December 23, 2002

Dear Colleague,

It is with great pleasure that I have the opportunity to invite you to SMART-Tech 2003 in Charleston, South Carolina! It is hard to believe that at this time last year the South Carolina Education Lottery (SCEL) had not sold the first lottery ticket. Almost a year has past and my knowledge of our industry has certainly grown by leaps and bounds. Our lottery's success is due in part to the hard work of our great employees; however, we owe both our fellow colleagues and vendors a debt of gratitude.

The SMART-Tech 2003 conference is filled with educational seminars, panel discussions and new ideas that we trust will be beneficial to you.

As the co-host with Public Gaming Research Institute, the South Carolina Education Lottery invites you to join us in learning, sharing and communicating the cutting-edge issues that will shape our industry.

The southern hospitality and charm of Charleston, SC is the perfect setting to host this conference. Please join us at SMART-Tech 2003 in Charleston, February 9-12.

Sincerely,

Ernie Passailaigue
Executive Director

Public Gaming Research Institute, Inc.

4020 Lake Washington Blvd., N.E., Kirkland, Washington 98033 USA
Telephone: (425) 803-2900 Fax: (425) 803-6830 Cell: (425) 985-3157
Web Site: www.publicgaming.org E-mail: duaneburke@aol.com

YOUR INVITATION TO SMART-Tech 2003

Co-Hosts: Public Gaming Research institute, Inc.
And the South Carolina Education Lottery
February 9-12, 2003 • Charleston, South Carolina

January 3, 2003

Dear Lottery Associate:

PGRI's SMART-Tech is always a forum for exchanging ideas to make the lotteries more successful. But this year, more than ever, PGRI will strive to make SMART-Tech 2003 a springboard for lotteries to see new ways to help their states close the gap between budgetary needs and serious shortfalls in traditional state revenues. From cutting edge ideas to better application of well know concepts, SMART-Tech will help lotteries and suppliers look ahead and be more successful.

Increased emphasis will be given in the program this year to discussions that open the way for a broader exchanges of ideas. In addition, we will make a part of each session, an element entitled "From Ideas to Action" in which lottery leaders will be challenged to give their best suggestions on how best to implement the revenue growth ideas being discussed.

Revenue growth comes in many forms including, expansion of product offerings based on successes elsewhere, improved marketing of existing products, improved retailer sales strategies, improved advertising, reduced operating costs and the addition of products new to the lottery industry. All of these strategies for growth will be explored by the experts participating in the program.

We look forward to your contribution to helping the lotteries grow by participating in SMART-Tech 2003.

Sincerely,

Duane V. Burke
President & CEO

SMART-Tech 2003

Co-Hosts: Public Gaming Research Institute, Inc.
And the South Carolina Education Lottery
February 9-12, 2003
Charleston, South Carolina • Doubletree Suites Hotel

PROGRAM OUTLINE and SCHEDULE
Theme: *Lotteries Helping States Close the Gap in State Finances*
Special Feature: *New Lottery States & New Lottery Directors Forum*

The pressing financial needs of most states are causing state lawmakers to look to lotteries to supplement lagging traditional state revenues to a degree never before seen. Lotteries are now in the position of considering expansion to games previously deemed unacceptable by their governments. This opportunity to help their states even more, however, brings with it the challenge of what is best done and how best to proceed.

SMART-Tech 2003 is the annual opportunity that lotteries have to discuss such challenges with their peers and to share ideas on how best to rapidly grow lottery revenues. A key concept for this years meeting will be turning ideas into revenue producing action.

Special emphasis will be on discussion formats for the program topics to ensure the broadest possible sampling of good ideas and most successful experiences. Principal topics for the SMART-Tech 2003 program are listed below:

THE SOUTH CAROLINA SUCCESS STORY: The South Carolina Education Lottery is the newest in operation in the US. The lottery benefited from the experience of the established lotteries and suppliers in the US. So, with that background, we can expect that the South Carolina Education Lottery has the "best of the best" in many aspects of its implementation. This session will be devoted to hearing about what has worked best for the lottery that, in turn, might be applied to some of the other operating lotteries as well as the lotteries about to come on-line.

MULTI-STATE GAMES: Multi-jurisdictional games are the "stars" of on-line game sales and are bringing increasing revenues, increasing excitement and nationwide publicity to the lotteries. This session will examine what is happening with on-line games with special emphasis on the multi-state games and will look at the opportunities for growth from them. The Spanish "el Gordo" with the world's largest prize pool and its unique prize distribution system will also be covered for what ideas that it may evoke.

VIDEO LOTTERY: Video Lottery is the single best producer in most states where it is implemented. This session will be devoted to reviewing the revenue benefits; getting beyond the political obstacles; choosing the best business model for your state; planning implementation, staffing, oversight and management.

INSTANT GAMES & LICENSED PRODUCTS: Instant tickets are a cornerstone to lottery revenues but more can be done. This session will explore what more can be done and what the prospective pay-offs of improvements may be.

ON-LINE GAMES: Single jurisdiction on-line games have become a disappointment in terms of revenue growth over the past several years. This session will examine what is happening in game development, marketing strategies and sales strategies to increase sales.

INTERNET & eCOMMERCE: Most of the "world changing" benefits of the Internet have yet to come to lotteries in North America with no lotteries yet using this incredible tool to sell lottery tickets. Current financial circumstances may cause that to change in 2003. This session will review the current uses of the Internet by lotteries and project the benefits of expanded usage.

MAXIMIZING RETAILER PERFORMANCE: As the near-exclusive outlet for selling instant and on-line lottery tickets, lottery retailers are in a powerful position to influence levels of lottery revenue. This session will be devoted to examining the latest and greatest lottery retailer programs to see which are most effective in increasing ticket sales.

