

To: Lottery, Video Gaming & Racino Executives  
Interested in Growth, Expansion & Added Success



Your weekly supplement to  
**Public GAMING International Magazine**  
**February 6, 2006**



## COMPANY NEWS

**NORTH CAROLINA CHOOSES GTECH.** The North Carolina Education Lottery Commission awarded contracts for both instant tickets and online games to GTECH. GTECH partnered with Oberthur Gaming for the printing of the instant tickets. The two contracts are



worth an estimated \$19.2 million in the first-year alone. Reports show GTECH will receive 1.6% of the sales of the games. GTECH also said it could meet a launch date of March 30 – nearly a week sooner than the NCEL's original target. If GTECH fails to meet that date it must pay a \$100,000 per day fine from March 30 through April 5, and \$400,000 per day beyond April 5. GTECH projected that Powerball would start on May 30. NC Director Tom Shaheen stated that he felt the provisions in the contract with GTECH could mean \$30 million more for the state than projected. Under the terms of the seven-year agreement, GTECH will install the Company's Enterprise Series™ technology platform providing both online and instant ticket functionality, as well as 5,000 Altura® terminals initially. The Lottery has the option to grow the terminal base to up to 10,000 over time. The Company has also agreed to supply up to 1,000 Lottery Inside™ retail point-of-sale (POS) solutions which will allow the Lottery to expand its distribution channels by embedding lottery functionality in existing retailer POS hardware. GTECH will also install and maintain 800 ITVMs, and a state-of-the-art, IP wireless communications network, providing the most secure and reliable data connection between the host computer and lottery retailers.



**MDI-DEVELOPED SITE POPULAR WITH PLAYERS.** Membership to the Michigan Lottery's innovative Internet-based "Player City VIP Club," developed by MDI Entertainment, has reached almost 80,000 in just its first six months, nearly doubling the population. Patterned after rewards programs that offer consumers value in exchange for actual purchases, the MDI program was designed for situations in which lotteries are not able to track purchases but are interested in providing some means of building long-term lottery player loyalty and satisfaction. At Michigan's PLAYER CITY™ Players' Club website, members earn "P.C. Points" for participating in various activities at the website. The most generous rewards are tied to submitting entries into second chance drawings, as those are indirectly tied to the member's lottery ticket purchase behavior. But rewards can also be earned for taking part in polls and surveys, participating in interactive "community projects", signing up for e-mail



## **SMART-TECH 2006 – WYNN, LAS VEGAS FEBRUARY 27<sup>TH</sup> – MARCH 2<sup>ND</sup>, 2006 CONFERENCE REGISTRATION FORM**

Please fill out this form and fax back to 800-657-9340. Please mail original and payment to: Public Gaming Research Institute, 218 Main Street, #203, Kirkland, WA 98033, or charge to American Express, MasterCard, or Visa (see below).

Each Registration is \$895.00

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

Contact/ Title: \_\_\_\_\_

Company: \_\_\_\_\_

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

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

State/ Prov. \_\_\_\_\_ Zip/Postal Code: \_\_\_\_\_

Tel.: \_\_\_\_\_ Fax: \_\_\_\_\_

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

Number of Registrations \_\_\_\_\_ Total \_\_\_\_\_

### **Payment Terms and Options:**

Please charge to my credit card \_\_\_\_\_

Please invoice me \_\_\_\_\_

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

Fill-in below for charges.

Amount: \_\_\_\_\_

Card Number: \_\_\_\_\_ Exp. Date: \_\_\_\_\_

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Name on Card: \_\_\_\_\_

**HOTEL RESERVATIONS: CONFERENCE ROOM RATE \$229/ROOM**

Wynn, Las Vegas, 3131, Las Vegas, NV 89109

Contact Room Reservations Department at (888)320-7117, (702)770-7800

Or on the website at [www.wynnlasvegas.com](http://www.wynnlasvegas.com) under the PUBLIC GAMING/ SMART-TECH 2006 to get special room rates.

subscriptions, playing games and completing lottery game tutorials. Rewards for points come in the form of status within the club (i.e. the Player City Hall of Fame) and actual redeemable value. The site can be accessed at <http://michigan.playercity.net>.



