank may be instituting new drawing schedules for its computerized lottery in order to satisfy the government's request to reduce the social impact of the Lottery. The issue has left the Bank between a rock and a hard place. While the government is adamant in their desires to see this issue addressed, the public is strongly in favor of conducting Lottery business-as-usual – a recent poll revealed that 58 percent of the people didn't want the draw schedules changed, and 77 percent didn't think there was any reason to try and cool the nation's appetite for gambling.

### India

The Maharashtra government has given the Royal Western India Turf Club (RWITC) permission to launch online gambling for horse races. The move, inspired by the recent success of India's first online lottery, Playwin, will not only be used for governmental profit. The government is also hoping it will curb illegal betting on horse races.

The government has also proposed to reduce the gambling tax down to 9 percent.

### Australia

Bus tickets doubling as lottery tickets have been dubbed "the answer to debt-ridden public transport systems and environmental problems in Australian cities." The Australia Institute unveiled this finding in a report which states that the tickets could be used to fund a new light-rail system.

### New Zealand

The New Zealand Lottery is hoping a revamp of Lotto can reverse the game's sagging sales. The Lotto revamp will include a guaranteed \$1 million first division prize, and up to \$10 million in Powerball. Lotto sales have dropped by nearly \$10 million per year since 1999.

### South Africa

Uthingo, the National Lottery operator, launched a scratch game called "Pocket Money" – the eleventh game to be introduced by the Lottery since scratch games were introduced in October 2000. The game sells for R2 and features a R25,000 jackpot. One in every 3.4 tickets promises to be a winner.

### Malaysia

Multi-Purpose Holdings Bhd (MPHB), the controller of Malaysia's biggest lottery, has been the subject of sale talks. Shares in the company saw a 12 percent jump in value as talk persisted. The company owns 31 percent of Magnum, which runs Malaysia's most popular numbers game lottery. ■



# Lottery Game Shows

## And On Air Draws Around the World

The use of television for lottery products can be a very profitable, yet risky venture. Production costs and airtime fees are simply too hefty of a burden for some lotteries, yet for those who are able to pay the bill, the promotional opportunity can pay big dividends.

Several lotteries have attempted game shows, with varying levels of success, and many others televise draws of particular games. What follows is a description of how several lotteries around the world are using television in conjunction with their lottery products.

### NKL Nordwestdeutsche Klassenlotterie

The NKL Lottery doesn't host televised draws or have a game show, but the Lottery is part of a TV show with incentives to play NKL and order lottery tickets spontaneously via a telephone hotline. The show has been quite successful and is in its third year.

### California

The California Lottery features a game show, The Big Spin (every Saturday), as well as televising Super Lotto Plus drawings (Wednesdays and Saturdays), with drawing equipment supplied by Smartplay. In addition to these two television offerings the Lottery also televised the drawing of their winners in the recent "Scratchers Million-Dollar Drawing." The promotion was designed as a good-faith gesture towards their players, in light of the dismissed lawsuit against the Lottery.

The Big Spin is a 30 minute show that chooses its contestants through drawings of "Entry" or "Spin"



Bob Eubanks (left) presents Powerball – The Game Show's grand prize.

Lottery tickets, through Fantasy 5 promotions, or through other specialty promotions. It features several different games, including: Fantasy 5 Dream Machine, California Gold Rush, Camelot's Riches and The Big Spin. The Big Spin wheel has the highest possible prize, so that segment generates the most excitement. Friends and relatives are often in the audience, and they bring signs and cheer for the contestants. The show also devotes time to "Heroes in Education," which recognizes

exceptional volunteer educators. The big draw for the Big Spin is a \$3 million top prize, paid over 26 years.

The show is produced by Jonathan Goodson Productions, costs roughly \$40,000 for each episode, and is viewed by approximately 1.2 million viewers per week. To ensure air time, the Lottery has contracts with 11 stations covering 12 markets. The show first aired on October 28, 1985.

### Lotería Nacional Ecuador

Lotería Nacional Ecuador (LNE) televises the weekly drawing for the top three prizes (out of 25 prizes) of their traditional Lottery. The show can be seen on Wednesdays at 8pm in a segment during the local news. The draw equipment was supplied by Smartplay.

This isn't the Lottery's only attempt to use the power of television to market their products. Five years ago they broadcast "Domingos Millonarios" (Sunday Millionaire) – a 30 minute show focused on promotions and the same traditional lottery featured in their current show.

While LNE doesn't broadcast a game show, they do have plans to introduce one later this year. It will be part of a pre-printed lotto type game launched in the second half of 2002.

### Kansas

The Kansas Lottery does not have a televised game show. However, they did have a TV show in 1988-89 that was produced in a different city each week. The original Kansas Cash and Pick 3 drawings were also televised in the early years of the Kansas Lottery. Production costs, security, and changes in the drawing procedures eliminated the ball machines and TV shows.



Contestant spins the wheel on California's The Big Spin.



Kazakhstan's hosts with contestant on TV-Bingo.

## The National Lottery of Kazakhstan

The National Lottery of Kazakhstan conducts two game shows: TV-Bingo, and Altyn Adam (Golden Man). In addition to the game shows, the Lottey uses one program to televise the draws of Loto 5/36,

Loto 6/40 and Pick 5. The drawing machines for these games were supplied by Editec.

The 60 minute show "TV-Bingo" airs on Sundays at 7pm on the popular public TV-channel "Khabar". The success of the show is definitely in the hands of the talented Russian actors who host the show, Sergey Pogosjan and Tolkyn Zhunusbaeva, and their beautiful Kazakh assistant, Tolkyn Zhunusbaeva. The majority of the time on TV-Bingo is spent with these hosts reading the computer data, and commenting on how the balls fall out of the machine, so it is essential that the hosts present each numbers combination with humor, jokes and anecdotes.

Of course, the big draw for the show is the chance to win prizes. The biggest prize ever won on the show was the equivalent of \$418,275 (US), but the typical show ends with the big winner receiving keys to a new car. An additional draw also comes at the end of the show, as popular Kazakh musicians perform.

The show is produced by the Lottery, along with a creative team from the "Khabar" channel. The Lottery pays for the airtime with proceeds from ticket sales. Exact figures for how many individuals watch the show aren't available, but the Lottery surveyed their players and found that 71 percent watched the show regularly, and another 8 percent tried to view when they had the time. The first airing of TV Bingo occurred on November 28, 1999.

Altyn Adam (Golden Man) first aired on March 7, 2002. There isn't much information for the show, since it's a monthly program. It airs the first Thursday of the month at 7:15pm on the public channel "ORT-Kazakhstan", and lasts 45 minutes.

## ALC

While the Atlantic Lottery has televised game shows in the past, they are currently only televising draws for their Wild 5 game. The two-and-a-half minute show is televised Thursday night and Friday morning, is produced by The Production House, and costs the Lottery approximately \$24,000 per month. Fortunately, the Thursday night airtime is free, but the Lottery does have to pay for the Friday morning time slot. Smartplay supplies the draw equipment, a

machine called the Keno Magnum.

Top prize for Wild 5 is \$500,000. The Wild 5 draw show has two regular hosts, a male and a female. If applicable the hosts will congratulate last week's \$200,000 and \$500,000 winners, and if time permits, will also mention \$5,000 winners. The show averages 48,500 viewers per week. The first Wild 5 draw show aired October 5, 2000.

Earlier we mentioned that the ALC used to televise game shows. The Big Spin aired in 1992, the Lottery's 15th anniversary was celebrated with a "Wheel of Fortune" type game show, and the 20th anniversary was celebrated with a "Festival of Dreams" game show. Contestants usually won their shot at these game shows from the purchase of an instant ticket.

## Massachusetts

The Massachusetts State Lottery no longer airs its game show, Bonus Bonanza, but the Lottery still televises drawings for The Numbers Game, Megabucks, Mass Millions, Mass Cash and The Big Game. Also, in the past, the Lottery has aired a Grand Prize drawing game show for instant ticket games that have an additional bonus prize included in its game design. The Lottery last aired a Grand Prize drawing show that featured two instant tickets, Lifetime Bonus and \$5 Million Hand, in 1998. Each of the games offered the grand prize winners an opportunity to win an additional cash prize.

## Virginia

On Monday through Saturday the Virginia Lottery televises Pick 3, Pick 4 and Cash 5 drawings. These numbers are drawn twice daily, with all drawings being televised. The Lottery also televises Lotto South drawings on Wednesday and Saturday nights, and Big Game drawings on Tuesday and Friday nights.

Monday through Saturday day draws last 60 seconds, Monday and Thursday night draws last 30 seconds, Tuesday and Friday night draws last 90 seconds, and Wednesday and Saturday night draws last 50 seconds. The Virginia Lottery pays for all airtime, and produces the shows for an annual cost of \$146,000. Draw equipment is provided by Smartplay and Gar Ron. The first Pick 3 drawing was aired on May 22, 1989.

Virginia used to produce a game show called Monthly Millions. The game was basically a second chance opportunity, in which contestants were randomly drawn from non-winner scratchers mailed as an entry. These Scratchers second-chance drawings were held in 1989 – 1990. Top prize was \$1,000,000. The show featured an "at-home" portion in which viewers could win along with contestants. This game show resulted in the Virginia Lottery's first millionaires, since Lotto had not yet arrived in Virginia.

## SAZKA, a.s.

SAZKA televises several shows on a regular basis – so many in fact, that it's best to categorize them by the day they are drawn.



