

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



Your weekly supplement to
Public GAMING International Magazine
January 9, 2006



COMPANY ANNOUNCEMENTS

JCM AMERICAN AND TRANSACT SIGN FINAL AGREEMENT. Finalizing what many analysts and journalists considered to be the biggest news of this year's



Global Gaming Expo, JCM American Corporation and TransAct Technologies Incorporated announced they have signed a final agreement, bringing together the sales efforts of the leading bill acceptor and printer brands. The final agreement creates an incredibly convenient environment for customers. Under the agreement, JCM's sales force will offer TransAct's gaming thermal printers in North and South America and Macau in combination with JCM's many bill acceptor and currency handling products.



PEOPLE

Kansas Governor Kathleen Sebelius has appointed **Robert Van Cleave** to the Kansas Lottery Commission. Van Cleave has thirty-five years of legal experience and is currently an attorney in private practice. Between 1972 and 1991, he was a partner with McAnany, Van Cleave & Phillips P.A. In 1991, he became counsel at Gates & Clyde, Chtd., before leaving in 1997. A member of the Kansas and Johnson County Bar Association, Van Cleave serves on the Kansas Bar Association Ethics Grievance Panel. He is also a member of the Kansas Bar Association Fee Dispute Committee and Johnson County Bar Fee Dispute Committee. Van Cleave replaces **Carole Gates**, who resigned in October.



Becker & Poliakoff, P.A. announced that prominent South Florida gaming law attorney **David S. Romanik** has been appointed to the firm's expanding Entertainment, Sports and Gaming Law practice. Mr. Romanik joins Becker & Poliakoff from his own South Florida private law and consulting firm, David S. Romanik, P.A., offering legal and consulting services to the gaming industry. The appointment of Mr. Romanik adds his 30 years of experience of general civil practice and extensive experience as a lawyer and business advisor to the gaming and thoroughbred racing industries to Becker & Poliakoff's gaming practice. In 2000,

Mr. Romanik was President, CEO and General Counsel to the Gulfstream Park Racing Association, Inc., in Hallandale, FL, and that same year was a member of the Board of Directors of the Thoroughbred Racing Association.

Aristocrat Technologies, Inc. announced that **Kent Young** has been promoted to Global General Manager of Marketing, effective February 1, 2006, to oversee the Company's global marketing strategy and direction. For the past three years Young has served as Vice President, Marketing for Aristocrat's Americas business. Before being named Vice President of Marketing, Young held a number of positions with Aristocrat including Vice President of Research and Development; Director of Marketing; and Marketing Manager. He also served two years as a Sales Executive in the New South Wales market in Australia.



VLTRACINO

FLORIDA SLOTS GIVEN THE GREEN LIGHT.

Florida Governor Jeb Bush signed into law a bill allowing slots in Broward County betting sites. The state will receive 50 percent of the machines' profits and must spend the revenue on public schools. The four venues can install the gaming machines within the next six months.

NOVIA SCOTIA VLT ADJUSTMENTS. Changes Nova Scotia VLTs are coming at the beginning of 2006. The machines are being adjusted to slow down by 30 percent, and stop buttons are being removed. The Nova Scotia Gaming Corporation expects the adjustments to aid in the goal of more responsible play.



LOTTERY NEWS

IOWA GAMING ASSOCIATION SEEKS TOUCHPLAY REGULATION CHANGE.

The AP recently reported that Iowa Gov. Tom Vilsack plans to convene a task force to examine the Iowa Gaming Association's plea to level the playing field between the Class III slots offered at Iowa casinos and the Class II TouchPlay video pull-tab machines offered at select Iowa Lottery retailers. The IGA is seeking a number of regulation amendments, including: comparable penalties for underage play, ID checks of all Touchplay patrons, comparable

monitoring of machines from the Division of Criminal Investigation, comparable video surveillance of machines,



comparable proximity of ATM machines, enforcement of fines and penalties for play by intoxicated patrons, criminal background checks on TouchPlay operators and employees, and legislative approval for location of TouchPlay machines. The Iowa Lottery contends video surveillance of machines is a poor deterrent in regards to age violations, and that all their machines are in the line of sight of retail employees that can actually stop underage play from occurring. While an age violation warrants a \$10,000 fine for casino operators (less than 3 hours of revenue), a first-time age violation by a Lottery retailer draws a one-week suspension of that retailer's lottery license. In the past three years there have been two complaints of underage Iowa Lottery play.

The Lottery also pointed out that it does not serve alcohol to its patrons, and that while the sale of alcohol is permitted at some of its locations, the alcohol is not allowed to be consumed on the premises. Of course, alcohol is not the only non-lottery product sold at retailers that have a lottery license – gambling is only a small portion of each retailers business. Therefore, the Lottery feels ATM placement is warranted.

All Lottery retailers are already subject to background checks from the DCI, and placement of machines are subject to approval by the Lottery board, which is appointed by the Governor and approved by the Senate, the same as the state's Racing and Gaming Commission, which approves placement of machines in casinos.



NORTH DAKOTA TO LAUNCH 2 BY 2, BONUSES FOR RETAILERS.