### OGT BRINGS JOHN WAYNE® TO LOTTERIES.

Oberthur Gaming has secured for lotteries worldwide exclusive rights to one of the greatest American icons of all time, *John Wayne*. In the spirit of *John Wayne's* generous nature, OGT and Wayne Enterprises will donate a portion of the licensing fee to either the John Wayne Cancer Foundation (JWCF) or a veteran's organization of the Lottery's choice. In addition, Lotteries can use *John Wayne's* name, likeness, and nickname "The Duke" on tickets, point of sale, and in its advertising. OGT brings to the industry a wide range of images and action shots of *John Wayne*, so Lotteries can create western, patriotic, or a combination of themes to grace their games and support materials. The most recent Q Scores and Harris Poll both rank *John Wayne* #3 in popularity among his peers, and he is consistently ranked in the Top 5 of Greatest Movie Stars of all time by publications such as *Premiere Magazine* and *Entertainment Weekly*.

### PALTRONICS ONE LINK AT COAST CASINOS.

Paltronics Inc. announced that Coast Casinos, a wholly-owned subsidiary of Boyd Gaming Corp., has completed the installation of two One Link slot and media systems at its Suncoast and new South Coast properties in Las Vegas. Coast Casinos has also installed Paltronics' new advanced RGB (red, green, blue) and RGY (red, green, yellow) overhead graphical displays for these same properties. This is the first time Coast Casinos has purchased a One Link system. It will be used to provide an easy and scaleable way to configure and operate progressive games from a centrally-located area inside the slot management department. Removing slot management from the 80,000 square foot casino floors at the Suncoast and South Coast eliminates many regulatory aspects of the casino business and creates a simpler environment on the "floor". In addition, One Link will control the digital media on the slot floor and connect screens throughout the property.



**ALC IMPLEMENTS OGT'S GOLDS.** Atlantic Lottery Corporation has implemented OGT's *GOLDS* (Global Operations and Lottery Distribution System) to support ALC's Corporate Inventory Management Initiative. *GOLDS* is a user friendly and flexible modular system that runs on PC-based software and manages all functions

of Telemarketing, Ordering, Warehousing and Distribution, in a secure environment and in an efficient and timely manner. The modules that are connected to the current ALC systems manage the marketing, promotional and lottery terminal supplies, as well as all other physical inventory in the Lottery's warehouses.

## PEOPLE

INTRALOT recently announced the appointment of **Mr. Mark Michalko** as President and **Mr. Tim Groth** as Vice President, Product Development of INTRALOT's Asia / Pacific Division. Michalko is a 29-year veteran of the lottery industry, with unique credentials and experience in the United States and many foreign jurisdictions. He stands as the only lottery industry executive to serve as both Executive Director of a world-class lottery organization, the California State Lottery and as a CEO of an International lottery supplier company, ILTS. For the past 11 years Groth has been VP of Technical Operations for ILTS in the US.

Electronic Game Card announced that health concerns have forced **John Bentley** to stand down as President and CEO with immediate effect. The company's existing Board and management team will continue the day-to-day running of the business prior to the appointment of a new CEO.

**Michelle Mealy** recently joined the Missouri Lottery staff as financial accountant. Mealy is in charge of account reconciliation, budget reports and other accounting functions. Mealy previously worked as a financial services specialist for the Missouri Department of Transportation. Prior to that, she was employed with the state Office of Administration.