The Lottery features daily telecasts of the summary of the drawn number of "Stastnych 10" (Lucky 10) – a 90 second spot. SAZKA also offers a daily show that features Stastnych 10 and its dependent game "Sance million" (Chance million). This broadcast is a little longer – 210 seconds.

On Wednesdays Sazka televises a summary of the drawn numbers of "Sportka" and its dependent game "Sance" (Chance). The broadcast of the summary is 70 seconds long. The lottery also televises the entire draw of Sportka and Sance in a 200 second broadcast.

On Sunday, viewers can tune into the draw of Sportka, "Sazka 5 ze 40" and Sance for a 200 second broadcast. SAZKA once again offers a 90 second summary of these

drawings via an additional broadcast.

In the shows, after the introductory music, the drawing of the relevant game is started by a moderator in the SAZKA drawing studio with presence of a notary, a state supervision controller and the Head of drawing. The moderator presents the individual draws and the drawn numbers. At the end of the broadcasting all the drawn numbers are summarized.

Besides these regularly televised drawings, SAZKA has also televised shows for the following games "Tutovka (60 minutes), "Bingo" (60 minutes), "Ranec" (26 minutes), "Vanocni kometa se vraci" (85 minutes) and an anniversary of drawing of "Stastnych 10" (20 – 40 min). Contestants for these shows were all chosen through various Instant games.

## The Magic is in the Box

*François Ouzilleau, Vice President, Business development, NTER Technologies*

Combine innovative lotteries and TV game shows for increased revenues

Most lottery organizations operate in mature lottery markets. To increase or maintain their revenues, they must compete against a variety of entertainment games, growing Internet gaming possibilities and a wide range of unrelated recreational activities. Gaming concepts must now offer enhanced entertainment to attract consumers and develop customer loyalty. For the operators, the issue is not only about generating additional revenues but also a matter of maintaining overall profitability.

Lottery organizations must seize the opportunities to diversify their revenue sources and respond to ever-increasing consumer demand for new and entertaining products. Nter Technologies can provide such an opportunity: unique, ready-to-market Lottery TV Game Shows generating additional revenues with significantly reduced development and implementation costs.

Lottery TV game shows are powerful business development products that combine the novelty of the games, the almost limitless possibilities of tech-

nology and the considerable reach of mass media. Consumers are attracted by the entertainment concept and the consumer involvement provided by live appearances on the TV show and active participation in the game. Also,



as evidenced by the popularity of a number of TV game shows in recent years, broadcasters are seeking innovative concepts for which they are often ready to assume production costs or trade them for significant advertising space for the lottery.

### Choose the easy approach

The traditional approach to developing a Lottery TV game show is time consuming, costly and a burden to most lottery organizations. At Nter Technologies we take care of every detail, offering ready-to-air TV game

shows that substantially reduce the time to market and eliminate the hassle of such a demanding project. Depending on the level of involvement you choose, a full range of products and services are available. Your needs and requirements will define the final concept. Our expertise in the design, development and management of technologies allows us to supply Lotteries with fully integrated, secure and reliable systems for the management of game shows as well as the extensive visual animation of some of the concepts. Nter Technologies guarantees the performance and integrity of all aspects of these innovative lottery game shows. Also, our turnkey solution requires a minimal involvement on your part in the production phase.

Why should you bother developing your own lottery TV game shows? Nter Technologies' experts can do it for you and provide excellent opportunities for additional revenues. You need only to open the door to Nter Technologies and enter a new era.

Nter Technologies is a new company that provides the gaming industry with viable technologies and business solutions. [www.tech-nter.com](http://www.tech-nter.com) ■

Until 1996 these shows were produced by Czech Television (public TV) and various media agencies. Now, all production runs through a SAZKA subsidiary – Kabel Plus Sport. SAZKA pays for the air time. While the exact number of viewers isn't readily available, it is estimated that the shows are viewed by an average of 500,000 people. All draw equipment is supplied by SAZKA, a.s.

The first SAZKA broadcasting was of the show "Mates" in 1967. The "Sportka" game has been televised since 1973.

#### Totalizator (Poland)

Totalizator offers no game show, but they do televise drawings for Duzy Lotek (Big Lotto – 6/49), Express Lotek (Express Lotto – 5/42), Multi Lotek (Multi Lotto – Keno game 20/80), and Zaklady Specialne (Special Bets – 5/45). Drawing equipment for the game is provided by SmartPlay.

#### Bulgarian Sports Totalizator

Bulgarian Sports Totalizator intends to organize a game show, but currently only televise drawings of number games and the results of soccer matches (for sports betting). These twelve minute shows take place on Thursday and Sunday, utilize Bulgarian Drawing equipment, and are produced free of charge. The Lottery also gets the airtime for free, for a show that is viewed by approximately three-million spectators.

#### Greek Organization of Football Prognostics s.a.

The Greek Organization of Football Prognostics, s.a. (GOFP), shows the drawings of all its games on television. In particular, every Wednesday and Saturday it shows live the LOTTO draws, and every Thursday and Sunday it shows the JOKER and PROTO draws. The draw equipment for the shows are supplied by The Hornet and Ryo Catteu. Production for the shows costs approximately 3,000 Euros per month, but the airtime is free because it is broadcast by the first channel of the state television.

#### Süddeutsche Klassenlotterie (SKL) – Germany

The SKL televises drawing shows called "Millionär gesucht! - Die SKL-Show", a 90 minute show, and "5-Millionen-SKL-Show" which lasts between 45 and 90 minutes. All contestants for the show are SKL-players, chosen by a normal drawing.

The shows, which air on Friday, Saturday and Sunday mornings feature grand prizes of 1 million Euros (Millionär gesucht! - Die SKL-Show) and 5 million Euros (5-Millionen-SKL-Show). Approximately 4 million viewers watch "Millionär gesucht!," while "5-Millionen" draws between 5 and 8 million viewers.

"Millionär gesucht!," first hit the airwaves in May of 1998, while "5-Millionen" debuted in April of 2001. SKL incurs no airtime fees for either show.

#### Loto-Quebec

Loto-Quebec makes excellent use of the airwaves in a variety of ways. The Lottery runs three TV games – two thirty-minute shows (Mondays and Wednesdays at 7pm) and one capsule (inserted in a daily TV morning show airing at 7am), and televises drawings every night at 11pm. Fridays feature Super 7, while 6/49 and Quebec 49 drawings air twice weekly. The Lottery also runs a Keno (BANCO) and a Daily 3 and 4 draw (La Quotidienne). Additionally, Quebec runs an annual TV special called CELEBRATION (since 1988). The 90 minute show is a variety type and includes different draws associated with an up-scale \$20 passive lottery product. The show reaches top audiences every year ( 67% share of audience), and includes live winners that can win by draw up to \$ 1 million.

Each project is handled differently. Since 30 minute shows usually request major investments and developments, the Lottery designs the equipment and does the computer programming themselves. They utilize a specialized firm for producing the structure, and some smaller games (i.e. wheels ) have been produced by Smartplay.

The games feature top prizes ranging from \$100,000 to \$1 million, and contestants in all games are chosen through the instant portion of the ticket and participate in a draw to go on TV.

While the game shows are produced by the TV network, a division called JPL Productions, Loto-Quebec develops the entire concept and finalizes the production details with the network. The Lottery also designs the game and pays all the build-up cost (design, computer programming, buys the specific equipment like large screens) and handles the draw team (including the winners). The actual production is paid by the network. The airtime is free as well, as the network reaps the advertising revenue. The shows rate highly, with viewer ranges from 850,000 to 1,100,000. This represents about a 40 to 45 percent share of the audience. Each game concept reaches a different consumer target.

#### Powerball – The Game Show

October 7, 2000 saw the first viewing of Powerball – the Game Show, a show based on a scratch game of the same name that several U.S. lotteries have signed on to be a part of.

The show, which airs in Arizona, Colorado, Connecticut,



Powerball's Zero Gravity.



Washington DC, Iowa, Kentucky, Louisiana, Minnesota, Nebraska, New Hampshire, New Mexico, Oregon and West Virginia, all who have participating lotteries, promises one on-air contestant from each of these participating states. Contestants are chosen among players who find "entry" printed on their scratch ticket. These winners then mail that ticket in for a drawing to determine on-air contestants and at-home partners. Drawings to determine contestants occur approximately every two months along with a designated number of "At-Home Players" for each. Contestants are awarded a prize package for the tapings of their respective game shows, including a four-day, three-night travel package for two to Hollywood, CA, transportation to and from the airport, one hotel room and a check for \$750. The prize package is valued at approximately \$42,750.

On air contestants win prizes ranging from \$1,000 to \$1 million, while at home players win \$100 to \$10,000, depending on how much their corresponding contestant wins. Each show features games in preliminary rounds and a bonus round. Only one player advances to the bonus round for a chance at \$1 million.

During Powerball - The Game Show, thirteen contestants take part in a preliminary round of non-skill games. Those games are called Gauntlet and Brainiac. Half play Gauntlet and the other half play Brainiac. Both games eventually eliminate players. The winners of those games win \$5,000 each and advance to the semi-final round. A "wildcard" contestant joins the two winners of the preliminary round. The three players in the playoff round try to guess the percentage of respondents to a survey question. The player who answers correctly moves into the Zero Gravity to try for the \$1 million top prize.

The show is currently produced by Jonathan Goodson Productions in Hollywood, California, but MUSL has made plans to move the production to Las Vegas, and utilize Sande Steward Television Inc. For the most part the show airs on Saturday evenings, but there have been reports of some markets airing the 30 minute show on Sunday evenings.