North Dakota's Lottery will start offering a fourth game to players in February, with a \$20,000 jackpot and drawings six days a week as it joins the Kansas and Nebraska Lotteries in offering 2 by 2. Beginning Jan. 1, the lottery also intends to start paying bonuses to North Dakota retailers who sell tickets that win prizes of \$5,000 or more. The Lottery hopes the retailer bonuses will encourage more aggressive ticket marketing, particularly of the "Power Play" option on Powerball tickets.





MICHIGAN PARTNERS WITH SUBWAY FOR PROMO.

The Michigan Lottery is starting the new year off by cross-promoting with Subway restaurants. Subway restaurants will be giving coupons to their customers to redeem at Lottery retailers between January 2 and February 15. Each coupon will entitle the customer to a free, \$1 Classic Lotto 47 easy pick wager. The coupon can be redeemed for a single panel, single draw ticket good for the next scheduled Classic Lotto 47 drawing. As a complement to the Subway offer, the Lottery will also offer discounts at Subway. All Classic Lotto 47 tickets generated between January 2 and February 13 will contain one of three different discount offers on Subway menu items.



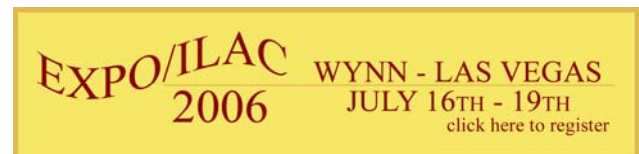
POWER PLAY MULTIPLIES SALES IN SOUTH DAKOTA.

When Pat Fossum became the sixth-largest lottery winner South Dakota Lottery history it wasn't only her life that was changed. Since the 53-year-old mother won \$1 million in a Power Play multiplied Powerball jackpot in October, South Dakota Power Play sales have increased 44 percent.

PENNSYLVANIA RAFFLE DRAWS WINNERS. The Pennsylvania Lottery's Millionaire Raffle game produced four new millionaires to begin the new year. Five \$100,000 second-prize winners were also awarded, as were five hundred \$1,000 winners. The raffle sold out of its 500,000 \$20 tickets in less than two weeks.

CHINATRUST LOOKING TO INTRODUCE NEW GAMES IN TAIWAN. Chinatrust Bank announced that it is looking to introduce new games after acquiring the right to issue lotteries in Taiwan. Chinatrust is seeking to launch poker, mahjong and bingo once it takes over the games from Taipei Fubon Bank in 2007. Chinatrust will hold the lottery license until 2013.

SAZKA LAUNCHES NEW SYSTEM. SAZKA recently launched a new on-line system for lottery and non-lottery activities. The upgrade covers the central system, as well as a gradual exchange of more than 7,000 on-line terminals. Developed by GTECH, the central Enterprise Series system uses an open architecture, which makes it possible to feature modern, more attractive products, and meets the strictest safety, reliability and operational requirements. SAZKA's old terminals will gradually be replaced by Altura terminals equipped with ergonomic touch screens, barcode sensors and more efficient printers.



PLEASE SEND ALL SUBMISSIONS FOR THE MORNING REPORT TO TODD BY WEDNESDAY TO TODDPGR2@AOL.COM

NOMINATIONS FOR THE LOTTERY INDUSTRY HALL OF FAME FOR 2006 Nominations are now being accepted for persons to be considered for induction into the "Lottery Industry Hall of Fame" for 2006. Nominations will be accepted from anyone in management of a government lottery or of a company serving the lottery industry as well as from former honorees. To be accepted for consideration proposed nominees must have been in the lottery industry a minimum of ten years and to have "historically important achievements which have contributed to the great success of government lotteries". Judging of nominations and selection of inductees for 2006 will be done by the following 2005 inductees: Daniel Bower, Gordon Graves, John Koza, Jean Marc Lafaille, Lothar amars, Victor Markowicz, Tim Nyman, Rebecca Paul, Steve Saferin, Guy Simonis, Guy Snowden, Edward Stanek, Cal Tigner, Lorne Weil, Duane & Doris Burke. The names of those nominees found to be qualified for consideration will be announced at PGRI's SMART-Tech conference at the Wynn in Las Vegas on March 1. Judging will be complete and inductees for 2006 will be announced on June 3. The "Lottery Industry Hall of Fame" inductions for 2006 will take place at PGRI's EXPO/ILAC conference at the Wynn on July 18. Nominations for the "Lottery Industry Hall of Fame" should be e-mailed to duaneburke@aol.com no later than February 15, 2006.



SMART-TECH 2006 – WYNN, LAS VEGAS

FEBRUARY 27TH – MARCH 2ND, 2006

GOVERNMENT CONFERENCE REGISTRATION FORM

Please fill out this form and fax back to 800-657-9340.

REGISTRATION IS COMPLIMENTARY FOR LOTTERY AND GOVERNMENT EMPLOYEES.

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

Contact/ Title: _____

Company: _____

Address: _____

City: _____

State/ Prov. _____ Zip/Postal Code: _____

Tel.: _____ Fax: _____

Signature: _____

Number of Registrations _____ Total _____

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 under the PUBLIC GAMING/ SMART-TECH 2006 to get special room rates.



SMART-TECH 2006 – WYNN, LAS VEGAS FEBRUARY 27TH – MARCH 2ND, 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: _____

Signature: _____ Date: _____

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 under the PUBLIC GAMING/ SMART-TECH 2006 to get special room rates.