

The Official Publication of the North American Association of State & Provincial Lotteries

# INSIGHTS

November/December 2018

## GPS for Success: Arrived at Destination

*The 2018 NASPL Annual Conference explored  
how to get where the industry needs to be.*





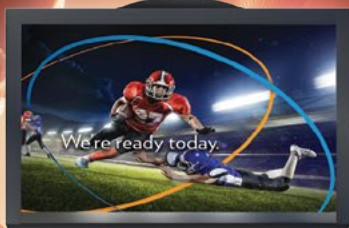
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# FROM THE NASPL PRESIDENT



**A**s host state to the NASPL Annual Conference and Trade Show this past September, it's been a very busy yet exciting year. There were numerous in person meetings with the NASPL staff (luckily NASPL is located only 30 miles from Ohio Lottery headquarters) and many teleconference updates. The planning process was amazingly fun but also overwhelming. What are the hotel logistics, who are the keynote speakers, what breakout sessions will interest the participants, what food should be served, what networking events will interest all parties, can we stay within budget, what if it rains?!

After the conference, we at the Ohio Lottery were able to step back and breathe easy for a bit. We hope all who participated enjoyed their brief visit to Cleveland and were able to network, grow professionally and see the latest and greatest technology the vendor community offers. We wish Bishop Woosley and the NASPL staff the best success as they plan next year's 2019 conference in Little Rock, Ark.

As for me, I have been very fortunate to have served 27 years at the Ohio Lottery in several capacities: Internal Audit Manager, Executive Policy Staff, Finance Director, Assistant Director and Director. I am rounding out eight years in the Director's position, the longest serving Director in Ohio Lottery history. That certainly has surpassed the tenure of the first Ohio Lottery Directors taking a stab at the position. In fact, in the first eight years of the Ohio Lottery's existence from 1974-1982, seven Directors went through the turnstile. Not a good recipe for revenue growth.

Along the way, I have met many great people, talented lottery directors and ingenious vendors, and I have learned a lot. I have seen the industry tremendously transformed. When my career started in the industry in 1991, we didn't have office email, internet, a website presence, voice mail or caller ID. You actually had to pick up the phone to see who was calling you! You had to walk into someone's office and deal face-to-face with all issues; there was no hiding behind an email or saying "hey, didn't you read my email I sent you at midnight last Tuesday?" And if you were a non-smoker, you were a little out of luck, as smoking at your desk was perfectly acceptable and legal.

The gaming industry didn't have ticket checkers, eplay slips, mobile lottery apps, tel-sell and UPS/FedEx 24-hour instant ticket shipping; had no loyalty reward programs; and offered limited methods to redeem your prize winnings. We have come a long way.

Somehow, some way, we pulled it off, got the job done and sold lottery tickets. However, there is no dispute that the advancement of office and gaming technology and communications has greatly advanced our industry. Sales and profits for most lotteries are at record highs and this trend should continue if we don't let our guard down. So keep moving forward, embrace technology, but don't ever forget who your core customer is and who built your business. More to follow in the next edition of *Insights*...

**Dennis Berg**  
Director, Ohio Lottery Commission  
NASPL President



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# INSIGHTS

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# Camelot Launches Walk for Charity at NASPL Annual Conference

By Mackenzie Whitacre

**W**ith the combined goals of bringing lottery colleagues together and giving back to the local community, Camelot Global kicked off day two of the 2018 NASPL Annual Conference by pounding the pavement in downtown Cleveland for the company's first Walk for Charity.

"We wanted to start the day with our colleagues in a way that was a little bit different," said Emilia Mazur, Camelot's Director of Corporate Affairs. "In the spirit of giving back and supporting our communities, we wanted to give everyone a good reason to get out there and walk with us, knowing that they were doing a little bit of good as well."

After a successful inaugural launch, Camelot has announced that the Walk for Charity will become an annual event celebrating the positive impact lotteries can have on local communities. The next walk will be held at the NASPL 2019 conference in Little Rock, Ark.

"State lotteries help fund the communities we live and work in, and creating this annual event is another way Camelot can give back and support

local communities," said Camelot Chief Executive Officer Wayne Pickup. "As an industry, we are all proud of the impact lotteries have – the annual Camelot Walk for Charity is a celebration of that."

NASPL Executive Director David Gale agrees. "This walk is a great idea, and we're thrilled that Camelot has selected our annual conference as the backdrop for their efforts," said Gale. "It's another way to bring our industry members together to do some good – and to make a real, meaningful difference in the districts we visit."

For this year's event, Camelot partnered with Girls with Sole, a Cleveland-based charity that uses fitness and wellness programs to empower the minds, bodies and souls of at-risk girls. The programs are free of charge for the girls participating, and the organization provides shoes, running gear, race entries and more.

"I know how empowering sport can be – even if you have to get out of bed and walk in the wind and the rain like the conference attendees," said Girls with Sole Founder and Executive Director Liz Ferro.

"And I'm glad they did, to help me support all the girls taking part in Girls with Sole."

"It sounds like a small thing, but it's a huge thing," said Mazur. "It leads to independence. It leads to self-respect. It leads to teamwork, confidence – all the things that really set someone up for success."

The Cleveland weather forecast may have been a bit gloomy that morning, but a little rain was no match for NASPL attendees. Camelot pledged to donate \$100 for each conference participant who joined the walk, and ultimately raised \$2,000 for the organization.

New Hampshire Lottery Executive Director Charlie McIntyre, serving the last few days of his term as NASPL President, gave an additional \$500 in support as well.

Camelot's next Walk for Charity promises to be even bigger and better. "We were so thrilled with the success of it and the great feedback we got," said Mazur, "from people who came on the walk and those who wish they'd come."

"We're already looking forward to next year in Little Rock," said Pickup. ■



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## Mega Millions Rises to the Occasion

By Patricia McQueen

In January 2016, the lottery industry hit an unprecedented milestone when the Powerball jackpot surpassed the \$1.5 billion level. More than two and a half years later, it was Mega Millions' turn in the spotlight, reaching that amount for the October 23 drawing, just the second time in history that a lottery jackpot passed the billion-dollar mark. While the two jackpots were remarkably close in value (\$1.586 billion for Powerball and \$1.537 billion for Mega Millions), the circumstances that unfolded during their respective runs are indicative of the challenges – and opportunities – the industry faces with these jackpot games today.

"It was fantastic," said Gordon Medenica of the run, which generated \$2.478 billion in total sales during its 13-week course. Director of the Maryland Lottery and Lead Director of the Mega Millions group, Medenica noted that many people doubted the industry would ever see that jackpot level again.

The numbers were big, and everyone reaped the benefits. During the 26 drawings, the game generated \$1.239 billion in prizes for players, including the world-record prize on a single ticket of \$1.537 billion (\$878 million cash) won in

South Carolina, approximately \$149 million in retailer commissions, and about \$1 billion in incremental profits to the good causes lotteries support.

With those types of numbers, there was plenty of media attention; it just took longer to kick in than in previous jackpot runs. Medenica happened to be in New York that week, so he was in demand for all the morning news shows. "I think I did eight interviews the Tuesday of the final drawing," he said, adding that on the morning after the prize was won, both he and Hogan Brown, Executive Director of the South Carolina Education Lottery, appeared on CBS This Morning.

By that time, Maryland Lottery Managing Director of Communications Carole Bober Gentry was flirting with exhaustion, having fielded media inquiries from around the country, and around the globe, over the weekend as the jackpot surged past the billion-dollar mark. "There was quite the international interest," she said, with media inquiries from as far afield as Japan, Poland, Denmark and South America. "It was non-stop – they were all excited, and it was like nothing else I've ever experienced."

There were a total of more than 50.2 million winning tickets sold during the roll, including 85 second-tier prizes of \$1 million or more and 1,232 third prizes ranging from \$10,000 to \$50,000 (with the optional Megaplier). "We need to be highlighting these lower-level prizes," said Medenica. "They have to sustain the game during these rolls, especially as the jackpot increases more slowly than it has in the past."

### Underlying Issues

And therein lies the rub – changes in the dynamics of jackpot growth, player participation and media coverage are impacting these big games and the future remains uncertain. "This has been a defining moment in the industry," Medenica said. "It'll be important for us to spend some time evaluating what we learned so we can put the experience to use during the next big jackpot roll."

Sales were considerably lower for the last few drawings than the equivalent drawings for the Powerball jackpot in 2016. Even more worrisome, sales for the final drawing were \$782 million, not that much

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more than the \$686 million in sales before the previous record Mega Millions jackpot (\$656 million on March 31, 2012, advertised at \$640 million) despite a jackpot that was 2.5 times higher.

Then there's media attention, and the phenomenon of the two games rolling at the same time. "In the past couple of years, the concept of the 'dueling' Mega Millions and Powerball jackpots seemed to capture the media's attention," said Medenica, who believes part of 'jackpot fatigue' is really 'media fatigue' as little attention now comes even at the \$500 million mark. But once one game hits \$1 billion, it becomes the media darling. "At lower jackpot levels, sales of the two games aren't really dueling with each other, but once you get up to these bigger numbers, the game with the larger jackpot is going to be the focus of attention."

Finally, the process of estimating jackpots needs to be continually refined. Although \$1.5 billion had been reached with Powerball, setting the jackpot for the second time at this level was still a big unknown, especially given the nearly three-year gap between the two jackpots. With Powerball, the jackpots had been set daily, as it was completely uncharted territory. A side effect of that was the media's pickup of that good news each day between the final rolls.

Leading up to the penultimate drawing on October 19, Mega Millions had the same effect. Initially set at \$868 million, it was raised each day – first to \$900 million, then \$970 million, and finally to the magical \$1 billion mark. The initial estimate for the October 23 drawing – if it rolled on October 19 – was well over \$1.6 billion. The group decided to be conservative and chose \$1.6 billion as the next jackpot amount,

which would be a new world record; it was advertised as such.

The next Monday, after a weekend of sales following the roll on October 19, estimates were still coming in at greater than \$1.6 billion, but not quite as high as the estimates from the previous Friday. The \$1.6 billion advertised jackpot remained in place, as it did on draw day as well. "The problem is that about 70 percent of sales occur on the draw day," Medenica explained. "Even though you are setting the jackpot on the morning of the draw, you are still essentially flying blind."

As it turned out, the estimate was a bit high, but all things considered it was quite accurate – just missing the mark by four percent. The media noticed and wanted an explanation, but once they understood the jackpot-setting process, they quickly moved on to other stories. "In the future, we'll have to be much more conservative at these higher jackpot levels, if for no other reason than to be able to continue to put out good news every day between the draws."