Lotteries participating in "Powerball - The Game Show" share administrative expenses. Production costs of the game show for FY 2002 were approximately \$2 million. The cost assessed each participating multistate member is based on the percentage of sales (Powerball instant game) by each.

The following will provide you with a little more information on some of the Lotteries that participate in Powerball - The Game Show, as well as give information on additional televised offerings these lotteries may have.

#### Iowa

The Iowa Lottery has affiliated stations in each of its television markets to carry Powerball - The Game Show. The



*Powerball winners get emotional.*

Iowa stations broadcast the show at no charge, and the stations receive four minutes of commercial time to sell during each episode. However, the station in the Omaha/Council Bluffs market charges a fee to the lotteries to broadcast the program. An agreement was reached by the Nebraska and Iowa Lotteries to share that expense, and Iowa's portion is \$18,200 annually. In addition to this expense, the Lottery's portion of production expenses for Fiscal Year 2002 was \$136,438.79.

While the Lottery doesn't have specific viewing numbers, the ratings have been strong, and in many markets have outpaced ratings of their lead-in shows.

#### New Hampshire

The New Hampshire State Lottery production costs for Powerball - The Game Show will be between \$70,000 and \$100,000 in 2003. Fortunately, the Lottery does not have to pay for airtime for the show.

#### West Virginia

The West Virginia Lottery, a Powerball - The Game Show

participant, also televises drawings for their Daily 3, Daily 4 and Cash 25 drawings. The drawings air Monday through Saturday in the evening, and last for 60 seconds. With supervision by the West Virginia Lottery, WV Public Broadcasting produces the nightly drawings. Uplink and production costs of the nightly drawing totals \$26,800 per month, but airtime is provided by the Lottery's seven-member television network at no charge. Smartplay provides the drawing equipment currently used in the show.

It is also important to note that Powerball – The Game Show is not the Lottery's first game show. In the first two years of operation and in conjunction with an instant game, the West Virginia Lottery televised a weekly wheel spin show called "The Grand Prize Show." Chosen through a second chance drawing, the 10 contestants spun the wheel for prizes ranging from \$5,000 to a jackpot that rolled over. It was discontinued when the prize payout on instant tickets was increased to nearly 60 percent, which included the 20 percent from sales that funded the prizes on/production of the TV show (air time was not charged by any of the seven stations carrying the broadcast). During the two years the show ran, the wheel spin was televised from the outdoor stage of the Charleston Sternwheel Regatta before crowds of up to 8,000 people.

#### Nebraska

The Nebraska Lottery is a participant in Powerball – The Game Show, but that participation will be ending in a few months.

#### Kentucky

In addition to Powerball – The Game Show, the Kentucky Lottery also televises nightly drawings for Pick 3, Pick 4, Kentucky Cash Ball, Lotto South and Powerball. Equipment for the drawings is supplied by Smartplay.

The Lottery has a barter-split with the TV stations that air the game show. They get the show for free, plus five minutes of commercial time to sell as they wish. The Lottery retains two-minutes to sell or use at their own discretion. They ask the stations to sell 90 seconds of the two minutes for a commission, and keep at least 30-seconds to air one of their own spots.

The Lottery does not pay for air time or have to make advertising commitments for the airing of their televised drawings. At one time they did, but when they rebid a few years ago they made it clear to the stations that the lottery drawings were programming that had value to the TV stations. They suggested the stations sell adjacent sponsorships to other advertisers.

Besides the game show and the drawings, the Kentucky Lottery does an annual 30-minute television special that focuses on winners and their stories. They also use it for some beneficiary awareness and to talk a little bit about new products. These shows and their production are part of their televised drawing production and distribution contract. They are produced and distributed at no additional cost. ■

## Wanted: On-line and New Product Development Manager

The Kentucky Lottery Corporation has an immediate opening for an individual to be responsible for the implementation and day-to-day management of on-line products to meet strategic plans and sales revenue goals. In addition, this individual will actively search, justify, and recommend appropriate new games across product categories to meet player and KLC needs and manage this process from conceptual to execution stages to optimize profit and meet growth objectives. The successful candidate must have demonstrated ability to analyze data and theorize potential implications & opportunities. Must be capable of strategic thinking: ability to understand, formulate, and execute against strategy to meet both short-term and long-term objectives. Require minimal supervision: be proactive, self-motivated, and aggressive in pursuing business opportunities, and have proven successes in exercising decision making, problem solving and judgment. Productively lead cross-functional teams; possess general knowledge of a variety of corporate functions (IT, Mkt. Research, Sales, Instant Product) and the ability to motivate/lead without direct line responsibility. Project management and prioritization skills along with proven organizational, interpersonal, and communication skills are needed. A Bachelor's degree in Business, Marketing, or Communications is preferred, equivalent experience is acceptable. Three years marketing/product experience and two years of lottery industry experience. Proven computer proficiency in Word and Excel is also required. This position reports to Vice President of Marketing. Starting salary for this position is \$44,514 - \$55,659 annually.

KLC offers a competitive compensation package, relocation assistance and a comprehensive array of benefits, including medical, dental, life, retirement, 401K, flexible spending, etc.

Only those candidates meeting the minimum qualifications and listing SALARY REQUIREMENTS will be considered. Please e-mail, fax, or mail resumes to the address listed below.

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Kentucky Lottery Corporation, Attn: Human Resources, 1011 West Main Street, Louisville, KY 40202

Equal Opportunity Employer. *KLC is Committed to a Diverse Workforce.*



# ILAC 2002 A Huge Success

## El Gran Exito de ILAC 2002

ILAC Congress 2002 was another phenomenal success. It provided information, participatory discussion and lots of enthusiasm on building the ILAC network throughout the year. Obviously none of this could have happened without the assistance of co-host, The Mexican National Lottery, its Director General Laura Valdés de Rojas, and the exhibitors and sponsors.

Lotteries from throughout Latin America and the Caribbean came to the Hilton Cancun Beach and Golf Resort, in Cancun Mexico, to hear industry experts give tips on ways to boost revenue, and to listen to lottery leaders talk about their markets.

In the section title "More Instant Games & Licensed Games Mean More Revenue," **Alejandro Fontanet** talked about how segmentation can increase sales, **Hector Vergara** spoke on selling tickets to the 18-30 market, **Evelyn Yenson** gave a presentation on licensed games, **David Alpert** touched the subject of using vacations as prizes, and **Nathalie Rajotte** enlightened attendees on the excitement of CD-ROM games.

On Sunday, **Rebecca Paul** gave a presentation on multi-jurisdictional games, and focused mostly on the benefits of regional games, like Lotto South. Staying on the subject of on-line games, **Fabrice Girard** presented on drawing technologies and the pluses of efficient terminals, **Raimundo Bordagory** gave a speech on how lotteries of all sizes could benefit from on-line products, and **Bill Huntley** and **Alfonso Perez** talked about on-line systems from their companies.

Later that afternoon, in a session focusing on traditional games, **José Pito-Zamora** talked about Cauca's new and exciting game, The Magic Ticket.com. **Javier Castillo Jurado** followed up with a presentation on training street vendors, **Roicis Pérez** gave a presentation on the Oriente Lottery in 2002, and **Dr. Alberto Rojas** talked about getting the private sector involved in marketing. Doubling up, **Lic. Erick Amador** spoke on advertising challenges, then returned with **Lic. Alex Moraes** to talk about the complexities of selling traditional lottery.

On Monday, April 8, **Sharon Sharp** led a session on how to advertise and promote lottery products, and was followed by **Linda Turner**, who spoke on various game shows from around the world, and gave tips for tie-in strategies.

All in all, there were many highlights. If you weren't at the conference, and wanted to get a feel for what it was like, please view the photo spread on the following pages, and sneak a peak at the list of speakers, exhibitors, and sponsors. ■

### Thank you to all ILAC Congress 2002 Speakers

*Agradecemos la excelente participación de los expositores en el Programa del Congreso ILAC 2002*

**Alejandro Fontanet**, Director, Commercial,  
Scientific Games Latino America

**Alfonso Perez**, Account General Manager, GTECH Mexico

**Bill Huntley**, President, Systems, Scientific Games International

**David Alpert**, Managing Partner, Promo-Travel International

**Dr. Alberto Rojas**, General Manager,  
Sorteo Extraordinario de Navidad, Colombia

**Duane Burke**, Chairman and CEO, PGRI

**Evelyn Yenson**, Senior VP, International Sales and Marketing, MDI

**Fabrice Girard**, Project Manager, Editec

**Hal Smith**, Executive VP, Jonathan Goodson Productions

**Hector Vergara**, International Marketing Manager,  
Pollard Banknote

**Javier Castillo Jurado**, Administrador Generala,  
Loteria Nacional Ecuador

**José Pito-Zamora**, General Manager,  
Lotería del Cauca, Colombia

**Laura Valdés de Rojas**, Director General,  
National Lottery of Mexico

**Lianne Paturel**, Regional Marketing Director, Pollard Banknote

**Lic. Alex Moraes**, Assistant Directora, Pani, Honduras

**Lic. Erick Amador**, Marketing Manager a, Pani, Honduras

**Linda Turner**, VP Sales and Marketing, Smartplay International

**Maurizio Bertolotti**, Tecnost-Sistemi

**Nathalie Rojatte**, General Manager, Ingenio-Loto-Quebec

**Raimundo Bordagory**, Asesor del Directorio, Intralot de Chile

**Rebecca Paul**, President and CEO, Georgia Lottery Corporation, USA

**Roicis Pérez**, Administrador Generalia, Loteria de Oriente, Venezuela

**Sharon Sharp**, Lottery Industry Consultant

**Teresa Immel**, VP of Sales, Schafer Systems ■

# PGRI Thanks ILAC Congress 2002 Exhibitors & Sponsors

*PGRI agradece el importante apoyo a los Patrocinadores y Exhibidores del Congreso ILAC 2002*