## VLTRACINO

**KENTUCKY DERBY GOES YUM!** Churchill Downs racetrack announced that Yum! Brands Inc., the world's largest restaurant company and parent of KFC, Taco Bell, Pizza Hut, Long John Silver's and A&W Restaurants will become the historic first-ever presenting sponsor of the Kentucky Derby. This year's 132nd renewal of America's greatest horse race on Saturday, May 6, will be referred to as "the Kentucky Derby presented by Yum! Brands." The Kentucky Derby sponsorship agreement between Churchill Downs and Yum! Brands is a five-year partnership that matches two Louisville, Ky.-based companies with reputations and business operations that are international in scope. Under the agreement, Yum! Brands - which has nearly 34,000 restaurants in more than 100 countries and territories - becomes the first Churchill





# SMART-TECH 2006 WYNN LAS VEGAS February 27<sup>th</sup> – March 2nd **LOTTERY & GOVERNMENT REGISTRATION FORM**

Please complete this form and fax to PGRI  
at  
Fax# 800-657-9340 or Fax# 206-232-2564.  
**NO REGISTRATION FEE FOR LOTTERY  
& GOVERNMENT. The fee for others,  
\$895.**

Conference registration includes all  
program events, reception, continental

breakfasts, luncheons, exhibits, all conference seminars, and off-site  
events.

Contact/Title: \_\_\_\_\_  
Organization: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_  
State/Prov. \_\_\_\_\_ Zip/Postal Code: \_\_\_\_\_  
Tel.: \_\_\_\_\_ Fax: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Email: \_\_\_\_\_

## **HOTEL ROOM RESERVATIONS**

Please make your hotel reservations directly with the Wynn Las Vegas Hotel.  
Call 702-770-7000 or 888-320-9966 – request the SMART-TECH room block – rate:  
\$229.

Conference begins at 3PM on February 27 and ends at 11AM on March 2.

## **PROGRAM PARTICIPATION**

Please indicate your interest in participating on the program and you will be  
contacted.

\_\_\_\_\_ Yes, presenter; \_\_\_\_\_ Yes, panelist; \_\_\_\_\_ Yes, other.

**Please Fax completed form to PGRI at 800-657-9340 or 206-232-2564**

*For assistance, call Susan Jason at 425-985-3159 or 425-985-3157*

# **SMART-TECH 2006**

**Wynn Las Vegas    February 27-March 2**

## **CONFERENCE SCHEDULE**

### **MONDAY, February 27**

#### **Morning**

Set-up for exhibits

#### **Afternoon**

**3 PM – 5 PM**

CONFERENCE WELCOME

LOTTERY LEADERS FORUM ON THE FUTURE

KEYNOTE SPEECH

**5 PM - 7PM**

**Reception**

### **TUESDAY, February 28**

**8 AM Continental Breakfast**

**9 AM – Noon**

KEYNOTE SPEECH

PRESENTATIONS AND PANEL DISCUSSIONS

**Noon – 2 PM**

#### **Lunch**

LIFETIME ACHIEVEMENT AWARD PRESENTATIONS

**2 PM – 5 PM**

PRESENTATIONS AND PANEL DISCUSSIONS

**Evening open**

### **WEDNESDAY, March 1**

**8 AM Continental Breakfast**

THE BEST IN TV ADS

SMART-IDEAS PRESENTATIONS

#### **Lunch**

VIP TECHNOLOGY TOUR

For Lottery Personnel

**Evening Open**

### **THURSDAY, March 2**

**8 AM Continental Breakfast**

**9 AM – 11 AM**

PROGRAM WRAP

OUTSTANDING ACHIEVEMENT AWARDS

LOTTERY ADVERTISING AWARDS

**Conference Adjourned**

**FOR HOTEL RESERVATIONS, call 702-770-7000 or 888-320-9966 – SMART-TECH Mtg.**

**FOR OTHER ASSISTANCE, call Susan Jason at PGRI, tel. 425-985-3159 or 425-395-3157**

Downs corporate partner to become a named sponsor of the classic race that is an American sports icon. Yum! Brands has been a corporate partner with Churchill Downs and the Kentucky Derby for several years, but the new agreement represents a decision by Yum! Brands to significantly upgrade its sponsorship commitment. On Derby Day, the Yum! Brands logo will appear beneath the Twin Spires on a Kentucky Derby sign that shows the time span the race has been run (1875 to 2006), on the sign above the starting gate for the Derby race, on the jackets of the pony riders who escort the Derby horses and jockeys during the post parade, on television billboards before and throughout the broadcast as well as in various places around the racetrack facility. In addition, Yum! Brands will receive six, 30-second television ads on NBC's Derby broadcast along with two, 30-second television commercials on ESPN and ESPN2 during their event coverage. A portion of the sponsorship's revenues will go to race purses through a formula negotiated in the most recent agreement between the track and its horsemen.



