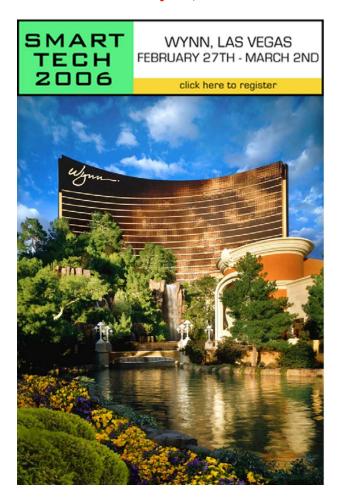
To: Lottery, Video Gaming & Racino Executives Interested in Growth, Expansion & Added Success



Your weekly supplement to Public GAMING International Magazine January 23, 2006



# **COMPANY NEWS**

# ILLINOIS SIGNS WITH SCIENTIFIC GAMES.

Scientific Games signed a three year contract with the Illinois Lottery for the supply of instant ticket games and related services. The contract took effect December 29, 2005, is valued at \$19.5 million over the initial term of three



years, and contains two one-year options to renew. Revenues to Scientific Games will now be based on a percentage of retail sales.

NEW MEXICO GAMING CONTROL SIGNS 8-YEAR DEAL WITH SCIENTIFIC GAMES. Scientific Games

signed an eight year contract with the New Mexico Gaming Control Board for the AEGIS-Video<sup>TM</sup> system to monitor and control the state's gaming machines. The contract commenced on December 28, 2005 and is valued at approximately \$7.1 million. Scientific Games will install the AEGIS-Video<sup>TM</sup> system and provide ongoing maintenance support for a hybrid network which includes 5 racinos and 60-plus non-profit veteran and fraternal organizations. The AEGIS-Video system will support two communication protocols including the industry standard SAS 6.01 (Slot Account System) protocol and SGI's F-3 protocol which allow the existing gaming machines to communicate to the new system.



MULTIMEDIA LICENSE READERS TO TEST ON

**TOUCHPLAY MACHINES.** The Iowa Lottery has requested a test of a driver's license reader on its TouchPlay machines. Multimedia Games, one of the Lottery's TouchPlay machine vendors, will install license-reader equipment on 10 machines in a test to see how ell the readers function on the TouchPlay machines. The Lottery's other three TouchPlay vendors are also reportedly looking into similar solutions.

# GAMING STANDARDS ASSOCIATION'S NEW G2S PROTOCOL CREATES DEVELOPMENT

MILESTONES. The Gaming Standards Association announced that progress on its new Game-to-System (G2S) protocol has been efficient and steady, and that its Merger Workgroup (formerly known as the BOB Committee), has reached consensus on three substantial development points. With the first point of consensus, the group has defined a composite meter model that embraces a "flat" methodology combined with a "hierarchical" method enhancing extensibility. "Flat" means that a host can readily get to any meter needed, and the hierarchical addition allows a great deal of forward-flexibility without modification of existing hosts. Second, where BOB was "state-based" technology,

G2S encompasses state-information and adds SuperSAS<sup>TM</sup> event-based technology. The addition of the event-based technology allows the user (host) to ask for a customizable sub-set of relevant data in compact, rapidly communicated form. Third, and new to G2S, is an element that existed neither in BOB nor in SuperSAS<sup>TM</sup>; the inclusion of a Slot Machine Interface Board (SMIB), in the G2S architecture. G2S recognizes that there is value in a separate player tracking component; therefore, G2S makes an allowance for retaining a separate SMIB in a slot machine and will include messaging to support such.



# SHUFFLE MASTER ANNOUNCES STRATEGIC ALLIANCE WITH SONA MOBILE. Shuffle Master has

entered into a strategic alliance with Sona Mobile, Inc. to license, develop, distribute and market "in casino" wireless handheld gaming content and delivery systems to casinos throughout the world. Under the terms of the agreement, Sona will develop a Shuffle Master-branded wireless gaming platform for in-casino use that will feature handheld versions of Shuffle Master's proprietary table game content as well as other popular public-domain casino games.