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[www.intralot.com](http://www.intralot.com)

Lotería Nacional para la Asistencia Publica

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Smartplay International

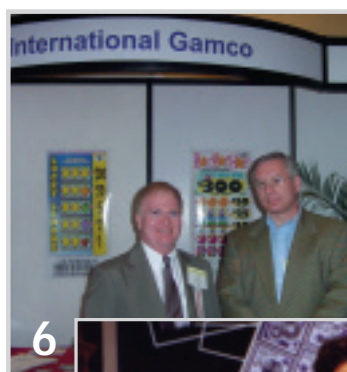
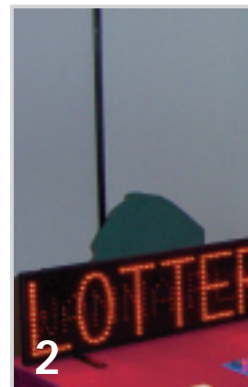
[www.smartplay.com](http://www.smartplay.com)

Tecnost-Sistemi SpA

[www.tecnostsistemi.com](http://www.tecnostsistemi.com)

Wincor-Nixdorf GmbH

[www.wincor-nixdorf.com](http://www.wincor-nixdorf.com)





# ILAC 2002 Snapshots



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12



13



14



15



16



17



18

1. From Colombia: Claudia Cardona, Mgr. Beneficencia del Valle, Luz Marina Pérez, Dr. Alberto Rojas, Mgr. Sorteo Extraordinario de Navidad, Abel Soler, Mgr. Lotería de Boyacá, Hoobert Zárate, Mgr. La 9 Millonaria, Miguel Sfeir, President Racimec Int., Dario Dangón, Manager, Lotería del Libertador, Laura & Duane.

2. Andy Kaoh, president of Pro-Lite, Inc., demonstrates the newest features in LED sign technology.

3. Alejandro Fontanet, Director, Commercial, Scientific Games Latino America Isidro Martinez, Mktg. & Publicity Mgr. Lotería de El Salvador, Danny Simon, Managing Partner Promo-Travel.

4. Duane and Laura with Tecnost representatives Allesandro Folini and Maurizio Bertolotti.

5. Discussions on the latest developments in on-line technology in the stand of Tecnost Sistemi.

6. John Adams and Mark Stevens from International Gamco brought some of the most successful pull-tab tickets to ILAC this year.

7. ILAC hosts: Raquel Orbegoza, Laura Valdes and Elsie Grote.

8. Promo-Travel's Danielle Chevalier, David Alpert and Danny Simon along with ILAC's Raquel Orbegoza.

9. Ben Bobillo, Nora Linares-Moeller, and Evelyn Yenson from MDI.

10. In addition to on-line terminals, Editec's Pascale Legendre and Fabrice Girard also showed off the latest in drawing equipment.

11. Duane and Laura with PGRI's Raquel Orbegoza.

12. From left to right, Smartplay's new Representative for Latin America, Lourdes Nixon joins President David Michaud and dVice President, Sales Linda Turner at the opening reception, co-sponsored by Smartplay and Schafer Systems.

13. In addition to having the largest booth at ILAC, Intralot was also the sponsor of the closing brunch.

14. Pollard Banknote's Scott Gallagher and Lianne Paturel welcome ILAC delegates to their booth.

15. Scientific Games was well-represented at ILAC. From the left are, Carlos Carmona, Rick Weil, Nancy Nevins, Bill Huntley, Susan Murray, Bruce Longhurst, Sharon Sharp and John Walsh.

16. Not even DHL's failure to deliver could dampen the spirits of Wincor -Nixdorf's Norbert Beyer and Reinaldo Reinoso.

17. Sharon Sharp and Rebecca Paul smile for the camera at ILAC.

18. Laura, with Lic. Mauricio Chavarria, President Lotería Nacional de El Salvador, and Isidro Martinez, Mktg and Publicity Mgr Lotería de El Salvador.



# Building Revenue and Creating Excitement with Higher Price Point Instant

*Higher price point instant (HPPs), tickets that sell for \$5 or higher, are becoming permanently entrenched in the North American Lottery consciousness. Nearly every state and province sells HPPs, with varying results, and it's safe to say that most are looking for ways to expand their HPP product mix.*

*Public Gaming International recently caught up with some of the lotteries that sell HPPs to get a general idea of each lottery's strategy and results from the higher price point tickets.*



## British Columbia

Current Number of HPP Instants: 2

Typical Life of Game: 20 weeks

Best Time of Year for HPP Launches: Christmas

Holiday, or Themed Tickets? Christmas!

We have not been able to make a significant sales dent in higher price point Instant games. Currently, non-staple higher price point games account for only 6% of total Scratch

sales. If we include our product staple product extensions (\$5 Bingo/ \$5 Crossword) this figure jumps to 11%. However, our Scratch history commenced with \$1 games so moving players to a higher price point requires an "added value". We have increased the payout (60%), top prize and odds as well as including increases in play value at the higher price points, nevertheless these changes have really just led to "base hits" and not "home runs". Increases in competition for the customers "entertainment" dollar has also had an impact on the higher price point category.

## Florida

Current Number of HPP Instants: Three \$5 games

Typical Life of Game: Typical order – five million tickets per game. Average sellout is 12 - 15 weeks.

Best Time of Year for HPP Launches: \$5 games are launched throughout the year. The best time of year in Florida is from November to March.

Holiday, or Themed Tickets? Florida's strategy for higher price

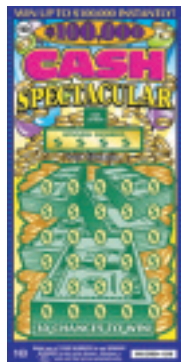
point games is to offer a holiday theme (during November) and all other game themes are either "Money" or "Gaming".

Most of our scratch-off product growth over the last two years can be attributed to higher price point games. Weekly sales generated from \$5 games have gone from \$500,000 per week to over \$4 million per week. Annual revenue from \$5 games has gone from \$25 million to over \$200 million. Currently, \$5 games represent approximately 25% of total scratch-off game revenue.

Higher price point games typically demand a higher payout for the player. Even with an increase in prize payouts the overall net return is greater due to a significant increase in gross sales. Overall, increasing the number of higher price point games has helped increase net revenue.

The Florida Lottery has established clear and definable guidelines for each price point as it relates to prize payouts, number of wins on a ticket, top prize amount, ticket size, and free ticket percentage. Currently the average payout for

\$1 games is 54%, \$2 games is 60%, and \$5 games is 63%. Unclaimed prize money is used to fund payouts above 50%. Net revenue for education is 38% of net sales.



## Iowa

Current Number of HPP Instants: Two \$5 games

Typical Life of Game: 8 to 12 months

Best Time of Year for HPP Launches: No best time, other than the holiday season.

Holiday, or Themed Tickets? Iowa has run

# Congratulations to Joan Wilson and the California State Lottery on the Great Success of The Big Spin's "Hero in Education" Award!



EDWARD JAMES OLMOS



SHIRLEY JONES



RICARDO MONTALBAN



JOAN WILSON WITH SHARON LAWRENCE



Produced by the World's Largest  
Provider of Lottery Game Shows

JONATHAN GOODSON  
P R O D U C T I O N S

## Thoughts about higher priced licensed lottery games

*Bob Kowalczyk, Senior VP and General Manager, MDI Entertainment*



The primary benefit of adding a well-known licensed brand to a higher priced generic ticket is that it can expand your market for higher priced lottery tickets. Higher priced generic tickets bump up sales, because the games give core players bigger and better opportunities to win cash. The player group that adds \$5 or higher generic scratch tickets to their lottery

budget is by and large a sub-set of the same group that buys \$1 and \$2 tickets regularly.

Many players who are comfortable playing at the lower price are, frankly, intimidated by a higher price. Meanwhile, non-players or lapsed players who are not motivated to buy at the lower price are certainly not in the market for a higher priced ticket. All that is true, unless there is something else about the higher priced ticket that motivates them.

That's where a popular licensed game theme comes in. A game featuring a popular brand that already has a built-in base of loyal consumers can overcome the resistance that some core players have to paying more for an instant ticket. Secondly, a licensed game can put occasional or lapsed players into the frequent play group and take them right up to \$5 play. And finally, if the power of the brand is strong enough, it can even do the unthinkable – turn a non-player into a \$5 player.

The Illinois Lottery's \$5 Harley-Davidson outsold all four other \$5 games introduced during the Lottery's fiscal year by as much as 29%. Oberthur Gaming named the Kansas Lottery's \$5 Harley game as one of the "Top 10 Perfect Games" in 2000 after it achieved record sales and indexed at 142 against a similarly priced casino ticket.

Another benefit of bumping the price of a licensed game is the added prize pizzazz that becomes affordable with a larger prize pool, to reinforce the same market expansion objectives. Pricing Connecticut Lottery's MDI-licensed Times Square 2000 millennium game at \$20 enabled the Lottery to offer two \$1 million Second Chance Grand Prizes. Those prizes, combined with the allure of the licensed theme, made the game a best-seller and brought new affluent players into the instant player category for the first time, like the attorney who was a finalist for one of the Grand Prizes and a real estate broker who won the second Grand Prize. ■

a \$5 holiday ticket the last two years.