## INTERNET/WIRELESS

**LITTLEWOODS LAUNCHES BINGO.** Parlay Entertainment announced that Littlewoods Gaming has launched LittlewoodsBingo.com on the St. Minver Bingo Network. The addition of online bingo is a logical extension to Littlewood's suite of gaming products, and it marks the first time that Littlewoods Gaming will specifically target the growing market of young, female online gamers.



## LOTTERY NEWS

**CALIFORNIA REPORTS 7% GROWTH.** The California Lottery reported sales for the first two quarters of fiscal year '05-06 at \$1.751 billion. These figures show an increase in Lottery sales compared to the same period of last fiscal year, when sales were \$1.532 billion. At the end of last fiscal year, the California State Lottery closed its books with record high sales of \$3.333 billion. The increase in sales is due to several factors; Scratchers with Bingo and Crossword themes outperformed other Scratchers for a solid 13% increase and Mega Millions to date have totaled \$243 million in sales. The \$119 million growth over the same period last year represents a 7% increase. With additional promotions, advertising programs and retailer network enhancements planned for the third and fourth quarters, the Lottery projects positive

growth in sales for all games and expects to exceed last years' education contribution of \$1.175 billion.

**KLC REACHES \$9 BILLION IN SALES.** The Kentucky Lottery Corporation has surpassed \$9,000,000,000 in sales since inception. Since launch, 59.8%, or \$5.38 billion, has been returned to players for prizes, while \$2.38 billion (26.4%) has gone to the Commonwealth. Retailers have been paid \$553.3.



**NEW YORK LAUNCHES WIN FOR LIFE SPECTACULAR.** Schenectady, NY – New York Lottery Director Nancy A. Palumbo has announced the launch of the Lottery's biggest Instant game ever, with a \$10,000 a week for life top prize. The Win For Life Spectacular game, with a guaranteed minimum payout of \$10 million, gives New Yorkers the opportunity to win the largest top prize ever offered on a New York Lottery scratch-off ticket. The New York Lottery offers approximately 40 different Instant games at any given time. The Win for Life series of \$1,000 a week, \$2,000 a week and \$5,000 a week for life currently represent 12% of Instant game sales. Win For Life Spectacular is a \$20 game that offers players 15 chances to win \$10,000 a week for life with a guaranteed minimum payout of \$10 million. As with the New York Lottery's other Win For Life games, the top prize can extend well beyond the guaranteed minimum payout amount - as long as the lucky winners keep living, the New York Lottery keeps paying. Win For Life Spectacular top prize winners will receive their \$520,000 annual prize in quarterly payments of \$130,000, before required tax withholdings. Overall odds of winning a prize on the new Win For Life Spectacular ticket are 1 in 3.31.



**MARYLAND LOTTO REPLACED BY MULTI-MATCH.** The Maryland Lottery saw it's final Lotto draw last week. The game has been replaced by Multi-Match, which operates on a 6:43 matrix and draws on Wednesdays and Saturdays. Multi-Match, which costs \$2 (twice the price of a Lotto ticket), has three lines of numbers, and players will be able to mix them for 2<sup>nd</sup>-tier and lower prizes. The jackpot for Multi-Match begins at \$500,000. The odds of winning any prize in Lotto are 1 in 27; the odds for Multi-Match are 1 in 8.5.