## Final Thoughts

The Mega Millions jackpot virtually assures that lotteries will have great financial years in FY19 – there are already reports of record monthly sales and revenues to good causes during October – but of course everyone worries about FY20. Medenica hopes history will eventually repeat itself, despite the challenges.

"We were in uncharted territory," Medenica said. "It was certainly an exciting time, but moving forward, we should be careful." Medenica pointed to sales estimates and expectations of winners as areas where caution may be worthwhile.

With lower sales at these high levels, coverage is lower – estimated at just over 69 percent for the final Mega Millions drawing, compared to about 88 percent for the big Powerball drawing in 2016. That leads to an increased likelihood of having just a single winner despite the prize level, as happened on October 23. It remains to be seen whether Mega Millions and Powerball might consider changes to their game designs at high jackpot levels. "That's an issue for the industry to discuss," Medenica said.

As sales slow down, coverage will remain low for each individual drawing. So the industry will likely continue to see jackpots build to very high levels; it will just take a long time to get there.

Then there's what happened to the Powerball jackpot the same week. It had been estimated at \$750 million for the October 27 drawing, but ended up being hit at an actual level of \$687.8 million when sales were actually lower than for the previous draw. Medenica noted that, much like the record Mega Millions jackpot, this also marked uncharted territory for the lottery industry. "I don't think we've ever had a situation, especially at high jackpots, where the last drawing in a run didn't produce the most sales," Medenica said.

On the other hand, Mega Millions sales for the base-level jackpots immediately after the \$1.537 billion jackpot were sharply higher than after previous hits. "We all learn something every day," he added. "I think there's an intuitively obvious explanation for those strong sales – everyone was cashing in those lower-level prizes and staying in the Mega Millions game."

All food for thought as the industry moves forward. ■

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## MIA LEMKE

*Human Resources Manager*

**Arizona Lottery**

**L**otteries exist to raise revenues for good causes through the sale of entertaining games, but if you ask Mia Lemke, their biggest asset is not those games, but the employees that run them.

The Human Resources Manager of the Arizona Lottery is focused on helping those employees be the best they can be. "I care about their well-being and development and enjoy learning about what motivates them in order to maintain a positive culture." And when they face personal or professional difficulties, she loves "being able to help employees identify and overcome challenges and to see them succeed at work."

"Mia has been terrific here at the Arizona Lottery," Executive Director Gregg Edgar said. "She has worked tirelessly to help improve policies and procedures, she has been the welcoming face that greets and guides our new hires as they join the Arizona Lottery family, and she has been a huge factor in reducing turnover and retaining valued employees to the benefit of the Agency. We are especially proud of her accomplishments and her recent naturalization as a citizen of the United States."

Lemke joined the Arizona Lottery in July 2016 in her current capacity in human resources. She had previously served a similar role in the office of the Arizona Secretary of State. She has learned a lot about lotteries in a short period of time. Perhaps the most surprising thing for her about the industry is the amount of money lotteries give back to their beneficiaries – more than \$198 million just in Arizona in FY17. "It's so rewarding to be part of such an organization."

Born and raised in Marburg, Germany, Lemke studied political science and earned a master's degree in the subject in 2009 at Philipps University of Marburg. Seven years before, she met her future husband Jeremy, then stationed in Germany as a member of the U.S. Army. When he ended his military career (which had taken him around the world, including service in Iraq and Kosovo), he moved back to his hometown of Juneau, Alaska. She stayed in Germany to complete her education, and then joined him in Alaska. "It never occurred to me that I'd ever live in the United States. I was thinking of a career in the German government."

Before leaving her native country, she started investigating the path necessary to become a naturalized citizen of the U.S. Nearly 10 long years later, she finally achieved that goal, having been sworn in as a new citizen in early October. "That day formally marked my commitment to this country and its people that I had already felt for many years," said Lemke proudly.

**"It never occurred to me that I'd ever live in the United States."**

Looking for warmer temperatures and a home base that would be more conducive to travel (Juneau is not an easy place to get into and out of) – something both Lemke and her husband enjoy – they moved from Alaska to Arizona four years ago. They love the long days, blue skies and wide open spaces, and together with their two young daughters (Zoe and Luna), they spend a lot of time in the great outdoors – swimming and hiking, for example, along with other activities. "There are so many places even just here in Arizona that we as a family want to discover."

#### **What made you transition to human resources?**

When I moved from Germany to Alaska in 2009, I had to figure out what my possibilities were in the U.S. I knew I wanted to work for the government and had the opportunity to work for the State of Alaska in the administrative field. That's where I gained knowledge and experience and where I received training in the different areas of human resources, such as strategic recruiting, classification and compensation, employee relations, performance management, training and development, and benefits administration. I liked all of these disciplines and decided to combine my knowledge and experience and become a human resources manager. I always liked working on a variety of things and interacting with people, and working in HR means juggling many things at once each day.

#### **What prompted you to join the Arizona Lottery?**

When I worked as Human Resources Manager in the Secretary of State's office, I had the opportunity to interview for an HR Manager position with the Arizona Lottery. There were two things that made the job at the Lottery attractive. First, I would be responsible for coordinating the human resources activities for an agency with approximately 90 employees. I also really liked the Lottery's mission to help people in communities throughout Arizona by giving back the proceeds from ticket sales.

#### **What makes a good lottery employee and what do you think fosters loyalty among those employees?**

All Lottery employees play a significant role in achieving our goal to maximize the net revenue so that we can give that back to the communities. It is important that every employee understands



# Arizona Lottery



the significance of working together with employees in other departments and that they see the big picture and don't just focus on their own work. And I do think working for a cause fosters loyalty. The employees here know that the work they do every day impacts the lives of Arizona families. The revenue they help to generate goes to the beneficiaries – programs related to arts and education, health and human services, the environment, and economic and business development. We have a few employees who have worked for the Arizona Lottery for 30-plus years!

### **What's the most fun you have had at the Arizona Lottery?**

My most fun project was to analyze behavioral assessments and provide one-on-one feedback to all Lottery employees as a licensed Predictive Index Analyst. The Index is a behavioral assessment that measures the needs and motivations of employees. Everyone is different and is motivated in different ways, and that information is shared with other employees so everyone can better understand what motivates others. For example, someone who prefers to think things through should be approached differently from someone who jumps right into a challenge. Open discussion of the assessments is always an eye-opener for employees; it helps them learn how to interact with others. It creates a positive work environment and helps further team collaboration.

Another fun part of my job here is to provide Kaizen Teian training as a certified trainer to create a culture of continuous improvement. Using Kaizen Teian, the Arizona Lottery empowers employees to identify and remove barriers in their day-to-day work activities while increasing efficiency.



### **What drove you to become a U.S. citizen? Do you think the process should be less demanding for those wishing to become citizens?**

I wanted to become a U.S. citizen because this is my home now. I made the decision to live here with my husband and to raise my children here. As my daughters got older, I knew there was one very important thing missing that I wasn't able to teach them by example – to participate in shaping the political landscape by voting in an election. I didn't have the right to vote. Given my educational background, this was what drove me to become a U.S. citizen. I want to teach my children that they have a voice.

It certainly was a long journey to become a citizen. Not only are the expenses for filing paperwork quite high, there is a lot of that paperwork. I have a shelf full of binders containing documents I had to fill out, each one tied to a fee. There's lots of bureaucracy and I had to give several very personal interviews. Still, I realize these steps in the process are necessary and it's the government's job to make sure that those applying for citizenship are who they say they are and who will integrate into society. ■



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# Study Finds Lottery Players Look Similar to all North Carolinians

*Ever wonder who's playing your lottery? A study by the N.C. Education Lottery took on that question and the results confirm scientifically what it sees every day.*

By Van Denton, Director of Communications, North Carolina Education Lottery

**F**or years, when asked who plays the lottery, the best answer the North Carolina Education Lottery (NCEL) had was anecdotal. We would say that from what we see at retail locations and from the players who come in to claim prizes, lottery players appear to resemble a cross-section of North Carolina.

We felt good about the observation, but this year our lottery decided to test those assumptions in a scientific way, and see if they were accurate.

And they were. Our study of who plays lottery games in North Carolina shows that demographically players of lottery games look similar to the overall population of the state.

We partnered with Ipsos, a research and polling firm, to conduct a demographic profile of lottery players. The statewide telephone survey interviewed 2,001 North Carolinians, aged 18 or older, between May 23 and June 19. The results have a margin of error of plus or minus 2.2 percent.

We made a deliberate decision to go with a much larger sample than many polls today because we wanted to ensure we could stand by the results. We also wanted the survey to be done by telephone, not online, to further ensure a valid sample since not all demographic groups that we needed to reach have easy access to the Internet.

Interviewers dialed 143,500 numbers to complete the survey. Each phone number received up to six call back attempts and screening questions were used to ensure the validity of respondents. Sixty percent of

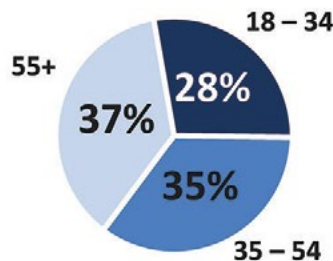
## Demographics of Lottery Players vs. The General Population



Age



**NC General Population (18+)**  
(n=2,001)

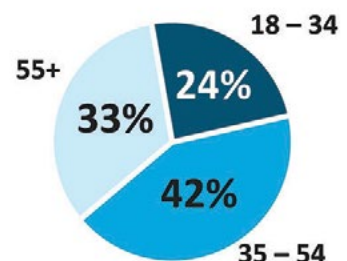


Base: All respondents

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**NCEL Lottery Players**  
(n=920)



Ipsos 4

## Demographics of Lottery Players vs. The General Population



Education



**NC General Population (18+)**  
(n=2,001)



**39%**  
High school or less



**32%**  
Some college



**29%**  
University graduate

Base: All respondents

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**NCEL Lottery Players**  
(n=920)



**41%**  
High school or less



**34%**  
Some college



**25%**  
University graduate

Ipsos 5

# Lottery doesn't always make it on the shopping list



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the surveys were done with people reached on their mobile devices and 40 percent involved land-based lines. In conducting the survey, Ipsos ensured that those answering matched the same demographics as North Carolina's general population in the 18-plus age group. Surveys were done in both English and Spanish to make sure the Hispanic population of North Carolina was fully represented in our data.

The survey defined a lottery player as someone who had played any lottery game in the last year. Of those surveyed, nearly half, 46 percent, were lottery players.