INSTANT TICKET DISTRIBUTION: With the vast number of instant games that the lotteries are now selling each year, distribution is a critical element in the success of the games. Appropriate ticket inventories at the appropriate retailers can have a significant impact on sales. This session will be devoted to discussing the best ways to keep retailers supplied with instant tickets and will assess the impact of "doing it best".

SMART-IDEAS: Each year for SMART-Tech, PGRI solicits ideas that key lottery personnel have contributed to their lotteries that have, as a result, made the lottery more successful. All presenters of SMART-Ideas at SMART-Tech 2003 will receive a "Golden Idea Award" trophy to take home and display in recognition of their unique contributions to their lotteries.

NEW LOTTERY PRODUCTS: In addition to all of the lottery products which have already been proven in the marketplace, there is always the need to be looking for that next new product that can make a difference in lottery revenues. This session, along with the Circles of Learning supplier exhibits, will demonstrate some of the new ideas that may help your lottery.

PROGRAM SCHEDULE

February 9, 2003 (Sunday)

8am-3pm	Circle of Learning Exhibit Set-Up
2pm-4pm	New Lottery States & New Lottery Directors Forum *(Limited in attendance to lottery personnel)*
4pm-5:30pm	Opening Session
	Welcome to SMART-Tech 2003 Speaker: Duane Burke, President/CEO PGRI
	Welcome to South Carolina Speaker: Ernie Passailaigue, Executive Director, South Carolina Education Lottery
	SMART-Tech Leadership Forum
5:30pm-7:30pm	"South Carolina Education Lottery Welcome" Reception in the Circles of Learning *Sponsored by Scientific Games International*

February 10, 2003 (Monday)

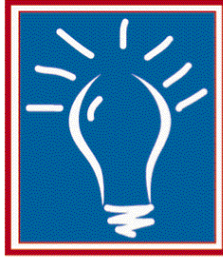|	
8:30am-9am	"Good Morning" Coffee and Danish in the Circles of Learning *Sponsored by Scientific Games International*
9am-12:30pm	General Session II
12:30pm-2:30pm	"Welcome to New Lottery Jurisdictions" Lunch in the Circles of Learning *Sponsorship Available*
2:30pm-5:30pm	General Session III
5:30pm-7:30pm	"Salute to SMART-Ideas" Reception in the Circles of Learning *Sponsored by Schafer Systems and Oberthur Gaming Technologies*

February 11, 2003 (Tuesday)

8:30am-9am	"Good Morning" Coffee and Danish in the Circles of Learning *Sponsored by Scientific Games International*
9am-Noon	General Session IV
Noon-2pm	"Products for Growth" Lunch in the Circles of Learning *Sponsored by MDI-Media Drop-In Productions*
2pm-4pm	SMART-Ideas Presentations

February 12, 2003 (Wednesday)

8:30am-9am	"Good Morning" Coffee and Danish in the Circles of Learning *Sponsored by Scientific Games International*
9am-11am	General Session V
	SMART-Idea Awards Presentations
11am	Meeting adjourned

NOTE: Program topics, along with speakers and panelists, will be assigned to General Sessions in the next release of the SMART-Tech Schedule & Program

SMART-TECH 2003
Charleston, SC

SMART-Tech 2003 Registration Form

Conference Registration Fees and Information:

Complete registration form below and return by fax to **425-803-6830**. Payment is accepted by check or credit card. Checks must be in U.S. funds made payable to Public Gaming Research Institute, 4020 Lake Washington Blvd. NE, Suite 100, Kirkland, WA 98033-7862. **No refunds after January 9th.**

Fax back to Public Gaming Research Institute at 425-803-6830

First Name:_____ Last Name:_____

Title:_____ First Name for Badge:_____

Organization:_____

Address:_____

City:_____

State/Province:_____ Zip/Postal Code:_____ Country:_____

Phone:_____ Fax:_____

E-mail:_____ Spouse's Name, if attending:_____

Category (check one):

❏ Vendor **$795**   ❏ Exhibitor **$695**   ❏ Lottery/Government **(No Charge)**

Method of Payment: ❏ Check ❏ AMEX   ❏ MasterCard   ❏ Visa

Credit Card #:_____ Exp.:_____

Signature:_____

Print Name (as it appears on card):_____

Hotel Reservations:

Make room reservations directly with the DoubleTree Guest Suites at **843-577-2644** or toll free in the U.S. at **800-222-8733**. Mention SMART-Tech for discounted room rates of $133. **Deadline for discounted hotel rate is January 10, 2003.**

Public Gaming Research Institute
Phone: 425-803-2900 • Fax: 425-803-6830
E-mail: publicgam@aol.com • Web site: www.publicgaming.org

Fax back to Public Gaming Research Institute at 425-803-6830

PGRI

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

Make Plans to Participate in PGRI's 2003 Events!

SMART-Tech 2003

Co-hosted by the South Carolina Education Lottery

February 9-12, 2003
DoubleTree Guest Suites in Historic Charleston, SC

ILAC Congress 2003

Co-hosted by the National Lottery of Mexico

April 26-29, 2003
Hilton Cancun Beach and Golf Resort in Cancun, Mexico

International Lottery Expo 2003

Co-hosted by the Florida Lottery

July 17-21, 2003
Sonesta Beach Resort in Key Biscayne, FL

For more information, please contact Public Gaming Research Institute, Inc. at 425-803-2900, fax 425-803-6830, e-mail publicgam@aol.com, or visit us on the Web at www.publicgaming.org