Even in a small state like Iowa, we're seeing an increasing role for these tickets in our mix. We've done \$5 games for a number of years and launched a \$10 product about a year and a half ago. These games sell very well and are generally very profitable. As multi-dollar price point instant games play an increasing role in the instant sales mix, these tickets will play a more important revenue-generating role for us. Having recently revised our sales commission program to favor multi-dollar games, retailers are now fully understanding the role these games will play in their lottery sales results. From that standpoint, the higher price-point games are becoming increasingly more influential to overall instant sales.



## Kansas

Current Number of HPP Instants: One

Typical Life of Game: Nine months to a year unless seasonal or tied to a grand prize drawing.

Holiday, or Themed Tickets? Kansas offers Christmas themed HPPs, and runs a theme game in conjunction with their Kansas Speedway sponsorship.

Higher price points are becoming increasingly important to our product mix and marketing strategy.

They represent eight to nine percent of our instant revenue.

## Kentucky

Current Number of HPP Instants: Six \$5 games, and two \$10 games.

Typical Life of Game: Order quantities are designed for the majority of sales activity to be in 20-weeks with minor incremental sales in the weeks that follow.

Best Time of Year for HPP Launches: Holiday periods from mid-October to mid-January are ideal. Also, spring tends to be a good time for these offerings.

Holiday, or Themed Tickets? Kentucky's strategy has been to offer these games with the winter holidays, annuity prize themes, and gaming themes. Most recently they've included special promotions and co-partnership merchandise tickets for HPPs.

Higher price point tickets are a 2-edge sword: they help in raising overall sales, and increased instant sales from the previous year, but, because they tend to have higher payouts, revenue margins shrink. More have to be sold to raise the revenue for the beneficiaries. However, retailers prefer to sell the higher price point because their revenue increases significantly for the same labor.

The higher price points have allowed us to continue to grow instant sales, but instant game profit margin has decreased. Example: Instant sales for FY 01 increased \$9.2 million from FY 00, with the \$3, \$5 and \$10 price points increasing \$21 million for the same period. Gross profit



margins for instant games for the same period decreased from 34.9% to 33.9%.



## Maryland

**Current Number of HPP Instants:** Eleven \$5 games, and two \$10 games

**Typical Life of Game:** \$5 games have lately been 95% sold out within 16-17 weeks, at which point the ticket gets harder to find on the retailer network. The Lottery has cut two to three weeks from this life cycle in the last year.

**Best Time of Year for HPP Launches:** No best time.

**Holiday, or Themed Tickets?** The Lottery ran a \$5 holiday ticket each year, and time a \$10 ticket to coincide with holiday gift giving.

In the 4th Quarter of Calendar Year 2001, the \$5 and \$10 price points totaled 52% of total scratch sales, with the \$1 and \$2 games accounting for the other 48%. This is up 49% vs. 51% compared to the 4th Quarter of Calendar Year 2000. (We have since added the \$3 price point.)

With payout percentages averaging 73% on \$5 games and 76% on \$10 games (versus 60% on \$1 tickets) uncontrolled growth of our higher price point tickets could have an adverse effect on revenue. It is critical to also grow the lower price points that bring in higher revenues. Under this formula \$1 and \$2 games will always be an important part of our instant product mix.

## Minnesota

**Current Number of HPP Instants:** Three

**Typical Life of Game:** Varies by the type of game. Minnesota aims to always have at least one \$5 game with a casino or gambling theme available at all times. Typical runs last 13-15 weeks.

**Best Time of Year for HPP Launches:** No difference

**Holiday, or Themed Tickets?** By law, Minnesota cannot conduct holiday games. They are currently running a \$5 game with a Minnesota tourism theme, and ran a \$10 game in conjunction with their 10th anniversary. They've also done high price games based on table games like Monopoly and Battleship, but the "bread and butter" is the casino-theme games.

Higher price point instants account for about 1/3 of our instant sales and about 1/5 of our total sales in any given year. In the last five years they have gone from an experiment to an indispensable part of our product mix.

Our \$5 games consistently outsell all other Scratch Games week after week. We believe there are several reasons for its success: 1) It is a big ticket with lots of play value. 2) It has a very high top prize (always at least \$77,777 and usually \$100,000) 3) At 66¢ it has 1% to 2% more prize money than the \$2 price point. 4) At 1:3.16 it is our lowest odds game.

For several years, we had only one \$5 on sale at a time. This year we went to two-three at a time and the two are now our top two selling games week after week. We launch

a new \$5 game about every two to three months. While they do have a slight spike for the first couple weeks after launch, they do not follow the rapid decline in sales that the \$1 and \$2 games suffer.

## Oregon

**Current Number of HPP Instants:** Four \$5 games

**Typical Life of Game:** Six to eight months

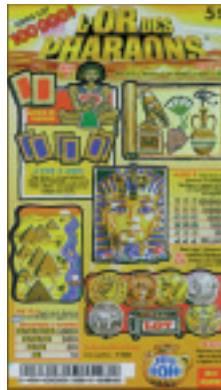
**Best Time of Year for HPP Launches:** Holidays, Spring and Fall  
**Holiday, or Themed Tickets?** \$5 holiday instants in 2001, and will attempt a \$10 holiday ticket in 2002.

We believe that introducing higher price point games has helped increase sales with our core players. During calendar year 2001, higher price point games (\$3 and \$5) represented \$33.6 million (25%) of overall sales. In calendar year 2000, \$3 and \$5 price point games represented only \$22.1 million (16%) of overall sales.

We feel [HPPs] are very important in our market. Slowly, over time, we have migrated to higher price point games. Since introducing our higher price point categories, we have seen an increase in sales from our \$3 and \$5 games and a decline in sales from our \$1 games. We will continue to support our \$1 games because we believe this price point will help us offer games that appeal to our emerging gaming market (21 – 34).

Although we will see marginal growth in Scratch-it sales this year, we attribute this growth to our higher price point strategy. During FY03, we plan to increase the number of high price point games launched and increase the number of new games launched from 36 to 42.

Our first \$5 price point game was launched during the holidays. Since that initial launch, we have slated our \$5 games to launch during the holidays, spring and fall. We are currently developing a new category of \$5 pouch games, which will be introduced late this fiscal year and throughout next year.



## Quebec

**Current Number of HPP Instants:** 3-5 \$5 games offered/year

**Typical Life of Game:** 3-4 months

**Best Time of Year for HPP Launches:** June, September and January

**Holiday, or Themed Tickets?** Pouch games offer a variety of tickets on Mother's Day and Valentine's Day.

The total \$5 instant game's sales is, for 2001/2002 about \$53,500,000.

That is 8.3 % of the total instant game's sales. The revenue of the \$5 instant games sales is about 32.5 % , compared to 34% for all the instant games. Additionally, we pay more for the print (of HPPs) because tickets are bigger and have a special format. The pay back: 57 % instead of 55 % (the payback for other instants). ■

# Lotto Captain Program

## A New Vision of Lotto Marketing

By Eric Johnson, Industry Analyst, California Lottery

When it comes to a Lottery's public image, there's only one thing better than a newly-minted millionaire beaming into dozens of cameras and proclaiming his happiness: 13 newly-minted millionaires beaming into dozens of cameras and proclaiming their happiness. Ohio's Lucky 13, machine-workers who grabbed a \$161.5 million jackpot. The self-named "New Mexico's First," 14 employees of Sandia National labs who invested \$140 to win \$131 million. And who can forget California's "Latte Lotto," the group of 13 Starbucks employees led by a manager who bought tickets for all her employees--even the two who weren't working that day.

Not only is the press more interested when a large group of players wins the lottery, but the number of people who are peripherally affected by the jackpot multiplies exponentially. Friends, neighbors, and even jealous coworkers realize that the Lottery is, indeed, a winnable proposition. Goodwill towards the lottery and increased sales are sure to follow.

It would be easy to dismiss the group play phenomenon as a fortunate accident, but this is not a good idea. Group play can, and should, be promoted actively by your lottery as a means of enhancing your lottery's image and increasing sales, all with a minimum of investment and employee effort. California has had great success in our current Lotto Captain program; take a moment to read on and find out how a program similar to this can turn your players into salesmen.

### The Lotto Captain Program

In 2000, California was looking for ways to increase sales in the face of an extremely limited advertising and promotion budget. The dot-com explosion had pushed traditional media rates into the stratosphere, so we brainstormed for ways to perhaps use our current players to help us where billboards and radio could not. We hit upon the strategy of using current players to recruit the Occasional Player – the person for whom, for whatever reason, playing SuperLotto Plus was not a regular part of his schedule.

We did qualitative research to try to zero in on what exactly makes a group play participant. An analysis of our jackpots revealed that approximately 30 percent were won by multiple winners on one ticket: people who had asked



Another group win for Super Lotto Plus.

their friends or coworkers, "Hey, I'm heading to pick up some Lottery tickets – anyone want to contribute a couple bucks?" We quickly decided that these so-called Group Leaders (a.k.a. Early Adopters, Alpha Consumers) might be amenable to taking an active role in promoting the lottery.

### Initial Goal

Initially, we decided on a fairly modest goal: Over an 18-24 month period, we would attempt to increase the percentage of Group Play, and also lay the groundwork for recruitment of new Group Leaders. We would do this by implementation of the following strategies:

- Development of a testable promotion program to measure our ability to achieve the above increase.
- Identification of key SuperLotto Plus Retailers to act as distribution points for promotion.
- Identification of Group Play leaders through promotions at key Retailers.
- Providing existing Group Play leaders with incentives to promote Group Play

If it turned out that our test was successful, we would then roll out our next phase, which would be active recruitment of new Group Play leaders and the roll-out of a Group Play leader relationship program.