**KANSAS LAUNCHES "GOLF GIVEAWAY".** As part of the Kansas Lottery's commitment to develop

Kansas-themed tickets and promote Kansas business and tourism, the Lottery recently launched its new “Golf Giveaway” instant ticket during a news conference at Prairie Dunes Country Club in Hutchinson. The ticket ties into the 27th U.S. Senior Open Championship being played at Prairie Dunes Country Club in Hutchinson July 6-9. Prairie Dunes Country Club is pictured on the front of the “Golf Giveaway” ticket, along with the “KANSAS, as big as you think” state tagline, and the grand prizes are trips to the U.S. Senior Open Championship. The “Golf Giveaway” ticket, which went on sale Jan. 19, is the Lottery’s latest in a series of tickets developed through a strategic alliance with the Kansas Department of Commerce and partnerships with Kansas business and tourism. The tickets offer lottery players a chance to win Kansas-themed grand prizes in second-chance drawings. The 25 grand prizes in the “Golf Giveaway” second-chance drawing include two tickets for the U.S. Senior Open Championship, food and other amenities at the Kansas Lottery Hospitality Villa at Prairie Dunes Country Club, four days and three nights lodging at the Grand Prairie Hotel and Convention Center, \$500 credit in the Prairie Dunes Country Club Merchandise Pavilion, \$500 cash, and mandatory income withholding taxes on the prizes. The value of each grand prize is approximately \$7,000.



**NEW SCRATCH-OFFS DEBUT IN OKLAHOMA LOTTERY.** The Oklahoma Lottery recently launched four new instant games featuring top prizes of \$500 and \$5,000 at retail locations statewide. The new \$1 and \$2 games join the other instant scratch-off games already on sale. The two new \$1 games include *Quick 5's* and *Fast Cash*. The two new \$2 games are *Winner Take All* and *Cool Cash*. The quadruple launch is part of a broader initiative to continually refresh the scratch-off product category and to maintain a high level of excitement among players.



**NORTH DAKOTA LAUNCHES 2BY2.** The North Dakota Lottery launched sales of 2by2 on February 2, 2006. The Lottery hosted official 2by2 launch celebrations at four retailers last Thursday, including chances for the public to win great prizes. There are eight ways to win in 2by2. To play the game, a player selects two red numbers from 1-26 and two white numbers from 1-26. Players may also use the quick pick option. Each play costs \$1. Matching just one number wins a free quick

pick play. Matching all four numbers wins the fixed jackpot of \$20,000. The overall odds of winning a prize are 1:3.59. To help kick off the celebrations, the Lottery is offering a ‘Get 6 Draws for the Price of 5’ promotion on 2by2 tickets purchased through February 16, 2006. During the promotion, players who buy a single play, 6-draw 2by2 ticket will get the 6th draw free. 2by2 is also played in Kansas and Nebraska.



**OLGC LAUNCHES PICK 4.** The Ontario Lottery recently launched Pick 4, offering Ontario players a chance to win up to \$5,000 every day for \$1 per play. Sales for PICK 4 started at 6:00 AM, Saturday February 4, 2006. PICK 4 prizes range from \$200 to \$5,000 depending on how players combine their four favorite numbers. The odds of matching all four numbers in the exact order are 1 in 10,000. The odds of matching all four numbers in any order are 1 in 417. Pick 4 joins Pick 3 and Daily Keno in the daily game category.



**OHIO BRINGS BACK RED BALL.** Beginning Monday, Feb. 6, Ohio Lottery players can look forward to the return of the popular Pick 3 Red Ball promotion. Red Ball, which provides Pick 3 winners with the chance for a prize boost of about 20 percent, will be held for all Pick 3 drawings through Saturday, March 18. The Lottery will start the Red Ball promotion by placing seven balls (one red ball and six white balls) in a drawing machine. After the Pick 3 numbers are drawn, the Lottery draws one ball from the Red Ball drawing machine. When a red ball is chosen, Pick 3 winners for that drawing get an automatic prize boost of about 20 percent. When a white ball is chosen, Pick 3 winners for that drawing win the standard prize. Each time a white ball is drawn, the white ball will be removed from the machine in subsequent draws until the red ball is drawn. Once the red ball is drawn, all the balls are placed in the hopper for the next drawing. If the red ball isn’t drawn after six consecutive drawing, it’s an automatic red ball bonus for Pick 3 winners that next drawing!