### CHINA LOTSYNERGY TO PURCHASE OCTAVIAN,

CORICH. China LotSynergy is planning to buy 90% of Octavian International for HK\$204.5 million. The company hopes the move will allow it to expand operations into Argentina, Colombia, India, Italy, Russia and Spain. China LotSynergy is also reportedly paying HK\$980 million for a 50% stake in Corich International, an investment holding company which owns Tianyi Electronics, the holder of a 10-year exclusive agreement to supply VLTs to Beijing Lottery Online Technology. Last year, China LotSynergy entered into a joint venture with Tabcorp to provide systems for a nationwide keno game in China.



THE LOTTERY CORP. ANNOUNCES IDEAL NEXT GENERATION. The Lottery Corporation, formerly a subsidiary of Games, Inc. has released the newest version of its Customer Relationship Marketing product "IDEAL." The IDEAL system, originally developed for government-sponsored lotteries, will now also be offered to other websites and portals who wish to develop a one-on-one relationship with their customers. IDEAL allows any commercial or non-profit website to offer its visitors a VIP Club function to allow real-time interaction between the retail website and the customer, including e-mail communications, contests, games, coupons, etc. Through a proprietary template system developed by The Lottery Corporation, the non-technical staff of any website, can administer their database and offer these services to their

customers in a matter of minutes. The IDEAL system will integrate seamlessly into any website and will mirror the look of the company's existing website.



# **PEOPLE**

Anthony J. Sadberry was named the acting executive director for the Texas Lottery Commission. Sadberry, a former Texas Lottery commissioner, began his term to head the \$3 billion agency on Tuesday, January 17, with an annual salary of \$114,996. There is no term limitation to Sadberry's appointment as acting executive director. Deputy Executive Director Gary Grief, who has been leading the agency since July 2005, will return to his post effective Tuesday, January 17.

WPT Enterprises, Inc. has reached into the NFL's and Clear Channel's playbook to secure a leading sports executive as its new COO. **Peter Hughes**, most recently Executive Vice President for SFX Sports Group, a division of Clear Channel Entertainment, will join the company on January 23 to manage the day-to-day operations and help leverage the company's global growth. Hughes will oversee the production, marketing, licensing, sponsorship, business development and website for WPTE properties domestically and internationally. The WORLD POKER TOUR® is now seen in 130 countries and territories.



# **VLT/RACINO**

MORE NEW YORK CASINOS? In addition to an expected \$20 million loan for the NYRA, New York Governor George Pataki's budget plan would add three casinos. The stand-alone casinos could be located anywhere in the state as long as they don't fall within a 15-mile radius of an existing racino. The 15-mile restriction would be lifted for New York city, meaning a casino could be located near Aqueduct.

### DELAWARE LOOKS TO KEEP TRACKS

**COMPETITIVE.** A bill in Delaware, the Video Lottery Competitiveness Act of 2006, is expected to be introduced, and fast-tracked, in the General Assembly in late January. The bill would increase the number of VLTs at Delaware racinos up to 4,000. Tracks are currently allowed to operate 2,500 machines.

# **LOTTERY NEWS**

**RECORD RETURN FOR TENNESSEE.** The Tennessee Education Lottery will transfer \$72.2 million to the state's Lottery for Education Fund for the quarter ending December 31, 2005, the highest return since sales began nearly two years ago. The transfer will bring the total raised for education to \$487.4 million, which includes \$478.5 million for education programs such as HOPE Scholarships and prekindergarten programs, plus an additional \$8.9 million raised for after-school programs.



A global leader, your local partner

GEORGIA LOTTERY CORPORATION SEES RECORD SALES, TRANSFER IN FIRST HALF OF FISCAL YEAR 06. The Georgia Lottery Corporation closed the books on the first half of fiscal year 2006 by announcing the largest second quarter sales and transfer to education in GLC history. Record-breaking first and second quarter transfers to the Lottery for Education Account in fiscal year 2006 will total more than \$396 million – \$15 million more than last year's benchmark. This makes the first six months of fiscal year 2006 the most successful start in GLC history and brings the total raised for educational programs in the state of Georgia to more than \$8 BILLION since the lottery's inception in 1993. Fiscal year 2006 second quarter sales soared to a record high \$794,549,307.