### Marketing the Program

We allotted a budget of approximately \$45,000 for the test, split evenly between Point-Of-Sale materials, Group Play leader incentives, and the Relationship Marketing Program. We then decided that we would give two points of contact for players to sign up to be what we christened Lotto Captains. The traditional way, advertised on all POS, would be by calling a toll-free number, 1-866-GPLOTTO. We would also have a link on our website, [www.calottery.com](http://www.calottery.com), that would lead players through the Lotto Captain registration process.

As a result of the registration, each Lotto Captain would receive three forms to help them manage the group:

- Jackpot Form: A custom form that can be blank, or have the current jackpot and date automatically filled in.
- Winning Numbers Form: A custom form that can be blank, or

- have the latest SuperLotto Plus winning numbers filled in.
- Group Play Form: A sheet that assists a Captain in keeping track of who played for how much on which date.

Most importantly, we needed a big incentive for players to register as Lotto Captains. We decided that, on the first of every month, we would have a random drawing among registered Captains. First place would receive 50 Quick Pick SuperLotto Plus Tickets; second place would receive 30 tickets; third place would receive 25 tickets. After one year, we would have a Grand Prize Drawing among all registered Captains, with the prize a very alluring \$1,000.

We began the program in May of 2001, with the optimistic hope of registering 2,000 Lotto Captains by the end of the fiscal year and 5,000 by the end of the program. As an additional incentive for our potential Captains, the first 1,500 who registered would receive a SuperLotto Plus Jackpot button, a collection envelope for the players in their group and a set of plastic ticket holders. The website went live on June 15th, 2001 with the slogan, "Lead Your Friends to Fame & Fortune."

## A Huge Success

The results astounded us. By the end of the fiscal year, we had reached our overall goal of 5,000 registrants. As of February 26th, 2002, we have over 13,000 unique registrants. What is more amazing is fewer than 100 registrants were via the toll-free number--99.994% of registrations are from our website. What this indicated to us was that the POS expense was unnecessary. Although the promotion has continued, we have pulled all our POS so as to make room for more useful register toppers and posters from other Lottery promotions. We also discontinued the toll-free number.

Drilling a little deeper, we found that the most popular form, once users registered and logged in, was the Player List page; apparently, Lotto Captains were eager for a way to keep track of their money. Not so surprisingly, we found a direct correlation between the size of the jackpot and the number of registrations. As larger numbers of people were driven to the website by large jackpots, more players clicked through to find out more information.

## New Additions

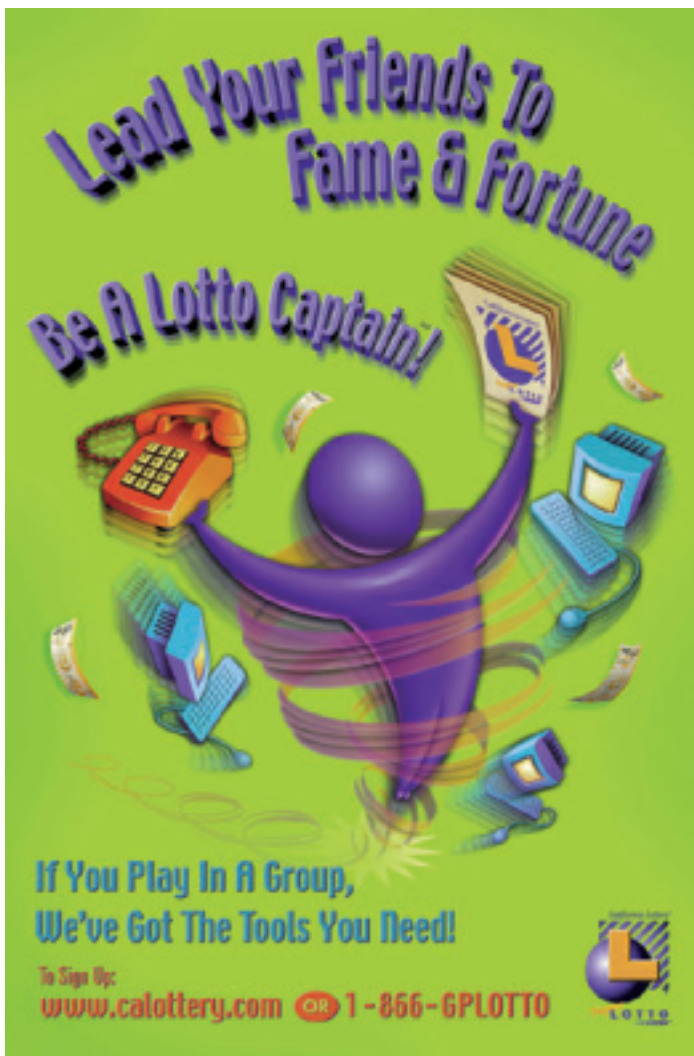
We recently added broadcast e-mail to our capabilities, which will, among other things, allow players to opt-in and receive jackpot alert emails. We have also sent out a survey to all Lotto Captains. We asked their opinion on the usefulness of various forms, what they would like to see added to the site, whether they would be interested in jackpot alerts, the composition of their groups and other questions that will "help us help them." The surveys will be returned over the coming weeks.

## The Future of Lotto Captains

From a pure marketing standpoint, the Lotto Captains program has been a smashing success. We exceeded our expectations by almost 200%, and in the process have built an invaluable database of players who are willing to spend their time and effort to help promote our games. It is still too early to tell whether this increased awareness will translate to increased sales, but as Marketing Manager Ken Giebel says, "Our original objective was to focus on people who run groups now."

The next job is to generate new groups with new captains. Once this starts, we can probably double the database again."

The question comes down to this: When your lottery winners take their places in front of the cameras and behind the oversize check, do you want two or two dozen eyes shining on the nightly newscasts? Start your own version of Lotto Captains, and tell the PR department you're going to need some more podiums! ■







# International Lottery Expo 2002

## Registration Form

***Twenty First Century Lottery Marketing & Revenue Strategies***  
August 1-4, 2002 • Loews Miami Beach Hotel • Miami Beach, FL USA  
**Co-hosted by Public Gaming Research Institute and the Florida Lottery**

First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_

First Name for Badge: \_\_\_\_\_ Spouse's Name (if attending): \_\_\_\_\_

Title: \_\_\_\_\_ Organization: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_

State/Province: \_\_\_\_\_ Zip/Postal Code: \_\_\_\_\_ Country: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_ Web Site: \_\_\_\_\_

Registration Fees (check one):

☐ Non-Government: \$795

☐ Exhibitor: \$695

☐ Government (No Charge)

Method of Payment:

☐ Check

☐ Amex

☐ Mastercard

☐ Visa

Credit Card #: \_\_\_\_\_ Exp.: \_\_\_\_\_

Print Name (as it appears on card): \_\_\_\_\_

Signature: \_\_\_\_\_

**Fax Registration Form to: Public Gaming Research Institute, Inc. at 425-803-6830.**

**For additional information: Call, e-mail or see Web site:**

Tel.: 425-803-2900 • E-mail: [elsiepgr2@aol.com](mailto:elsiepgr2@aol.com) • [www.publicgaming.org](http://www.publicgaming.org)

### Hotel Reservations

For the discounted room rate of \$159, please contact the Loews Miami Beach Hotel directly at:  
**Telephone: 305-604-1601 or 877-563-9762 • Fax: 305-535-5218 • [www.loewshotels.com](http://www.loewshotels.com)**  
***Be sure to mention International Lottery Expo when calling.***

# 30th Anniversary International Lottery EXPO

*Co-hosted by Public Gaming Research Institute  
and the Florida Lottery*

*You are invited to the 30th anniversary meeting of Public Gaming Research Institute's International Lottery Expo which is being held in Miami Beach, Florida at the Loews Miami Beach Hotel, August 1-4, 2002..*

*We have an exciting program planned this year, aimed at future growth of lotteries. Lottery Expo traditionally attracts participants from lotteries throughout North America as well as the rest of the world. So, the meeting is an especially enriching experience for lottery and industry professionals. The conference objectives are to help lotteries and to help companies supplying the lotteries to be more successful.*

## **Program: Focus on the Future**

The theme for the professional program this year is: Advertising, Marketing, Sales and Revenue Strategies for Growth. Bringing more revenues to the beneficiaries of the lotteries will be a key aspect of the program content. Lottery leaders will share their successes in generating revenues and controlling costs. Lottery suppliers will present new products and ideas for increasing revenues and cost efficiencies. Public relations programs that are part of marketing plans will also be key parts of the program.

## **PGRI's Annual Television, Radio and POS Advertising Contest**

Every entry will receive an award this year. The reality is, all of the entrants are winners for their respective lotteries, otherwise we wouldn't be seeing them. We are simply recog-

nizing that fact. But in addition, in order to retain the fun of a contest, those ads voted most popular by the Expo attendees will be identified as such in the next issue of Public Gaming International magazine, along with attendee comments as to why they liked them best. The real value for everyone is the opportunity to see what is working elsewhere in advertising..

## **Qe's PGRI's Quality and Excellence Awards**

PGRI's Awards for Quality and Excellence are presented to each lottery and supplier attendee nominated by the heads of their respective organizations in recognition of special contributions..

## **PGRI's Outstanding Service Awards**

The Outstanding Service Awards are presented to those attendees who send PGRI documentation showing that they have been in the lottery industry for 15 years or more and have not previously received this award.