**MICHIGAN LUCKY DOG FEATURES PLAYER’S PETS.** The Michigan Lottery is going to the dogs with the upcoming Lucky Dog instant ticket and Lottery players were invited to join in on the fun! The Lottery selected seven dogs, whose photos were submitted via the Internet by members of the Lottery’s VIP club, Player City™, to be featured on the new Lucky Dog tickets. Pet



photos were accepted through January 31, 2006, and the winners were chosen on or around February 1, 2006, by the Hon. Max Luck, mayor of Player City. The Lucky Dog game is scheduled to launch in April 17, 2006. Over 200 photos, representing a multitude of breeds, were submitted to the site, with nearly 30 new entries posted each day.

**MINNESOTA SPONSORS PROBLEM GAMBLING DOCUMENTARY.** On January 28, Twin Cities Public Television presented the first broadcast of The Hidden Addiction: Problem Gambling in Minnesota, a 30-minute documentary on problem gambling, sponsored by the Minnesota Lottery. The documentary introduces viewers to gambling history in Minnesota, gambling myths and misconceptions, problem gambling signs, screening and its effects on family as well as treatment and recovery. Commentary is provided by gambling experts and treatment providers while recovering problem gamblers tell their stories. The goal of the television program is to bring awareness to problem gambling and the issues that go along with it.



**LOUISIANA REOPENS NEW ORLEANS REGIONAL OFFICE.** The Louisiana Lottery reopened its New Orleans regional office, located in the Clearview Palms Shopping Center in Metairie, on Feb. 3, about five months after Hurricane Katrina destroyed it. Although the complex did not flood, extensive roof damage and subsequent rain caused irreparable damage to the entire contents of the 4,000-square-foot office. It was completely gutted and rebuilt.

**LOTO-QUEBEC TO SPONSOR WINTER EVENT.** For the first time ever, Loto-Quebec is sponsoring the Saint-Jean-Port-Joli's Fête d'hiver. The event, set to take place from February 9 to 12, 2006, at Trois-Bérets Park, plays host to a range of sporting, cultural and artistic events, like snow sculpture competitions, or snowmobile excursions. Festival-goers will also have an opportunity to dance and sing along with Québec artists, including the members of the group Kaïn and Jonathan Moorman.



**WASHINGTON DC RELEASES 2006 BLACK HISTORY CALENDAR.** Negro Leagues Baseball is the theme of the D.C. Lottery and Charitable Games Control Board's 2006 Black History Calendar, "From the Steel Mill to the Baseball Diamond: The Negro Leagues' Homestead Grays." Celebrate the success of the Homestead Grays, one of the most successful Negro Leagues teams, yearlong with the calendar that is available now. This year, in conjunction

with the calendar, the D.C. Lottery is producing a 30-minute program about Washington D.C.'s Homestead Grays for District of Columbia Public School (DCPS) teachers to use in the classroom. The program will air on DCPS Cable Channel 99 starting on February 17, 2006. The posters are free and proudly displayed at numerous locations throughout the District of Columbia.



**CEF TO HELP FIND MISSING CHILDREN.** Caixa Econômica Federal, the operator of federal lotteries in Brazil will reportedly start placing photos and names of missing children on lottery tickets. They will also print the date the child disappeared. Officials are hoping the information will help triple the number of children found.

## POKER

**WPT AND TRAVEL CHANNEL AGREE ON PPT.** WPT Enterprises, Inc. and the Travel Channel entered into an agreement to air WPTE's highly anticipated PROFESSIONAL POKER TOUR™ television series. The PPT features a series of invitation-only tournaments that are limited to the highest-ranked players in the world. The PPT is expected to begin airing in the 3<sup>rd</sup> quarter of 2006 on Wednesday nights from 9-11 PM ET/PT, following the completion of Season Four of the WORLD POKER TOUR®. The deal allows Travel Channel to feature 44 weeks of premiere episodes of WPT and PPT programming each year.



**PLEASE SEND ALL SUBMISSIONS FOR THE MORNING REPORT TO TODD BY WEDNESDAY TO [TODDPGR2@AOL.COM](mailto:TODDPGR2@AOL.COM)**