Key takeaways for North Carolina lottery players were:

- They matched the general population in terms of household income with 37 percent of players having a household income of \$25,000 to \$75,000 a year; 24 percent, under \$25,000; 22 percent, \$75,000 to \$150,000; and 7 percent, \$150,000 or more.
- More are middle-aged with 42 percent in the 35 to 54 age group, 33 percent in the 55-plus age group, and 24 percent in the 18 to 34 age group.
- More than half held university degrees or attended some college, with 25 percent being university graduates, 34 percent with some college, and 41 percent with a high school degree or less.

"It's good to see this survey confirms what our experience told us," said NCEL Executive Director Mark Michalko. "Folks from all walks of life enjoy playing lottery games."

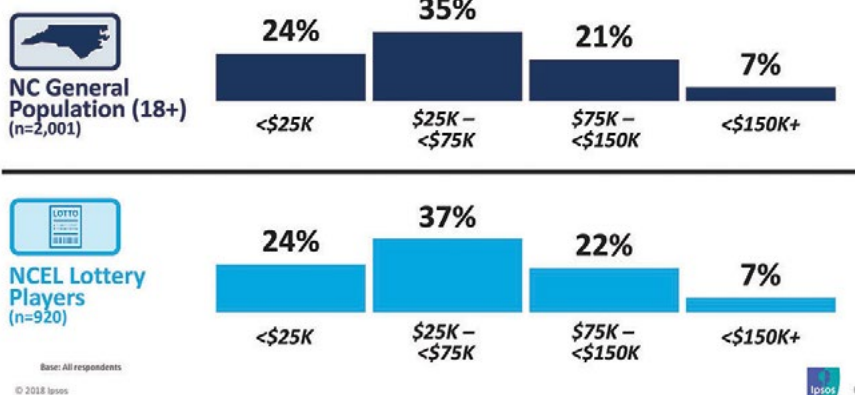
Comparisons of lottery players with the state's overall population also showed:

- A higher percentage of lottery players are middle-aged: 42 percent are in the 35 to 54 age group vs. 35 percent in general population.
- A slightly higher percentage of lottery players are male: 52 percent vs. 49 percent in the general population.
- A slightly higher percentage of lottery players are African-Americans: 23 percent vs. 20 percent in general population.

The survey adds to the NCEL's corporate social responsibility program, fulfilling a commitment we made in achieving the highest level of responsible gaming certification recognized internationally last December. The Level 4 accreditation from the World Lottery Association attested that the NCEL has implemented responsible gaming practices into its day-

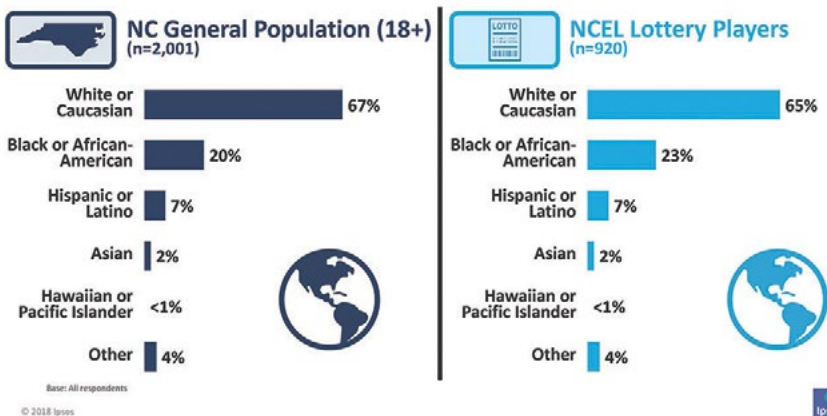
## Demographics of Lottery Players vs. The General Population

Household Income



## Demographics of Lottery Players vs. The General Population

Ethnicity

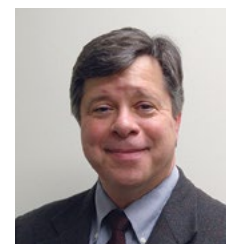


to-day operations and those practices are continuously improved.

In that Level 4 application, the NCEL said the purpose of responsible gaming research is to assess the impact lottery games have on the prevalence of problem gambling in North Carolina as well as evaluate the success of our responsible gaming programs and make positive, tangible improvements within those programs.

Such research, analysis and evaluation, including the recent research on our player demographics, ensures that NCEL meets its commitment of being a socially responsible organization. This recent research also helps us provide a clearer picture of our player base to key stakeholders.

"A good deal of assumptions are made as to who plays lottery games," said Michalko. "A valid and reliable scientific survey, such as this one, answers important questions that will help guide the responsible growth of the lottery." ■



Van Denton is the Director of Communications for the North Carolina Education Lottery

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Cell phone required for text and picture message notifications. Standard message and data rates apply. PayPal® account required. Must be 18 years or older to play. Please play responsibly. Lottery Card must be enrolled in state of purchase. Cell phone with location and Wi-Fi services enabled is required for first play. Card has no value until purchased.

# LIGHTNING AND THE INTEGRITY OF THE LOTTERY

STEPHEN WADE, PRINCIPAL, LOTTERY MANAGEMENT CONSULTING, LLC.



**W**e have all heard the expression, 'Lightning doesn't strike twice in the same place.' This saying, repeated often enough, has the weight of a proverb. Yet it is obviously untrue. Mountaineers know that lightning strikes some places with dangerous regularity. Prudent flatlanders know to avoid tall trees in a thunderstorm. Lightning is, after all, a phenomenon that follows physical laws. Fortunately for us, it rarely strikes where we are.

This false proverb stays with us, because it expresses something we would like to be true.

Lightning is awe-inspiring. A word cloud about lightning would certainly include rare and random. We might be able to agree on what rare means, but humans notoriously have a hard time with random. We often use the word to mean the same thing as unpredictable, or even not deliberately chosen. Both of these senses apply to lightning.

But random has a far more rigorous definition that applies in the lottery context. We use random processes to determine winners. A key feature of a random process is that it has no memory; what happens next is not influenced by what just happened. The flipped coin does not remember how it landed last time. Consequently, it has no inhibition against landing that way again.

We know that an honest coin-flip process, over the very long run, produces heads about as often as tails. This is an expression of what statisticians call the 'the law of large numbers.' What we would like to be true is: Even over the short run, heads and tails should be equally abundant. This is a false expectation. It is so much part of our human cognition that psychologists have called it 'the law of small numbers.' The psychologists were being ironic<sup>1</sup>. What they mean is: What we think is true in a grand sense, we expect

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**WE MIGHT BE ABLE TO AGREE ON WHAT RARE MEANS, BUT HUMANS NOTORIOUSLY HAVE A HARD TIME WITH RANDOM.**

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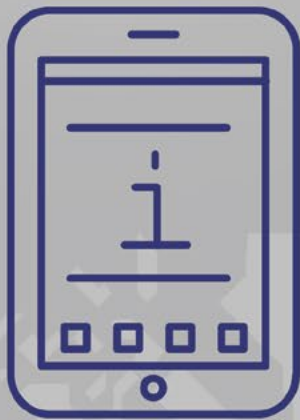
to be true in the smallest instance. We expect more regularity from the world than a truly random process will deliver. A truly random process will deliver patches of concentration and sparsity, while we intuitively expect evenness. An even distribution is in fact a reflection of order, not of randomness. Yet our natural cognitive bias is such that when we see

departures from evenness, we think there must be a cause.

Lottery wins can be awe-inspiring and, like lightning, evoke the words rare and random. And we expect that lottery wins are delivered by an unbiased and truly random process. Analysts know that a random process will result in areas of concentration and sparsity. Yet our human cognitive bias is such that we expect these wins to be somehow evenly distributed. This expectation of evenness is routinely contradicted by reality, leading some to question the integrity of the lottery.

And after all, why shouldn't people question the integrity of the lottery? It is possible to imagine various kinds of rigging and hacking that could happen. Recently, culprits have been convicted and are now serving time for corrupting lottery games. Our vigilance against such attacks may be higher now than ever before. However, the confidence of prospective players is not based on our vigilance. It is based on their belief that the games are

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fundamentally honest. Unfortunately, it is also based on the false expectation that an honest game will result in an even distribution of wins.

### **'PEOPLE DON'T WIN THE LOTTERY TWICE.'**

This is just as false as 'Lightning doesn't strike twice in the same place,' but any concentration of wins to a person, or even to a geographic area, tends to undermine public confidence in the integrity of the lottery.

Lottery managers and marketers might expect to feel some skepticism from the public when some players win repeatedly. People who play a lot can win a lot, and we generally do not know how much any player spends.

Unfortunately, there is another driver of winner concentrations that, although it has nothing to do with the integrity of the games, supports suspicion of the lottery: There are more people who are willing to play and win the lottery, than who are willing to identify themselves to the government and claim the prize. Winning lottery tickets are bearer instruments, and sometimes the payment is collected by someone other than the person to whom the lottery sold the ticket. Some lotteries (for instance, the North Carolina Education Lottery<sup>2</sup>) have addressed this issue in their communications to players.

Traffic in bearer instruments can result in concentrations of winners through what we might call network effects. Where does a player first learn that a ticket is a winner? Probably at a lottery retailer. Where does the player learn that the win is too big to be paid anonymously at retail? Again, probably at a retailer. Who sees that 'you need to go in to the office' is not a cause for joy? And who might have seen this scenario played out before? Probably, the person behind the counter at the lottery retailer.

If that person's network of acquaintances includes someone who has claimed winners from the lottery before, might it be helpful to put the uncomfortable winner in touch with that experienced winner? That is just the sort of personal service that gives a human touch to playing the lottery.

It may happen that, as a result of this referral, the winning lottery ticket changes hands at some price agreed upon by the uncomfortable and the experienced winner. The legality of this transaction

may vary from one jurisdiction to another. Regardless of whether the experienced winner (and eventual claimant) has broken a law, this kind of transaction tends to concentrate wins in a way that defies even the best-informed expectations about our games of chance. The experienced player may buy lots of tickets legitimately, but 'just lucky' only goes so far in explaining the record of claims.

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## **A LOTTERY WITH 'INCREDIBLY LUCKY' WINNERS FACES A DILEMMA WITH REGARD TO PUBLIC STATEMENTS.**

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A lottery with 'incredibly lucky' winners faces a dilemma with regard to public statements. It is essential to convey that the games are, in fact, honest and that no one has hacked them. Otherwise, the lottery risks fundamental loss of public trust in its operational controls – this is the first horn of the dilemma. It may be desirable to acknowledge that winning tickets do sometimes change hands. Perhaps this can be done without impugning the honesty of the 'just very lucky' players. However, speculation about why someone would sell a winning ticket may lead to a conclusion that those winners are shady characters, probably not fully responsible citizens. The perception that there is something illegitimate about those players may then extend to lottery players in general – the 'lottery players are not like me' dreaded by the marketing department. That is the second horn of the dilemma.