RECORD WEEK FOR NEW JERSEY. The New Jersey Lottery ended the year with another record. Aided by its popular holiday-themed games, the lottery today announced a record breaking sales week for instant tickets with \$26.9 million worth of scratch-offs sold from December 22-28. The previous mark for one week sales was \$24.2 million for the week of December 15-21, 2005. In fiscal year 2005, the lottery achieved a record \$2.2 billion in total sales, which included over \$1 billion in instant game sales. The record-breaking sales week centered on holiday-themed games such as the *Stocking Stuffer* gift pack, *Holiday Lucky Times 10 and Holiday Wishes*. These scratch-offs were supplemented by sales of long-running favorites such as *Crossword*, *Bingo* and *Win For Life*.



ONTARIO LOTTERY & GAMING CORPORATION LAUNCHES QUEST FOR GOLD. The Ontario Lottery & Gaming Corporation launched the Quest for Gold Instant Ticket Lottery, offering players the chance to win one of ten top prizes of \$1 million. All proceeds from the sales of the Quest for Gold instant tickets will be used to support Ontario's amateur athletes and promote ACTIVE 2010, Ontario's sport and physical fitness strategy. The Quest for

Gold Instant Ticket Lottery, with revenues administered by the Ministry of Health Promotion, Sport & Recreation Branch and with assistance from national and provincial sports organizations, will provide direct financial support to Ontario amateur high-performance athletes and fund related programs and services. Revenues from the lottery will be distributed through three funding streams: direct athlete assistance, enhanced coaching as well as enhanced training and competitive opportunities.



\$35 MILLION CASH SPECTACULAR. The Iowa Lottery has released a new instant-scratch game that offers more chances for players to win big. The \$35 Million Cash Spectacular, selling for \$10, has more than 1.4 million prizes for players to claim. With a total of \$35 million in prizes available, the top prize starts at \$250,000. There are 40 prizes of \$20,000 and 80 prizes of \$10,000 also up for grabs. There are 1,400 multiple prizes of \$1,000 and under to win. The game is now available at local retailers throughout Iowa.

### WASHINGTON BILL WOULD RAISE GAMBLING

**AGE.** Legislation that would raise the gambling age from 18 to 21 was recently introduced in both houses of the Washington legislature. Most tribal casinos and card rooms already have a minimum age requirement of 21, so the bill would mostly affect the Lottery and statewide racetracks.



# MANITOBA LOTTERIES CORPORATION SUPPORTS 2006 CANADA SENIOR GAMES. The 2006

Canada Senior Games Host Committee and Manitoba Lotteries Corporation (MLC) are pleased to announce their partnership for the upcoming Manitoba Lotteries Corporation 2006 Canada Senior Games to be held August 29 – September 2 in Portage la Prairie, Manitoba. MLC has been a long standing supporter of sports in Manitoba and is pleased for the opportunity to extend its' support to the 2006 Games as the Title Sponsor. MLC's contribution of \$25,000 will assist the Games Host Committee in providing an opportunity for over 1500 Canadians 55 years or older to showcase their talents, abilities and achievements in a fun and friendly competitive environment. The Games feature 23 passive and active competitions including Arts and Crafts, Badminton, Bowling, Cribbage, Cycling, Curling, Golf, Hockey, Scrabble, Slo-pitch ball, Swimming, Tennis, Track and Field and Whist. This is the first time the national games will be hosted in Manitoba. Thirteen Provinces & Territories will be represented at the games in Portage la Prairie.

NORSK TIPPING SPORTSBETTING. Norsk Tipping has decided that the technical solution for offering sportsbetting needs to be replaced by a modern, flexible and dedicated production system. The company will hence initiate a process of prequalification for vendors requesting participation in a negotiated competition for a new productions system for sports betting Sportsbetting is commercially and strategically managed by the Brand division of Norsk Tipping. The Lottery wants its sports game to be seen as modern and cool. For more information about on the prequalification for vendors requesting participation in the company's new production system for sports betting, please use the following email: <a href="mailto:sportsbet-rfp@norsk-tipping.no">sportsbet-rfp@norsk-tipping.no</a>.