Join us at International Lottery Expo 2002 - a winning experience for lottery professionals! ■

*For additional information concerning the conference, lotteries should contact Elsie Grote, at (425) 803-2900, or email [elsiepgri2@aol.com](mailto:elsiepgri2@aol.com). Vendors should contact David Mello at (202) 244-9301, or email [davemello@earthlink.net](mailto:davemello@earthlink.net).*

## **PGRI 2002 Conferences**

# **International Lottery Expo 2002**

**Co-Host: Florida Lottery**  
August 1-4, 2002

**Loews Miami Beach Hotel, Miami Beach, Florida USA**

*For more information on PGRI conferences, please contact Elsie Grote.*

**Public Gaming Research Institute, Inc.**

4020 Lake Washington Blvd, NE, Suite 100, Kirkland, WA 98033

Telephone: 425.803.2900 • Fax: 425.803.6830 • Email: [publicgam@aol.com](mailto:publicgam@aol.com) • Website: [publicgaming.org](http://publicgaming.org)

# Mega Millions

## Set to Sweep the Nation May 15

The nine member states comprising the Big Game Group announced the launch of Mega Millions, the nation's newest multi-state, mega-jackpot lottery game.

Mega Millions expects to achieve an average jackpot of \$80 million with the potential to exceed \$500 million based on expected ticket sales across all participating jurisdictions. Tickets for the Mega Millions game will be sold exclusively in Georgia, Illinois, Maryland, Massachusetts, Michigan, New Jersey, New York, Ohio and Virginia. And, starting in September 2002, the game will also be sold in the State of Washington. The game will produce a minimum jackpot of \$10 million, offer nine ways to win and have overall odds of 1 in 43 of winning a cash prize.

Tickets for Mega Millions will go on sale Wednesday, May 15, 2002 at a cost of \$1 per game. The live drawings will be conducted every Tuesday and Friday in Atlanta, Georgia. The first televised drawing will be conducted on Friday, May 17, 2002 at 11 p.m. EST.

Mega Millions will succeed the BIG GAME, which has been played since September 1996. The final drawing for the BIG GAME will be held on Tuesday, May 14, 2002. If there is no top prize winner(s), the BIG GAME jackpot prize will roll into and become the jackpot for the first draw of Mega Millions.

"I am very excited to announce this new game," said Rebecca Paul, President of the Georgia Lottery Corporation. "Mega Millions means more players, higher jackpots, and most importantly, more money for the vital programs lotteries fund, such as education here in Georgia," she added.

"We look forward to sharing the excitement and fun that Mega Millions promises, because higher jackpots and secondary prizes are sure to be fun for our players," said Illinois Lottery Director Lori Montana. "In addition, we want to remind players that they can still have fun while playing responsibly. After all, it only takes a dollar to get in the game!" ■

## Lynn Nelson

# Lottery Pioneer Passes

Lynn R. "Swede" Nelson, retired, longtime director of the Pennsylvania State Lottery, passed away on April 12 following complications from heart surgery. His wife Doris, son Ray, daughter Diann, seven grandchildren, other family members and their minister were at his side.

Lynn's tenure and involvement in the lottery industry saw the advent of both instant and on-line games, the earliest of TV advertising campaigns and expansion of the National Association of State Lotteries (NASL, now NASPL), of which he served as president at the time, to include international lottery participation.

His dedication to the emerging business of lottery, the development of accounting and security techniques, and insight into the minds of the lottery consumers, made his contributions to the multibillion dollar Pennsylvania

Lottery a proud legacy.

Lynn was regarded as one of the smartest people in the lottery industry and was widely respected by his peers. After retiring from the lottery, Lynn became County Controller in the county where he lived, a position from which he retired two years ago. He is remembered for his humor, his love of golf and his many friendships. He was always supportive of his friends and saw many of us through good times and bad. He will be missed, but never forgotten.

Those who wish to further honor Lynn's memory are encouraged to make a donation to Domestic Violence, Inc., Box 42, Lebanon, Pa., 17402, a nonprofit, service organization that Doris and Lynn have supported for many years. ■





# Circles of Learning Come to International Lottery Expo!

## Win Lottery Business More Cost-Effectively With A Circle of Learning@Expo

➡ Bring your products, ideas and solutions to Miami Beach, but leave your expensive booth behind.

➡ Display, demonstrate and receive feedback on your products & services, people & ideas, solutions & technologies, without shipping and building an elaborate booth.

With expected attendance by more than 40 lotteries from around the world, especially Latin America, a Circle of Learning@Expo is a cost-effective way of growing your lottery business this year and beyond.

Take advantage of this new business environment, which will be more conducive to interaction, education and dialogue, by calling your PGRI representative at 425-803-2900.

**For more details on hosting your own Circle of Learning@Expo, please visit our Web site at [www.PublicGaming.org](http://www.PublicGaming.org) or call PGRI at 425-803-2900.**

## —Tentative Agenda—

### July 31, Wednesday

3pm-6pm Registration Open

### August 1, Thursday

8am-3pm Circle of Learning Setup  
9am-7pm Registration Open  
1pm-2pm PGRI's Sister Lottery Meeting  
3pm-5pm Opening General Session I  
5pm-7:30pm Welcome Reception in the Circles

### August 2, Friday

9am-6:30pm Registration Open  
9am-Noon General Session II  
Noon-2:30pm Lunch in the Circles  
2:30pm-5pm General Session III  
5pm-7pm Cocktail Reception in the Circles

### August 3, Saturday

9am-11am General Session IV  
11am-1pm Brunch in the Circles  
Afternoon Open for Private Meetings

### August 4, Sunday

9am-11am General Session V and Awards  
11am Expo Adjourned

**David Mello**

Tel.: 202-244-9301

Fax: 202-244-9302

[davemello@earthlink.net](mailto:davemello@earthlink.net)

# Lottery News

## Arizona Lottery Decision Heads to Voters

Arizona citizens will be given the opportunity to decide whether to keep the Arizona Lottery alive for another ten years. The 21-year-old lottery is scheduled to retire on January 1, 2004.

The State House of Representatives voted 37-17 in favor of a Senate approved bill bringing the issue to the voters

## Louisiana Lottery Wins Fourth Straight Accounting Award

The Louisiana Lottery Corporation has received the Certificate of Achievement for Excellence in Financial Reporting for the fourth straight year from the Government Finance Officers Association (GFOA) of the United States and Canada.

"We are extremely proud of this award and it is especially gratifying to have been honored for four straight years" said President Randy Davis. "The Lottery accounting staff headed by Senior Vice President Karen Fournet and Vice President Jimmy Goodrum works long and hard to ensure that our accounting procedures meet exacting standards."

The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting

## South Carolina Lottery Commission Tries for Powerball

The South Carolina Lottery Commission voted to begin the process of applying for Powerball. So far, the State House of Representatives has said yes to multi-state games, but the Senate decision is pending.

The commission is hoping the Senate approves multi-states by June, so the Lottery can start selling the game in September. Officials are expecting the game to provide more than \$20 million per year to state coffers

## Nova Scotia Explores Options to Increase Revenue

Nova Scotia is about to begin selling lottery tickets in bars and restaurants. Fifty vending machines will be installed this summer as a test, which, if successful, will result in more machines being installed. The Lottery sees the move as a way to try to expand its customer base.

Keeping expanded customer base in mind, the corporation is also looking to launch a national instant ticket game.

The Lottery is also looking to change the games being offered on the VLTs. The main aim of the move is to increase VLT revenue to \$190 million, up from last years \$161 million.

## Tennessee Lottery Battle Could Get Ugly

The Tennessee anti-lottery contingent is going all-out in its attempt to kill talk of a new state lottery. In addition to their plans to use church vans to bus people to the polls, they've also started to work on a smear campaign against pro-lottery Senator Cohen.

All this when polls show that 63 percent of Tennesseans favor a lottery, and the \$200 million per year it stands to generate for the state.

## Texas Sends Unclaimed Winnings to Hospitals

The Texas Lottery has seen \$57.2 million in winnings go unclaimed over the last two years, and now they're going to do something good with the money. They're giving it to hospitals.

The Texas Department of Health is distributing the money to hospitals that applied for the extra funds. The first \$40 million, by law, goes to the University of Texas Medical Branch at Galveston. As for the rest of the recipients, most are receiving approximately 6 percent of what they applied for.

## Hot Lotto Begins

Hot Lotto, the new lottery game from MUSL that offers Powerball-style play, but with easier odds and jackpots starting at \$1 million, launched in early April in Minnesota, Iowa, Montana, New Hampshire, South Dakota and West Virginia.

The game operates on a 5:39 matrix, with a 1:19 matrix on the "Hot Ball." Hot Ball replaces Rolldown, which officially ended at the beginning of April.

## Michigan Tickets on Sale at Comerica

The Michigan Lottery began selling tickets at Comerica Ball Park, home of the Detroit Tigers. The Pro Shop, where fans can buy Tigers' memorabilia, is now selling the full line up of Lottery tickets before and after the games (but not during).

In addition to this, a 36-foot by 8-foot electronic billboard is going up in left field to announce winning numbers and other Lottery information. Lottery information will cease to scroll across the screen when batters are at the plate.

## Georgia Lottery Experiencing Record Sales

The Georgia Lottery is in the midst of another record breaking year for sales. Currently, the Lottery has sold \$200 million more this year than during the same period last year. These figures were made public before the \$300 million-plus Big Game jackpot, so those figures might have raised substantially.

## Free Money Lotto Wins in Mississippi

A phone card in Mississippi that's being billed as the state's first "Free Money Lotto" has been declared legal after five years of being in court.