Of course, 'lottery winners have something to hide' leads to 'lottery players are not like me' more reliably in some settings than in others. It is a fact that in some places, wanting to avoid the attention of the government may ring more as 'like me' than 'not like me.' Thus, while there is an urgent need to reassure players that there is zero tolerance for interfering with the games, there is less clarity about how to publicly address 'very lucky players.' Perhaps these players should be addressed privately and personally.

In order for a lottery to address these 'very lucky players' personally, it must

identify them. If referrals through the retailer network happen as speculated above, then there may be a statistical rationale for deciding whom to contact. That is, a retailer or group of retailers may, over a sufficient period of time, account for a volume of sales (say millions of dollars) sufficient for the 'law of large numbers' to predict the number of winners due to their sales. For example, we would expect that \$10 million of sales in the Pick 4 game would produce about 1,000 wins of the top prize. One thousand wins, and how many individual winners? Across the whole state, we may find that 1,000 wins go to 990 winners on average. If, in a particular group of retailers, we see 1,000 wins going to 100 winners, we have identified a group of 100 people that probably includes some players who have redeemed tickets originally purchased by someone else. It may be worthwhile to winnow this list of players and contact any who account for a big share of the total. Note that here, we have confidence in the statistical approach to take us as far as what to expect from \$10 million in sales, not from \$10 thousand. Likewise, we are more comfortable saying that 100 is different from 990, than saying 1 is different from 9. A statistical approach is useful just as long as it sticks to 'law of large numbers' territory.

To summarize: Any concentration of wins in a lottery game potentially erodes public confidence in the integrity of the lottery. This is partly because humans lack an intuitive understanding of what 'random' looks like, and mistake legitimate patchiness of wins for the result of some manipulation of the game. However, if winning tickets change hands before being claimed, concentrations of wins far beyond what might be expected from a random process can result. Maintaining public confidence in the lottery may require identifying and communicating directly with players who appear to be claiming wins far more often than would be consistent with their own good luck. If networks of acquaintance involving lottery retailers facilitate traffic in winning tickets, a statistical approach may help focus this communication effort. ■

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### **Notes:**

1. Kahneman, Daniel. *Thinking, Fast and Slow*. Farrar, Straus and Giroux, 2011. See chapter 10.

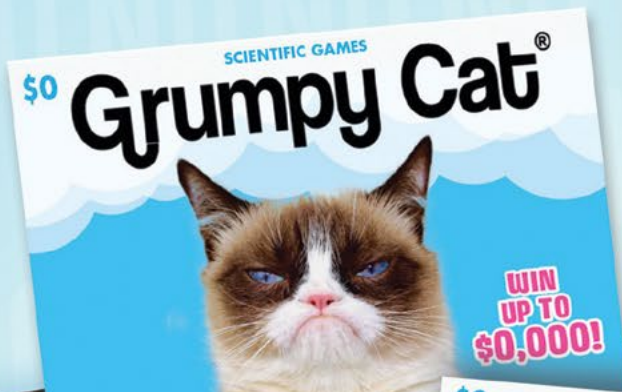
2. <https://www.nclottery.com/News/2016/9/21/Some-facts-and-information-on-players-who-beat-the-odds>



# I HAD FUN ONCE.

## IT WAS AWFUL.

But These Games Will  
Make Your Players Smile



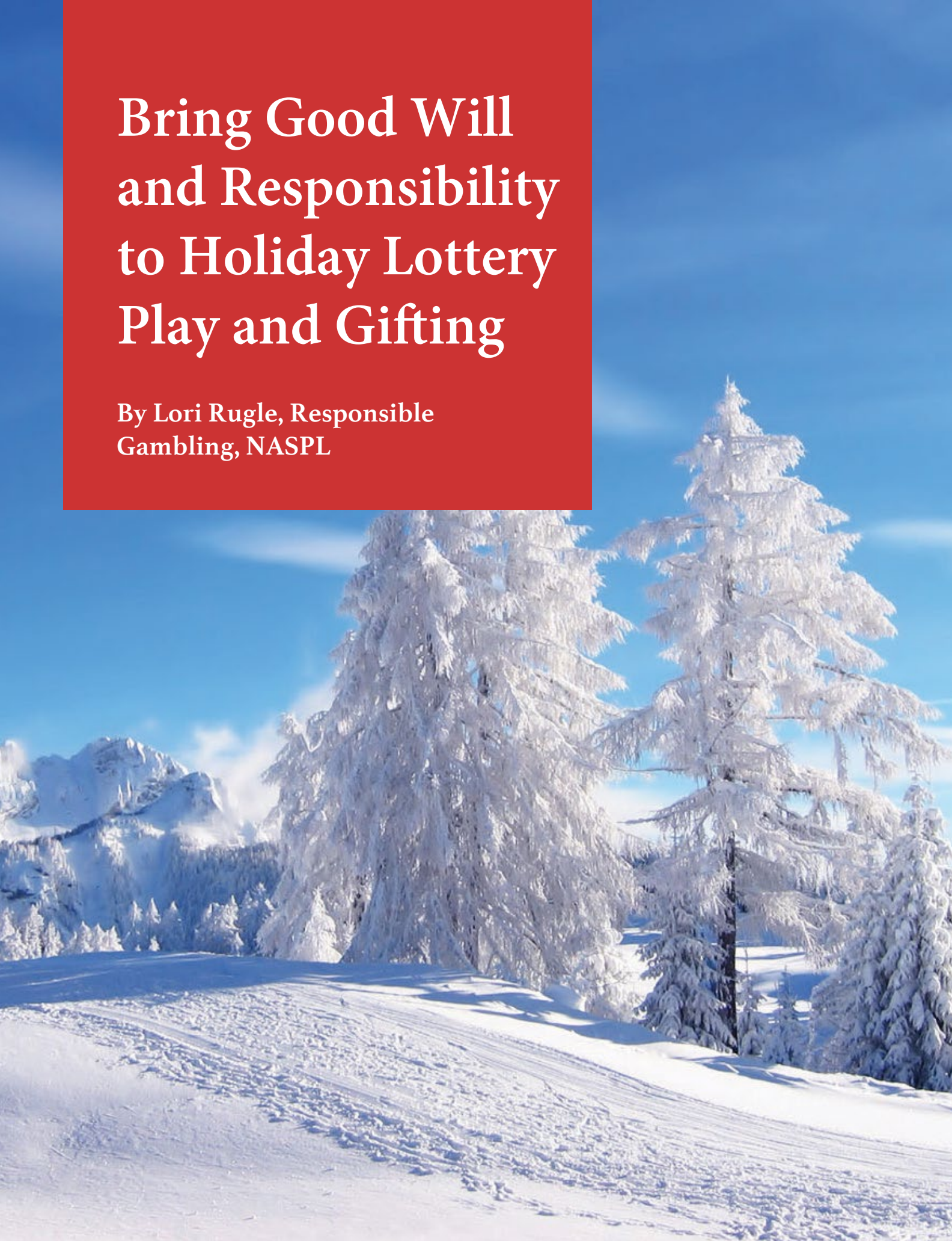
Match any of the WINNING NUMBERS to either of the WINNING NUMBERS, win PRIZE shown for that number. Get a "🐾" symbol, instantly win 10 TIMES the PRIZE shown for that symbol. Get a "🐾" symbol, instantly win \$0!



Get 3 like prizes, win that prize. Get 2 like prizes and a "🐾" symbol, win DOUBLE that prize!

# Bring Good Will and Responsibility to Holiday Lottery Play and Gifting

By Lori Rugle, Responsible  
Gambling, NASPL





**A**s we approach the holidays, it seemed the perfect time to highlight the Holiday Lottery Responsible Gambling Campaign (Holiday Campaign) for awareness and prevention of youth gambling, sponsored by the McGill University International Center for Youth Gambling Problems and High Risk Behaviors (McGill Center) and the National Council on Problem Gambling. The Holiday Campaign is a great example of how a broad range of stakeholders can come together to promote responsible gambling practices. The awareness of and prevention of underage gambling is an area where those in the gambling industry and problem gambling advocates can often find common ground and therefore a good starting point for collaboration. Even though some jurisdictions have statutes that specifically state that it is legal to gift lottery tickets to underage individuals, the Holiday Campaign is a great opportunity to raise awareness about the risks of youth gambling and to educate parents on the dangers of buying lottery tickets for children.

The McGill Center's Director, Dr. Jeff Derevensky, and Research Coordinator Lynette Gilbeau emphasized that research has consistently shown that young people begin gambling at earlier ages than they engage in other risky or potentially addictive behaviors including tobacco, alcohol and drug use. The younger the age that someone starts gambling, the higher their risk for developing gambling problems. Additionally, research has shown that parental permissiveness

regarding gambling as well as modeling of gambling behaviors contributes to youth risk for problem gambling. Therefore, in 2006 the McGill Center in collaboration with Loto-Québec initiated their holiday youth responsible gambling campaign. This campaign was joined by the National Council on Problem Gambling in 2007 and has consistently grown ever since to include 55 lotteries in the U.S., Canada and Internationally.

In 2013, the NASPL board of directors passed a unanimous resolution supporting the Holiday Campaign and encouraging participation by all NASPL members.

The goal of the campaign is to educate parents and other adults that lottery tickets are not appropriate gifts for underage youth. Per Derevensky, this is an important initiative because it is much easier to reach children than it is to reach their parents. Youth can be reached through school-based programs, for example.

### Campaign Expansion

To encourage engagement and continued commitment and growth of this youth gambling awareness program, the NCPG has expanded this program to non-lottery organizations for the first time in 2018. This can allow for greater collaboration and coordination between lotteries and community stakeholders such as NCPG affiliate state councils, problem gambling treatment agencies and providers and preventionists.

Also for the first time this year, NCPG offers three levels of participation to encourage entry of new participants as well as enhanced



## NASPL Resolution

In 2013, the NASPL board of directors unanimously passed a resolution stating that the NCPG/McGill University Holiday Campaign is an effective way to promote responsible gift giving of lottery games and products, and that member organizations are encouraged to participate to the extent allowed by their governing laws and regulations.

For detailed information about the program this year, visit [www.ncpgambling.org/holiday](http://www.ncpgambling.org/holiday).