SAZKA ADDS SELLING MODULE TO TERMINAL

NETWORK. SAZKA recently installed another feature into its new online terminal network. The feature is a selling module that allows lottery retailers to better control the entire marketing process through their terminals and get access to a wide range of unique marketing information. new facility: A new module has been put into operation in the terminal network today that makes it possible to sell different products. The selling module adds to the existing non-lottery activities of SAZKA, such as cell phone credit recharging (since 2002) and ticketing (since 2004). Other activities being prepared by SAZKA, a.s. in connection with the conversion of the central system and terminal network include, among others, invoice and money order payments and player loyalty programs.



### **POKER**

WPT SIGNS WITH GRANADA VENTURES FOR

EUROPE. WPT Enterprises Inc. has named Granada Ventures, ITV's merchandise, licensing and publishing division to be its European licensing agent for WORLD POKER TOUR® merchandise. The company is part of ITV, the powerful family of networks broadcasting in the United Kingdom. The WORLD POKER TOUR currently airs every Friday night at 10 on ITV4 in the U.K.— just one of more than 130 international countries and territories viewing the WPT around the globe. Granada Ventures will be charged with expanding the growing base of regional licensees marketing WORLD POKER TOUR® branded

products based on the television show and sports league that launched the worldwide poker boom. WPTE launched its international licensing campaign in the second quarter of 2005. WPT Consumer Products has already experienced tremendous 2005 fall/holiday sales in the U.K., Scandinavia and France with U.S. Playing Card distributor Flair, wireless phone partner Mforma and hand-held game licensee Radica. Take 2/2K Sports will launch its PAL version of the WORLD POKER TOUR<sup>TM</sup> video game throughout Europe and Australia in January 2006. In addition to Granada Ventures, WPTE has authorized Newman International Group, based in Melbourne, as agent for Australia and New Zealand.



WORLD POKER TOUR FOR SONY PSP. 2K Sports, a publishing label of Take-Two Interactive Software, Inc., today announced that World Poker Tour® for the PSPTM (PlayStation®Portable) system is slated for release this spring. World Poker Tour for PSP features real-life professional poker stars and venues featured in the popular World Poker Tour television series with enhanced A.I. players, customizable characters and online capabilities compatible with PlayStation®2 consoles. Gamers will have the ability to connect wirelessly with other PSP systems or online to compete against players across the country on both the PSP and the PlayStation 2 computer entertainment system. New enhancements to World Poker Tour for PSP include a completely new and innovative artificial intelligence system that allows gamers to challenge more than 1,200 different characters, all with their own unique playing styles and behaviors. Gamers who are able to bump up their career earnings can unlock custom clothes, accessories, and invitational events found only in the PSP version. Players can also create more than 4,000 custom variations of poker, and choose to play against computer opponents or take their custom poker game online to battle for poker supremacy.

# Public Gaming Research Institute, Inc.

218 Main St., #203 Kirkland, Washington 98033 USA <a href="https://www.publicgaming.org">www.publicgaming.org</a> Tel. 425-985-3157

# **INVITATION TO SMART-TECH 2006**

This letter is to invite you to participate in SMART-TECH 2006 in Las Vegas. The conference will be at the new Wynn Las Vegas hotel, February 27-March 2.

The theme this year is, BUILDING REVENUES THROUGH SMART TECHNOLOGIES & INNOVATIONS. The objective is for attendees to learn the best of what is being done and planned to make lotteries more successful. The very popular SMART-IDEAS, new-idea presentations by lottery and supplier representatives, will be a highlight of the conference.

In addition to a strong professional program of Keynote speakers, presentations and panel discussions, SMART-TECH will feature the <u>VIP Technology Tour</u> for lottery personnel, <u>The Best in Lottery Ads</u>, and <u>Special Achievement and Advertising Awards</u>.

Attendees of SMART-TECH have referred to it as the most useful conference they attend. It is our goal that each attendee goes home with useful ideas to apply for increased success. Your attendance will definitely be beneficial to you and your organization.

The SMART-TECH schedule, information on PGRI's Awards Program, as well as conference registration and hotel reservation information, are attached.

For conference assistance, please call Susan Jason or me. Susan is at tel. 425-985-3159 or <a href="mailto:susanjason@aol.com">susanjason@aol.com</a>.

For Wynn hotel reservations, call 702-770-7000 or 888-320-9966. Please note that the deadline for hotel rooms is January 31. After that time, the group rate of \$229 may not be available.