The card sells for \$1, provides two minutes of long-distance and comes with a scratch game attached. The court decided it was legal because the scratch ticket can be acquired without consideration. Those who don't want to buy the card can get the ticket in the mail while supplies last.

The game, which offers prizes between \$2 and \$9,999, hit the market in 1994 and was taken to court in 1997. ■

## Atlantic Lottery

Lotto Super 7 players were able to look forward to super high jackpots three weeks in a row beginning April 12, thanks to a special bonus promotion arranged by the Atlantic Lottery and its national lottery partners.

In consecutive weeks during April, jackpots were guaranteed to be \$15 million, \$17.5 million, and \$20 million. Lotto Super 7 is the ALCs big jackpot game, and the promotion generated a lot of excitement for the Lottery.

## Connecticut

The Connecticut Lottery has teamed up with Promo-Travel to offer one of the highest price point License Property tickets in industry history. Using the Caesars Palace property, the \$10 instant ticket offers players 19 chances to win. The bi-fold ticket has a top prize of \$100,000 and 200 instant win trips to Caesars Palace in Las Vegas plus \$500 spending money.

## Delaware

This month the Delaware Lottery is introducing two new Instant Games—LICENSE TO WIN and DELAWARE STATE FAIR.

LICENSE TO WIN offers players a chance to win popular, four-digit license plates. These low-digit license plates have a unique appeal to Delaware consumers because they are extremely hard to obtain. Eight four-digit tags will be awarded instantly and four four-digit tags will be awarded in a second-chance drawing to be held on October 11, 2002. This new Instant Game was developed as a result of a partnership between the Delaware Lottery, Delaware Division of Motor Vehicles and Delaware Department of Tourism. The purpose of LICENSE TO WIN is to provide an opportunity for the Delaware Division of Motor Vehicles to distribute four-digit license plates to the public and to support Delaware's new slogan, "It's good being first." Tickets go on sale May 20. A launch event will be held the first week of ticket sales in Dover, the state's capital.

The DELAWARE STATE FAIR Instant Game is being introduced for the second year on May 6. This year's DELAWARE STATE FAIR Instant Game features a new look, but still offers players a chance to win FREE admission to the 2002 State Fair (July 18 – July 27, 2002), a top cash prize worth \$500 and lots of other cash prizes. As in the past, this game was developed with the coordinated efforts of the Delaware Lottery and Delaware State Fair, Inc. Advertising and public relations are being used to introduce the game.

## Idaho

From May 1- May 31, Idaho players that buy 5 scratch tickets of the same game, pack and sequential order,

and all 5 tickets are non-winners, will receive two scratch tickets of equal value for free. All instants currently on sale are eligible for the promotion.

## Iowa

The Scorpion King" appeared at Iowa Lottery retailers before making his big-screen debut!

The Iowa Lottery released a \$1 "Scorpion King" instant-scratch game in early April. The scratch tickets feature four different scenes from the Universal Studios motion picture of the same name, which also was released in April. The film, starring professional wrestler The Rock, is the third in a series of action-adventure movies that began with 1999's "The Mummy."

The Iowa Lottery released a scratch ticket based on "The Mummy" in April 1999 and the \$1 game sold out. The lottery anticipates similar success with "The Scorpion King" scratch game, which, like its predecessor, offers hundreds of \$100 top prizes.

## Kansas

It's "Kansas Speedway" season! The Kansas Lottery's racing theme instant ticket went on sale April 15. Kansas Speedway tickets provide players with six different games and ways to win. At a cost of \$5 per ticket, players have a chance to win a top prize of \$20,000. In addition, players may submit non-winning Kansas Speedway tickets into a second chance drawing for a chance to win one of 48 Kansas Speedway racing weekends for two. The complete prize package consists of two tickets for the Sept. 28-29, 2002, NASCAR races at Kansas Speedway; hotel accommodations; transportation at the event; food and other amenities; and \$300 cash.

"Cool Cash," the Kansas Lottery's fourth history-making pull-tab game, went on sale April 8. Cool Cash is the nation's first "\$2" variable-imaged pull tab. The 4" x 4" ticket features eight pull tab windows and offers players the chance to win up to four times per ticket with a top prize of \$2,500. Variable imaged, bar-coded pull tabs were first introduced by the Kansas Lottery in October 2001. The games continue to experience strong sales. Pull tabs have the highest payout percentage of any game, due to a difference in the transfer rate to the state for this product.

## Michigan

Mega Millions will replace The Big Game on May 15. The new game will feature a minimum \$10 million jackpot, increases in seven of the nine secondary prize levels, anticipated average jackpots of \$80 million, with the potential to surpass \$500 million, and overall odds of winning a cash prize of 1 in 43.



The Lottery's new EXTRA game will be available May 16, offering Daily 3 & 4 players a chance to win between \$2 and \$500 instantly. Players who purchase a Daily 3 or 4 ticket can ask for the EXTRA play for just an additional dollar. The EXTRA game offers a 1 in 5.92 chance of winning a cash prize.

Instant tickets for May include the \$2 "EZ Bingo" with a \$25,000 top prize; the \$10 "Double Feature" offering a \$500,000 top prize; the \$3 "Golf and Cash" with a \$50,000 top prize, as well as great golf merchandise; the \$1 "Goin' Up North" game with a \$2,000 top prize; and the \$2 "Wild Wild Time" with a \$30,000 top prize.

## Missouri

Cedric the Entertainer will be promoting the Missouri Lottery's newest game, Explore Missouri, in a series of TV and radio ads. The new \$2 instant is a big deal because it promotes Missouri Tourism by featuring Missouri products and destinations as the top prizes.

Top prizes include five 2002 Ford Explorers, assembled at the state's Hazelwood Ford plant, and a second chance competition for one of 30 all expense paid trips to winner's choice of St. Louis, Kansas, City, Branson, Hannibal and Lake of the Ozarks. The trip packages are valued at \$1,000.

The Lottery's Pick 3 players had reason to celebrate with the Lottery's "Road Trip Promotion." The promo offered a 2002 Ford Excursion plus \$500 cash to one winner, seventy-five 64-inch rear-projection televisions, and 40 cash prizes of \$598. Players become eligible by purchasing a \$3 single-ticket Pick 3 purchase for the current draw, at which point the lottery terminal produces an entry ticket.

Along with the promotion, the Lottery is also introducing two new Pick 3 playslips - one for first-time Pick 3 players called the "EZ" playslip, complete with instructions on how to play, and a new improved playslip for seasoned players. A new Pick 4 playslip, which includes Quick Pick and Combo play options, is also being introduced.

## New Mexico

For the second consecutive year New Mexico launched its popular \$2 Harley-Davidson scratcher game. The game features top prizes of six Sportster 1200 custom motorcycles, including tax, license and title paid by the Lottery. A seventh motorcycle, a FLSTC Heritage Softail Classic, worth over \$20,000, will be awarded in a second chance drawing to be held during the New Mexico State Fair in September.

From April 29 through June 1 the Lottery has added a bonus feature of a green "Money Ball." After each Pick

3 drawing, there is a second drawing containing six white balls and one green Money Ball. When the green Money Ball is drawn, prizes automatically double for that drawing. If the green Money Ball is not drawn, one white ball is removed for the next drawing. When only one white ball and the green Money Ball remain, the last white ball stays in the drum machine until the green ball is selected.

## Pennsylvania

The Pennsylvania Lottery is returning as a sponsor for two NASCAR Winston Cup Series races, the Pocono 500 and the Pennsylvania 500. The Lottery will select five finalists and their guests to attend each race weekend (a total of 10 finalists and 10 guests in all) and to have a chance to win up to \$20,000!

With every \$5 block purchase of CASH 5 tickets for the next available drawing, Lottery terminals will automatically generate an entry ticket for a chance to enter the CASH 5 NASCAR contest. To enter the drawings, the player must fill out and mail the form.

Each of the five finalists for each race will win \$5,000 and a raceway and accommodations package for two that includes raceway tickets, superbox seating and pit passes for three days of NASCAR events held at Pocono Raceway in Long Pond, Monroe County; track and pit row tours; three-day, four-night hotel accommodations; transportation between the track and hotel; meals and beverages.

There will be a Grand Prize drawing during the pre-race ceremonies at both the Pocono 500 and Pennsylvania 500 events. The Grand Prize winner for each weekend will be announced at the finish line at the track and will win an additional \$15,000, bringing the Grand Prize winner's total to \$20,000!

Entry tickets for the CASH 5 NASCAR Weekends at Pocono drawings will be generated from April 8 through and including June 26, 2002.

## Wisconsin

It's been a lucky spring for Wisconsin Lottery players. The new on-line game City Picks produced three \$50,000 top prize winners in its first three weeks. The very same week, a player matched all six numbers in Wisconsin's Very Own Megabucks to win a \$13.5 million jackpot!

The "Experience Wisconsin" series of instant scratch tickets is back for a third year. Each of the five tickets features a different scene from counties around Wisconsin. The \$1 ticket offers a higher top prize and increased payout this year. The game will continue until scenes from all of Wisconsin's 72 counties are featured. ■

# LOOK WHAT'S NEW!

## WE'RE BACK ON TOP... OF THE COUNTER!

### #113 STACK SETS



#113x16 #113-HANG #113x12



#113x16-GAME #113x12-GAME



#704-BB  
BACKBAR

**TAT**  
**TAKE-A-TICKET, INC.**



#412-OC ON-COUNTER



#702 HIGHLIGHTER



#715 SLOTS OF LUCK

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