# 2018 CAMPAIGN PARTICIPATION LEVELS

## LOTTERY LEVEL 1

- Press Release or Media Placement
- 1-5 Social Media Messages Posted in December (promoting responsible gaming / appropriate age for lottery play / youth gambling stats / parental awareness tips)

## LOTTERY LEVEL 2

- Press Release or Media Placement
- 4-10 Social Media Messages Posted in December (promoting responsible gambling / appropriate age for lottery play / youth gambling stats / parental awareness tips)
- Designated Retailer Training / Messaging on Youth Gambling
- Targeted Print / Digital Design Advising Parents to 'Gift Responsibly' / 'Lottery Tickets are Not for Children'

## LOTTERY LEVEL 3

- Press Release or Media Placement
- 8-12 Social Media Messages Posted in December (promoting responsible gambling / appropriate age for lottery play / youth gambling stats / parental awareness tips)
- Designated Retailer Training / Messaging on Youth Gambling
- Targeted Print / Digital Design Advising Parents to 'Gift Responsibly' / 'Lottery Tickets are Not for Children'
- Commercial (TV or Radio) advising parents against purchasing lottery tickets for kids

## NON-LOTTERY PARTICIPANT

- Press Release or Media Placement
- 1-5 Social Media Messages Posted in December (promoting responsible gambling / appropriate age for lottery play / youth gambling stats / parental awareness tips)
- Dedicated Outreach Campaign or Event Educating Community on Risks of Youth Gambling

activities from long-term participants. NCPG Executive Director Keith Whyte and Communications Manager Cait Huble noted that they recognized the need to make the Holiday Campaign more accessible. They hope that these levels make it clearer and easier for any lottery to do what is feasible and manageable for their budget and mandate.

NCPG also provides a wide range of materials and resources in their Holiday Campaign Toolkit to make it easy to get started. The Toolkit is available once a lottery has registered for the Holiday Campaign. Additionally, providing higher levels of participation allows lotteries that are able to create more extensive campaigns to have their efforts recognized. These new levels are listed in the chart on this page.

Guidelines for creating a lottery Holiday Campaign are also included in the NCPG Holiday Campaign Toolkit. Whyte

**Do a "Lotto" Good, Give a Toy!**

Give a child a toy, not a ticket. Lottery tickets are NOT suitable gifts for children under 18.

The need for donated toys at the Connecticut Children's Medical Center is great. Toys are used daily with patients for comfort, play and rehabilitation. Each year, approximately 73,000 toys are donated. All types of toys are appreciated. For gift ideas, visit: [www.connecticutchildrens.org/support-us/donate-toys](http://www.connecticutchildrens.org/support-us/donate-toys)

Drop off a new, unwrapped toy to:

**CT LOTTERY HEADQUARTERS**  
777 S200K STREET, ROCKY HILL  
NOV. 20 - DEC. 18, 2015 - MON - FRI 8:30AM - 4:30PM

PLEASE PLAY RESPONSIBLY. Purchasers must be 18 or older. | [CTLOTTERY.ORG](http://CTLOTTERY.ORG)

and Huble point out that these guidelines were developed to assist lotteries in conducting a successful campaign to raise awareness and public knowledge about the risks of youth gambling. Public education campaigns, like the Holiday Campaign, play an important role in changing social norms and providing basic facts and education to members of the community.

## Campaign Guidelines

The campaign guidelines are designed to help highlight the educational components of the campaign and avoid triggering, stigmatizing and demeaning language or imagery.

- The Holiday Lottery Responsible Gaming Campaign is not a pro- or anti-gambling campaign.
- All messaging should be designed to be educational rather than promotional.
- Campaign language should be non-judgmental, non-stigmatizing and non-demeaning.
- Campaign graphics should not feature any type of gambling related imagery.
- Lottery participants should avoid placing explicit sales messages in campaign materials.
- Children should not be used as part of the campaign graphics or imagery.
- Consider recognizing that many different faiths and communities have events during the holiday season.

Whyte and Huble echo Derevensky and Gilbeau in their hope that the Holiday Campaign can mark the beginning of a year-long commitment to address the awareness and prevention of youth gambling. All lotteries are encouraged to work with community problem gambling advocates and stakeholders to assure that throughout the year, lottery advertising and marketing does not directly appeal to those who are underage for purchasing lottery tickets. Huble added that this is also an opportunity for lotteries to share and learn from each other, and examples of previous lottery holiday campaigns are included on the NCPG Holiday Campaign website.

NASPL's responsible play and advertising guidelines specifically address marketing to minors at any time during the year and reflect the Holiday Campaign guidelines. These guidelines include the following recommendations:

1. Persons depicted as lottery players in lottery advertising should not be, nor appear to be, under the legal purchase age.
2. Age restrictions should, at a minimum, be posted at the point of sale.
3. Advertising should not appear in media directed primarily to those under the legal age.
4. Lotteries should not be advertised nor marketed at venues where the audience is reasonably and primarily expected to be below the legal purchase age.
5. Advertising should not contain symbols or language that are primarily intended to appeal to minors or those under the legal purchase age.
  - The use of animation should be monitored to ensure that characters are not associated with animated characters on children's programs.
  - Celebrity or other testimonials should not be used which would primarily appeal to persons under the legal purchase age.

## Working with Partners

The old adage, "It is better to ask forgiveness than permission," doesn't apply here. It is much better to consult with responsible gambling advocates and problem gambling preventionists if there is any question about aspects of an ad campaign or of a product design being unnecessarily appealing to those who are underage.

The McGill/NCPG Holiday Campaign is a great time to strengthen and build cooperative partnerships between your lottery and community stakeholders. Whether you are asking for input, developing responsible gambling PSAs, educating retailers about preventing underage purchases, or conducting outreach to parents and educators, the Holiday Campaign can be a way to maximize responsible gambling awareness efforts and build positive collaborative relationships. For example, the Connecticut Lottery creatively partnered with the Connecticut Children's Medical Center in a combined Holiday Campaign to convey the responsible gifting message as well as to solicit donations of toys for the Medical Center.

I hope you all have fun, joy and pride in the positive, responsible play campaigns you develop for your communities this holiday season. ■



**Lori Rugle**

*Responsible Gambling,*  
NASPL

## From Personalization to Loyalty and Vice-Versa: The Challenge of Our Times



### How is personalization defined today?

Customers are the most significant element of a business enterprise. To achieve success, it is important to ensure their loyalty through personalized offerings and experiences.

Personalization means being able to understand the different needs and preferences of different targets and adequately diversify products and services to establish an experience-based relationship with a customer. This will ensure repetitive selection, loyalty and trust.

In the recent past, personalization was achieved through basic targeting and the rules were simple: create your product, choose your channel, define your consumer and offer accordingly. Nowadays, however, personalization is much more complicated.

On average, global consumers\* use two to three different channels for purchases – six out of ten make purchases online while 13 percent have not conducted even one physical purchase in a one-month period. At the same time, multi-channel purchases lead to multi-mode payments; global consumers use a mean of two to three payment methods and the choice is mainly defined in relation

to the purchase channel. Also, in terms of preferred payment methods, hard cash is directly rivaled by plastic!

Today, personalization dictates the use of new technologies, sophisticated CRM tools and creative solutions. By leveraging the advantages of the latest technologies, such as big data analytics, artificial intelligence and virtual reality, business can build personalized experiences to satisfy and retain its customer base.

Adaptation and experience-based targeting is even more important for current and potential players of games of chance, which are 75 percent of global consumers. Being more progressive, open-minded and technologically advanced than the average consumer, players are very diverse in terms of habits, lifestyle and preferences; thus, they tend to appreciate a personalized approach more than non-players. They are ready to interact with operators that understand them and serve them in a linear but multi-platform manner.

### Does personalization equal loyalty?

Personalization is one of the most significant factors when it comes to customer attraction and retention. Loyalty

schemes are labeled as the most tangible and convenient tool for operators to retain their customer base.

At the same time, loyalty schemes are also appreciated and used by more than six out of ten consumers; interestingly, players of games of chance use loyalty scheme benefits to a greater extent, reaching 75 percent.

As expected, loyalty cards are the primary tool, but more advanced methods, such as mobile apps and e-accounts, are on the rise and one quarter of consumers already prefer them. In terms of benefits, real-value returns are highly appreciated; as such, monetary benefits, be it discounts, rebates or freebies, are expected by the majority of consumers.

Global consumers express a growing interest in the personalization of services: Monetary benefits are expected by 74 percent to be adjusted to individual preferences and habits; almost half of consumers would appreciate non-monetary “privileges,” such as personalized offerings, priority service, VIP treatment or access to exclusive merchandise. Again, players seem to lead the way and expect services to be adjusted to their personal preferences to a greater extent.

Beyond these, as loyalty schemes expand, personalized mobile or online

“tips” on how to make better use of their benefits is appreciated by six out of ten consumers.

In the B2B market, personalization is still a challenge and not yet a fully-endorsed “project.” As is the current standard, only those who offer games of chance seem more progressive and open; more than nine out of ten offer some type of loyalty benefits and, most importantly, through a variety of vehicles. Thus, the use of a mobile app ranks second among gaming companies with an impressive 38 percent, right after the classic loyalty card, which holds 54 percent.

Again, as the early-adopters in the market, gaming companies almost equally offer both monetary and non-monetary benefits to their customers, reaching a mean number of three types of benefits each.

### How much more personal can we really get?

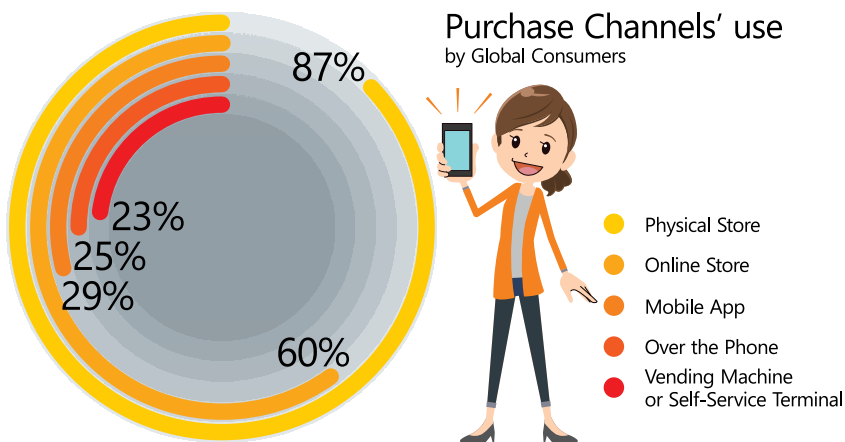
Personalization is based on adaptation and empathy – the ability to understand who the player is and to provide diversified offerings in a diversified manner through multiple channels, targeting each one on a personal level. In the rapidly-changing gaming industry, every player is at the center – a player who connects and switches across multiple brands, products and channels and who is becoming more and more identifiable. Personalization and ad-hoc targeting and treatment is crucial for gaming operators who want to be ahead of competition.