With best regards,

Duane V. Burke

CEO

Cell 425-985-3157

E-mail: duaneburke@aol.com

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Enclosures: SMART-TECH Schedule; PGRI Awards Program for SMART-TECH and Conference Registration and Hotel Reservations Information.

# **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

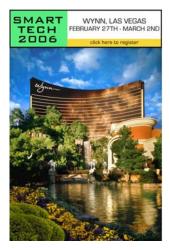
**OUTSTANDING ACHIEVEMENT AWARDS** 

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

# AWARDS PROGRAM FOR SMART-TECH IN LAS VEGAS, FEB. 27-MAR. 2



Your organization and its participants at SMART-TECH 2006 can qualify for Awards as a part of Public Gaming Research Institute's Awards Program for SMART-TECH 2006. Following are descriptions of the Awards for this conference and how to qualify for them:

### 1. LOTTERY LIFETIME ACHIEVEMENT AWARD

This Award is for an individual who has excelled in his positions in the lottery industry over a long period of time. There will be one such Award presented at SMART-TECH. Selection of the Award recipient will be made by prior Lifetime Achievement Award winners and by PGRI from nominations by Lottery and Company leaders. Send nominations to Duane Burke, CEO, PGRI at e-mail: duaneburke@aol.com. A one page discription and recommendation will suffice. Nominations should be to PGRI by January 30. The person selected will be announced the first week of February. The Lifetime Achievement Award will be presented at the SMART-TECH

conference on February 28 just prior to lunch.

### 2. OUTSTANDING ACHIEVEMENT AWARDS

This Award is for any individuals who a Lottery or Company participating in SMART-TECH would like PGRI to honor. Your recommendation, a brief paragraph on why he or she should be honored and their attendance at SMART-TECH are all that is required. Please E-mail your recommendations to: duaneburke@aol.com by February 8. These Awards will be announced in PGRI's MORNING REPORT for February 13 and will be presented at SMART-TECH at 10AM on March 2.

# 3. THE BEST IN LOTTERY TV ADVERTISING AWARDS

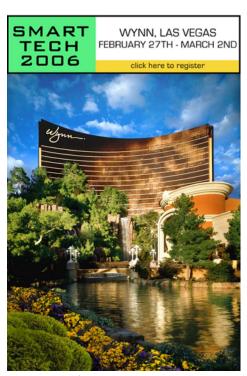
This Award is for any lotteries represented at SMART-TECH that sends us an example of their Best in TV Lottery Advertising for showing at the conference. If it is among the best of your ads and you are willing to share it at SMART-TECH, it must be outstanding and hence deserves an Award. Your ad on CD, preferably, or on other media, need to be to PGRI by Feb. 15 so that it can be combined with the other ads for showing at the conference. Please send to Public Gaming Research Institute, Inc., 218 Main St., #203, Kirkland, Washington 98033 USA. This AdvertisingAwards will be presented to your representative at 10 AM on March 2.

We look forward to honoring your representatives and organization at SMART-TECH 2006. Please contact me directly if you have questions about PGRI's Awards Program for SMART-TECH.

CELL PHONE: 425-985-3157 or E-mail: duaneburke@aol.com

Public Gaming Research Institute, Inc., 218 Main St., #203 Kirkland, Washington 98033

USA, www.publicgaming.org Tel. 425-985-3157



Contact/Title:

# 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.

Organization:		
Address:		
Uity:		
State/Prov		
Tel.:	_ Fax:	
Signature:		
Email:		
Call 702-770-7000 or 888-320-99 \$229.	Sons directly with the Wynn Las Vega 966 – request the SMART-TECH roo ebruary 27 and ends at 11AM on Mar	om block – rate:
G	bridary 27 and ondo at 17110 on Mai	011 2.
PROGRAM PARTICIPATION Please indicate your interest in pactor contacted.	articipating on the program and you	will be
Yes, presenter;	Yes, panelist; Yes, o	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<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:	
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	
	in Express, MasterCard, or Visa credit cards.
Fill-in below for charges.	
Amount:	
Card Number:	Exp. Date:
	Date:
Name on Cand	

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 <a href="www.wynnlasvegas.com">www.wynnlasvegas.com</a> under the PUBLIC GAMING/ SMART-TECH 2006 to get special room rates.