As a global leader, INTRALOT has anticipated this need and has an advanced CRM platform that enables true personalized connection with the players. We offer the ideal solution for any gaming operator who aspires to be genuinely player-centric.

Products such as INTRALOT’s Player Pulse include a real time, multi-level targeting engine, which takes into account not only personal characteristics but also players’ interactions at every touchpoint – retail and online, game and financial activity, and loyalty level. Numerous types of promotions (from simple achievements to complex combination of rules) and bonuses, designed ad-hoc down to the level of game attributes, can address personalized player needs, whereas an advanced loyalty engine gives players points, based on multiple, fully configurable criteria and with diverse prizes per segment and loyalty level. ■

#### \*The Profile of the Study

A quantitative online study conducted via distinct pre-structured questionnaires that addressed 11,000 consumers, aged 18-54, residents of urban centers in 11 countries and 2,107 retailers, either involved in gaming or not, in 12 countries, across five continents (North America, South America, Europe, Asia and Australia), during August and September 2017. The study was led by Focus Bari S.A., a leading Greek market research agency, with the cooperation of SSI and Isra Center.





# GPS for Success: Arrived at Destination

*The 2018 NASPL Annual Conference explored how to get where the industry needs to be.*

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By Patricia McQueen

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**T**he NASPL community descended on Cleveland in September, and the Ohio Lottery put on a show worth remembering. With the theme ‘GPS for Success,’ the educational program was less about what the industry needs to do and more about how it should do it. For example, avoiding roadblocks with cashless initiatives, moving ahead with standardization, and finding the proper onramps for sports betting.

It’s not surprising that much of the conversation at this particular annual conference revolved around sports betting. After all, just four months earlier, the Supreme Court essentially overturned the Professional and Amateur Sports Protection Act (PASPA), opening the floodgates for legal sports betting around the country, should individual states choose to go down that path. By this fall, some states had already launched sports betting (with or without lotteries taking part) and others were getting ready.

Of course there was more to NASPL 2018 than sports betting conversations, and the following pages will provide a taste of what attendees found – in both the conference sessions and the exhibit hall. Videos of the keynote and general sessions are available for viewing on the NASPL Matrix.

### Keynote Speakers

The first keynote speaker was Andrew Davis, whose presentation focused on the power of anticipation. He corrected two fallacies that businesses have today. One is that people have no attention spans. The reality is that despite short attention spans, our audience will pay attention as long as we give them something worth paying attention to! The second fallacy is that no one has time anymore. But again,

“our audience will make time to have experiences that keep their interest.”

The secret to grabbing and holding attention is what Davis calls the Curiosity Gap – what you know vs. what you want to know. That gap develops tension, and the higher the tension, the greater our need for more information. “You need your audience to chase answers. If there are no more questions, there is no more attention.”

He recommended two things lotteries can do to build that tension to keep that



Andrew Davis



Jay Baer



Arjan van't Veer

attention. First, raise the stakes by raising the tension – show what the audience desires and ration it one thing at a time. And second, to delay the reveal in a way to increase tension. Lotteries can find great ways to delay the reveal!

Keynote speaker Jay Baer closed the educational portion of the conference with a rousing talk on customer service and creating the ultimate customer experience. He did his homework – studying lotteries' websites and social media pages and peppering his presentation with examples from the industry.

Baer encourages businesses to “hug your haters,” embracing customer complaints and answering them, whatever they might be. “To get fewer complaints, you first must get more complaints.” After all, the holy grail of marketing is to turn your customers into marketers, and that is done by first understanding and then exceeding their expectations. Service is the easiest way to do that, because customers never expect much.

It's all about the customer experience, he emphasized. Emotion is always first, information is second.

## Sports Betting

There were several opportunities during the conference to discuss the potential (and pitfalls) of sports betting in the United

States. One was a general session where the directors of two American lotteries were joined by European experts in the field. Delaware Lottery Director Vernon Kirk and Rhode Island Lottery Executive Director Gerry Aubin were joined by Ludovico Calvi, President of the Global Lottery Monitoring System, and Arjan van't Veer, Secretary General of the European Lotteries and Toto Association.

The Global Lottery Monitoring System (GLMS) is the lottery industry's mutualized monitoring system on sports betting, with 31 members on four continents. It aims at preventing, detecting and analyzing irregular and suspicious betting activities that could question the integrity of a sport competition. With all that activity, Calvi is in a good position to offer advice to American lotteries.

Globally, sports betting is growing faster than lottery, he noted. Among the

advantages of sports betting is its adaptability to both digital and retail markets, the connection it provides consumers to the world of sports through digital social engagement and entertainment, and its attraction to the millennial generation.

Perhaps the biggest challenge American lotteries face is the huge illegal sports betting industry that developed after PASPA was created in 1992. With PASPA struck down as unconstitutional last May, at first glance it might seem that newly-legal operators would simply supplant the illegal market. But that's not the case – at least it won't be easy. “Conditions have to be right for legal sports betting to capture much of the unregulated illegal market,” said Calvi.

It will be difficult for lotteries and other legal operators to provide a balance between commercial effectiveness and social responsibility. The former is necessary



to make the effort worthwhile; the latter is a requirement of regulated operators in general and lottery operators in particular. Around the world, mobile and in-play bets are driving the sports betting market, and it remains to be seen how the American market will develop.

In Europe, sports betting evolved as a natural product for lotteries, explained van't Veer. Despite that history, private operators entered the European market as online gambling was introduced, and these companies now compete aggressively with lotteries for consumer business, offering more betting options, more sports on the menu and higher payouts.

As a result, lotteries have had to increase payouts to keep some level of competitiveness, resulting in lower long-term revenues for good causes. That is something with which American lotteries will have to come to terms, added van't Veer – to define their appetite for competition in order to take more of the market. He echoed Calvi's comments that the level of competition, along with profit goals and social responsibility, will determine the industry's future.

It's the ability to be competitive that van't Veer thinks is more important than anything else – because that's what attracts new players. Lotteries do have the advantage of their extensive retail networks, and they should be able to build a truly omni-channel approach, offering sports betting through retail, mobile and

online channels. He added one important word of warning – to make sure that any legislation authorizing sports betting specifically forbids betting on the outcome of lottery games.

Delaware's Kirk recounted the experience in his tiny state since sports books were established at the three racetrack casinos in 2009. Selected retail establishments were added to the mix in 2012, but until May of this year, all bets were limited to parlay wagering. That changed with the Supreme Court decision, and the casinos in June launched full-scale sports betting. Those casinos also still offer parlay wagering, but those wagers are now the mainstay of the retail locations.

In Rhode Island, Aubin was looking forward to launching sports betting at its two casinos; the Lottery has an agreement with IGT and William Hill. Both he and Kirk are convinced that sports betting attracts the millennial audience so craved by lotteries and other gaming operators.

### **Associate Members Talk Sports**

Top-level NASPL Associate Members also addressed the topic of sports betting during their annual general session discussion moderated by Rebecca Hargrove, President and Chief Executive Officer of the Tennessee Lottery. Participating were Jay Gendron, IGT Chief Operating Officer, Lottery; Antonios Kerastaris, Chief Executive

Officer, INTRALOT; Pat McHugh, Senior Vice President, Global Lottery Systems, Scientific Games; and Doug Pollard, Co-Chief Executive Officer, Pollard Banknote.

"It's an exciting time in this industry right now," said Gendron. He marveled that something so big has hit the industry and has had such an impact in a short period of time – just a few months in the wake of the PASPA repeal. "Literally every state in the country is interested in this." His first advice is for lotteries to designate one or two people to become experts on the subject of sports betting. "It's a much different, highly specialized business that [most] U.S. lotteries aren't accustomed to yet." Lotteries should consult with experts, issue an RFI to learn from experts before issuing an RFP in order to learn how to structure that RFP.

All the panelists emphasized the need to educate stakeholders as part of the path towards legislative approval. "A big part of this now is education," said McHugh – educating policymakers and the industry that it's not just about sports betting. It's a channel that attracts new players. He also advises lotteries to keep to their core mission – raising funds for good causes. When looking at payout structures, for example, lotteries need to examine what their competitors are doing in their markets – legal and illegal. Citing the example of Delaware, he noted that sports betting in casino environments may hold just seven percent, but parlay bets at retail may hold as much as 30 percent. "There are ways



Nick Papadoglou



Paul Riley



Jennifer Welshons



Charles Cohen

to manage the forms of gaming so you can hold more" and therefore keep to the mission of maximizing proceeds for beneficiaries.

Pollard urged lotteries to see sports betting in context, as a way to connect to younger, newer players. "Every lottery faces that challenge – how do we expand our player base?" He doesn't see sports betting itself as a major source of incremental profits, but it becomes vastly more important in terms of attracting new players. "Once you've got those players in the digital world, it's up to the lottery to do customer engagement marketing to drive those players to products that generate revenue." He also sees sports as a way to help lotteries step up the use of mobile devices – the go-to-tool for sports bettors around the world. "We can't continue to just be a retail business; we have to be a retail business that has a mobile element to it. That will help maintain customer attention in a world where there is a lot of competition."

Unlike some who think sports betting won't contribute a great deal of revenue to a lottery, Kerastaris believes it has the potential of doing just that, that it can generate twice as much, or even

more, revenue to the state than does a traditional lottery. And because sports betting has so much potential, he doesn't see the sense in trying to geographically limit it to a few casino locations. "This is about distribution, this is about the retail network, this is about online. I don't think the customer of sports betting in a casino is the same customer that will buy a simple parlay ticket at retail. That's why, since the game is so big, you need to have all the distribution channels to capture the players at their leisure. Limiting the game is not the way to go."

The next day, Scientific Games, INTRALOT and IGT were also provided an additional opportunity to address NASPL attendees with topics of their choice.

Scientific Games' Jennifer Welshons, the company's Lottery Group Senior Vice President, Marketing, focused on "15 Minutes of REAL," things that lotteries are – or should be – doing right now even as other things are coming down the road. They included the importance of game content and promotion; responsiveness to both retail partners and competitive pressures; utilizing data and insights and maintaining consumer relevance; understanding stakeholder economics,

the supply chain and business models; and above all, maintaining the integrity of the lottery product.

Scott Hoss, Senior Marketing Manager of INTRALOT USA, discussed the success of the Ohio Lottery modernization project. That includes keno, aided by self-service terminals; the rollout of EZPlay as a companion to keno on those terminals; and retrofitting of cashless payment options on all of the Lottery's vending and self-service machines. Nick Papadoglou, the company's Vice President and Chief Commercial Officer, emphasized that customer loyalty is going to be the most important thing for lotteries going forward, in both digital and retail environments.

Paul Riley, IGT's Vice President of Innovation and Lottery Transformation, stressed the critical importance for lotteries to find a way to jump into the rapidly growing BOPUIS retail model – buy online, pick up in store. He also sees the potential of digital tickets. Charles Cohen, IGT PlayDigital Vice President, circled back on sports betting, noting that while it's complicated, it really isn't that scary. It is, however, a "team sport" to get things started. ■





# Hot Lottery Topics

*Breakout sessions delved into the details of some of the most important topics in the industry today.*

By Patricia McQueen, with additional reporting by Mackenzie Whitacre and Marie Kilbane Seckers

**I**n addition to the general sessions at the conference, there were seven breakout sessions drilling down into specific subjects of importance to lotteries going forward. They worked with the conference theme of helping lotteries get where they need to be, whether talking about sports betting, advancement of cashless lottery purchases, industry standardization via APIs and XML, responsible gambling, data analytics, cyber security or video lottery.

Not surprisingly, there was a lot of interest in the session on sports betting, which came a day after a general session on the topic. A panel of experts helped shed some light on some of the choices that are being made across the U.S. since the May Supreme Court decision. Participating were Daniel Wallach, Partner, Gaming & Sports Law, Becker & Poliakoff; Mark Hichar, Shareholder and Member, Global Gaming Group, Greenberg Traurig; and Joe Asher, Chief Executive Officer, William Hill U.S. The panel was moderated by Ohio State Senator Bill Coley.

For legislators like Coley, it's critical to do things right when you try something new. Top on his list were things like protecting the integrity of sports, keeping it fair for consumers and profitable to stakeholders, and minimizing problem gambling impacts. And to do things right, it takes time. "We see it as imperative for states and state lotteries to study sports betting in sufficient depth to make the best decisions possible," said Asher.

All the panelists agreed that lotteries have a great opportunity with sports betting if they are diligent. "It's imperative for lotteries to control the discussion more and show thought leadership," said Asher. "There is a golden opportunity before the next legislative session." Added Wallach, "Lotteries could be a path of least resistance."

One big consideration is setting up the regulations properly in order to compete against a well-established illegal market – it will be tough to eliminate or even reduce that market. Tax rates, license structure, number of licensees and law enforcement policies are all factors. "You have to allow sports betting to be competitive," said Hichar.

One key area in which the panelists were divided was on just how gaming information should be monitored and shared to ensure consumer protection. ESSA (Sports Betting Integrity), the non-profit clearinghouse and auditor of sports betting data in Europe, was cited as an example for the industry. Its expertise in data intelligence offers protections against irregularities in wagers, money laundering and other illegal activities that could harm the industry. Wallach and Hichar thought some form of federal oversight or data repository would be ideal, but Asher didn't see this as realistic, based on the state-by-state development of sports betting and the need to ensure integrity across all those regulators. He calls a centralized portal "very theoretical and interesting," but doesn't see how that could happen.



## Advances in Cashless

Two breakout sessions provided updates on current industry initiatives on the loosely related topics of cashless initiatives, the NASPL standard API and the 7-Eleven/XML project. All are designed to make the selling and purchasing of lottery products easier and attractive to both players and retailers.

In the cashless session, participants addressed the various issues that have been raised along the way to implementing cashless solutions in the lottery industry. Speakers included Ohio Lottery IT Director Maureen Hall, Virginia Lottery Director of Finance Deborah Courtney and WorldPay Gaming Vice President Andrew Crowe. Greg Bowers, the Ohio Lottery's Finance Director, led the session.

Last winter the Ohio Lottery did a massive conversion of some 7,500 self service machines, adding cashless capabilities to the existing product. It was the largest cashless push in the industry to date, setting the stage for the future in Ohio. Attendees were advised to consider all possible future needs before buying brand new self-service machines without any cashless payment options.

The road to getting card issuers to accept lottery purchases hasn't been easy, but industry representatives have worked hard with Visa, for example, to create distinct codes for lottery to distinguish these purchases from casino gambling. Still, the system isn't foolproof, and payments are still sometimes rejected or recorded improperly, triggering excess fees as cash advances.

One big consideration on the lottery side is how to balance sales with corporate social responsibility and responsible gambling needs (the possibility of placing spending limits on the cards used, for example, and limiting purchases to debit cards only). Another is determining who pays the merchant fees. Other industries have discovered that upon going cashless, they have increased sales above and beyond any fees incurred; lotteries are likely to see the same result. After all, if a fee is charged, that means a sale has been made.

The overall advice given by the panel is good advice for any new initiative: crawl, walk, run ... learn, adjust, repeat.

## XML/API Standardization

The same could be said for the standardization movements in the industry today. Two key projects under the NASPL umbrella shared a breakout session – a discussion of the XML project with 7-Eleven and an update on the standard API initiative.

The XML discussion featured Mark Hagen, Senior Category Manager for 7-Eleven, IGT's Senior Product Manager Jim Brannon and Scientific Games' Director of Product Development Kent Christensen.

Hagen described how the company's accounting department "absolutely loves"



XML Panel featuring Mark Hagen, Jim Brannon and Kent Christensen moderated by Jim Brown.



the XML standard, which is active in Maine, Maryland and Texas, and in progress in Delaware, Pennsylvania and New York. There are 7-Eleven stores in 33 lottery jurisdictions, and the company is eager to bring the XML standard to as many as possible. "Hopefully we can start moving forward at a faster pace."

The main challenges, of course, stem from differences in the ways each lottery does things – inventory, invoicing, pack status, free ticket accounting and more. "But essentially we are all doing the same thing – we all sell, we all settle," said Brannon. "It's how we take what we all do and put that into granular data points to be useful for the chains. That's the whole idea. The profile of our trade styles is changing, and to make our product more appealing to the new profile, we have to allow them to automate."

"This is a very exciting time in the industry," said Christensen. "We are talking with retailers and solving problems. There isn't one silver bullet but as we move toward standardization, what is good for one retailer is good for all retailers."

Hagen also mentioned another of 7-Eleven's priorities – mobile solutions that will help it digitally connect and transact directly with customers. "One thing we are very interested in is a mobile app that will allow someone to pre-select their transaction, verify their age, and get digital versions of tickets. We think that will expand the player base and we need states to work with us on this."

Standardization via the NASPL API was the subject of the latter part of the session. Presenters were Terry Presta, Executive Director of the Kansas Lottery, who has led the NASPL Retail Modernization Committee; Paul Riley, Vice President of Innovation and Lottery Transformation for IGT; and Tom Delacenserie, President and Chief Executive Officer of the Kentucky Lottery.

Presta described the API development process and how critical it is for the industry. "We've been a successful business but we haven't done business with some of the largest retailers in the country," and that was a problem that needed to be addressed. A big challenge is to make lottery seamless for retailers and players, without adding costs to the retail model. It's all very complex and not without costs for lotteries. He implored lottery executives to hang in there as development continues. "All the unbelievable benefits are yet to come, but they will come. I've had directors ask if this is worth it. I'm more certain than I was three years ago. It is the right thing to do and we are going in the right direction."

Riley agreed. "The initial win for our



industry is in-lane, but the standard API is not just for in-lane. It can open up new channels for us, so this has long term benefits."

The initial goal with the API is to get lottery products in-lane at those largest retailers, and next year Kansas will be launching an in-lane solution with Abacus and Scientific Games. Other solutions are already in the marketplace – the Linq3 Lottery Card and Ontario Lottery & Gaming's Quick Ticket, for example. These products and others in development use Blackhawk, Incomm and other networks. "It's a paradigm shift for lottery," said Presta of those solutions. "Historically we've deployed all the capital; this is all riding on existing capital," meaning the retail terminals and the relationships retailers already have with those networks.

Delacenserie described his efforts in starting a dialogue directly with some of the country's biggest retailers, to see what those retailers thought about lottery. If they didn't actually have an interest in pursuing all of this, then perhaps lotteries were just spinning their wheels. But the answer was a resounding yes – most of these retailers look at lottery as a growth category and would love ways to streamline the product.

Some of their major concerns come as no surprise – convincing senior

management to give up prime real estate in-lane, employee training and speed of the transactions. Anything slowing down that speed, such as having to break up a shopping cart because lottery in one state may not be able to take cashless payments, is a big negative for them. In talking with these retailers about in-lane solutions, Delacenserie said that most of them were open to different solutions, not necessarily limited to just an API interface. Another insight from these discussions was that the retailers preferred to talk with lotteries directly, not necessarily the industry's vendors. "It's important that we continue to have this dialogue directly with the retailers themselves, and I'll get together with this retail group again. I find it very encouraging that we are now talking in-lane solutions."

## Responsible Gambling

The session on responsible gambling focused on GameSense, the innovative program developed by the British Columbia Lottery Corp (BCLC). Moderator Kevin Gass, BCLC's Vice-President, Lottery Gaming, led the discussion, which included panelists Bev Mehmel, Director of Corporate Responsibility for Manitoba Liquor & Lotteries Corp.; Chelsea Turner, Chief of Strategy & Governmental and Operational



Affairs for the Connecticut Lottery Corp. who is currently serving as Vice President of the National Council on Problem Gambling; and Marlene Warner, NCPG's President and the Executive Director of the Massachusetts Council on Compulsive Gaming.

GameSense was created in response to the "finger pointing approach" in responsible gambling messaging. The old way "just turned out to be entirely counterproductive," said Gass. "We're all about helping players make informed choices." The GameSense program, and its related messaging, is designed to encourage healthy gambling behaviors in a friendly, nonjudgmental way.

Manitoba adopted GameSense in 2013, wanting to change the feeling that responsible gambling was just another way to say problem gambling. "What we really wanted was to have a conversation with players and have a sustainable business model," said Mehmel. "We have a vested interest in keeping customers a long time." In the province, GameSense is promoted at point-of-sale and retailers go through responsible gambling training. Manitoba also annually conducts a player survey to measure recall of GameSense concepts as part of its continuous improvement process.

The Connecticut Lottery Corporation became the first U.S. lottery to license

GameSense in December 2015, adding the program to coincide with its launch of Keno.

GameSense was adopted by the Massachusetts Gaming Commission in 2017, and a GameSense Information Center, run by the Massachusetts Council on Problem Gambling, operates daily at each of the state's casinos – two are currently open. GameSense staff also attend fairs and festivals around the state, and the Massachusetts Lottery staff also receives education on GameSense principles. "Go to the sales and claims offices and you'll see GameSense information all around," said Warner. "Game Sense provides employees with a sense of pride in their jobs and customers with confidence in their play."

## Data Analytics

Increasingly, more of what a lottery does is based on research and data, and a panel of four discussed the topic at the conference: Mike Gonzalez, Data Analytics and Research Manager for the Ohio Lottery; Shannon DeHaven, Deputy Director of Digital Operations for the Michigan Lottery; Simon Jaworski, President of Leger (USA); and Jim McConnell, Director of Consumer Insights for MARC USA.

Gonzalez started the discussion by reviewing the different types of analysts lotteries may employ, and stressed the

importance of providing a formal structure to a lottery's data analytics program.

DeHaven emphasized the need to use player-level data to create improved customer experiences and more personalized messaging. Data should also be used to make better marketing decisions in order to improve ROI.

Qualitative research is important for increased effectiveness, noted McConnell, going beyond the standard metrics with things like open-ended diagnostics and asking consumers about specific ad components and one-word takeaways. Continuous brand tracking is also something every lottery should be doing.

Jaworski covered the major "big data" resources currently available to lotteries: VIP/Players' Club data, online sales data and data available through partnerships (with retailers, for example). He also recommended developing player personas through segmentation, in order to better satisfy players' wants and needs, retain players, and create more specific, appropriate messaging.

## Video Lottery

Eight American lotteries and several Canadian provinces offer video lottery terminals – or slot machines, depending on the market. These gaming products



generate considerable revenue for their jurisdictions, and the breakout session covered several topics currently faced by these lotteries.

Participating were Byron Bridger, Director of Marketing for the Atlantic Lottery; Walt Eisele, Chief Technology Officer, Lottery, Scientific Games; David Flinn, Regional Vice President, IGT Canada; and Michael Wilson, Senior Manager, Product Portfolio, Gaming Operations, for the Oregon Lottery.

One important discussion centered around evolving the VLT product to exceed the wants and needs of players. Flinn noted that there are three elements to this. The first is hardware, in which he believes the industry is doing a good job. The second is content, which is a bit more challenging, but one growing area is progressive and larger jackpots. Finally, marketing and awareness programs, and unfortunately the industry hasn't really allowed VLTs to come out of the shadows. "There needs to be a stronger campaign to alleviate the stigma of VLTs."

Wilson suggested that VLTs need to be more than a box with a game. It's the content and the experience that keeps people coming back, and VLTs should interact more with players. Linking VLT play to player accounts would enhance the experience, and even provide better options for responsible gambling. Oregon's new games will have a whole host of new RG tools and other features, for example.

There could also be responsible ways to add rewards to VLT play – not necessarily encouraging more play, but offering other

types of rewards for simply adhering to a player's own RG settings, perhaps a state park pass, for example. It also makes sense to combine VLT and traditional play in a lottery's loyalty program, noted Eisele. This creates known play which offers a number of benefits to both lotteries and players.

The group concluded the session with discussions of technology standardization and data sharing. "We need a seamless back end that serves all channels – VLTs, traditional lottery, casinos and online play," said Flinn. "The consumer is going to force the industry to evolve by deciding what and where they want to play," added Bridger. "I hope this forces greater standardization across the industry." He also noted that Atlantic Lottery shares data results with all vendors, so everyone can see what their competitors' products are doing. "This enables better product development and speed to market."

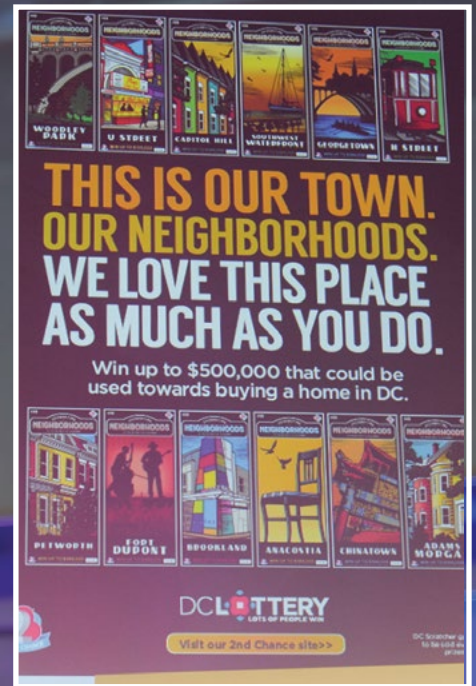
Finally, Wilson implored lotteries to obtain better access to their own data. "Systems are about collecting data, and we need to be getting better data out of those systems. That data helps us make business decisions."

## Cyber Security

An eye-opening look into the Dark Web was provided by Kyle Loven, National Director of Computer Forensic Services. There, anything and everything is up for sale, from credit card numbers to hacker services and things far more sinister. Because of that market, "we are all under assault," with people trying to obtain our data and information.

Ransomware, phishing and spoofing are growing more and more sophisticated every day, and lotteries are a prime target for scams and security breaches because of the money that flows through the industry. Most lottery scams, noted Loven, are centered in Jamaica.

He advised lotteries to be diligent and to slow down – avoiding knee-jerk reactions and taking the time to design a whole culture of information security. And because scammers can never be stopped, it's most important for lotteries to make consumers aware of potential scams. ■



# Best New Instant Game

Stephen Cooke

**A**warded the title of Best New Instant Game at the conference was the DC Lottery for its game Neighborhoods. The unique game won out over another finalist, The Big Spin from Ontario Lottery and Gaming.

The \$10 Neighborhoods game came from the idea that the District of Columbia is a very special place, explained Stephen Cooke, the Lottery's Instant Product Manager. Rich in culture and diversity, the city is a unique place to visit and, if you are very lucky, to live. Historically, instant tickets from the DC Lottery have had local flavor that has resonated well with players. But it was time to move the idea to the next level. "When we wanted to design the next best thing, we wanted to cast a wider net and celebrate the city in a way we have never done before," said Cooke.

DC is made up of more than 130 neighborhoods in four quadrants. Each neighborhood is distinct, distinguished by its history, geography, architecture, demographics and culture. "We set out to develop a dynamic campaign that

featured multiple scenes of some of the iconic neighborhoods of DC. Each ticket is designed to tell a story and is strong enough to stand on its own. But when put together, they would tell the real story of Washington DC, not what you see in the news."

The first pulse of the game launched in July 2017, featuring 12 tickets, each showing a major neighborhood. "It was a labor of love," said Cooke of the effort to drive around the city, taking photographs of the neighborhoods and getting all the necessary approvals to create the tickets. The marketing campaign, including a wonderful television spot, featured a "love letter" to the city, to connect with players and residents on an emotional level. A custom website was created for the game, and players could collect as many neighborhood tickets as possible and enter them into a second chance drawing for a \$500,000 grand prize designed to facilitate home ownership in the city. Players were also asked to vote for the next group of neighborhoods to be featured on the tickets. "We wanted to make sure that this ticket was the talk of the town."

To further player engagement, "We designed #ShowYourDC, where players were encouraged to send in pictures and short videos of their favorite places in the city." Themed events were held around the District, including a Family Feud-style Neighborhoods game near the Lottery's store at Union Station. "We were all over the city."

Just in time for the holidays, Phase II launched – six tickets featuring the six neighborhoods chosen by the players during the first phase. The new tickets helped build holiday ticket sales, although the first phase had already been incredibly successful. "[The game] was a big brand booster for the DC Lottery," said Cooke, noting that the commercials were well received and there were more than 61,000 entries into the second chance contest. "The positive reaction to the ticket and marketing campaigns enabled us to make connections to visitors and residents," who probably wouldn't have paid any attention to the Lottery prior to this campaign. "To this day we are still getting calls and comments about Neighborhoods." ■



# Best New Draw Game

Luke Stilin

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**O**ntario Lottery and Gaming struck it rich with its game Hit or Miss, winning both the Best New Draw Game award and taking home a couple of Batchy trophies for the related television advertising campaign. Hit or Miss shared the finals spotlight with the Michigan Lottery's Fast Cash game.

"Our philosophy for innovation is that great ideas always start with great observations, listening to the customers, sitting down, talking, and cataloguing these insights," explained OLG's Senior Manager of Product Innovation Luke Stilin. A few years ago, OLG leadership had asked staff to do the impossible – build a product that generates revenue and brings in new players under 35 without alienating the core player base. That challenge is something every lottery faces.

OLG took on the task with gusto, choosing three basic barriers to address and overcome in order to create a new product and a new experience for players.

First was the idea that 'I never match any numbers,' a feeling not limited to those under age 35. "We looked at our product portfolio and our prize structures and thought we could do something better."

Next was the idea that players had to wait seven days for a drawing – Canada's biggest game, for example, is Lotto Max which is drawn once weekly. "Purchasing behaviors are changing – we can buy something with one click and a drone

delivers it to our house," said Stilin. "We should be able to deliver an instant game experience to anybody at any time of the day."

The last and most challenging barrier was that lottery just doesn't have the excitement that those under age 35 are looking for. "This demographic has grown up with a console or a tablet in their hand." During research sessions, it was clear that this age group doesn't see lottery products as games.

OLG first tackled the prize structure issue, finding inspiration in Texas with its All or Nothing game. "We fell in love with the prize structure," explained Stilin. Ontario gave the game a 60 percent payout, and added a free ticket as one prize, so its overall odds of winning any prize is 1 in 2.2, the best odds ever for a draw game in the province. "We were looking for new players, and we wanted to make sure that they will feel wins when they start to play this game. Hopefully eventually they can move to a higher margin product."

Next to address was the idea of waiting for a draw. For a decade, OLG had been asking for permission to launch 5-minute keno in bars and restaurants, to no avail. For Hit or Miss, the strategy changed – not keno, and not focused on those venues. Finally, a five-minute game was approved.

So then was the tough part – providing a good gaming experience. "Thinking about our target audience, we wanted to go digital, to marry our retail game with a

digital platform," one that would enhance the unique prize structure. Working with its digital agency, OLG built an engaging and customized draw experience. Players could buy their ticket at retail (up to 30 draws at once), and have the choice of scanning the ticket right away to receive animated draw results right on their mobile device through the OLG app, which provides a dynamic experience based on the player's numbers.

OLG's agency BBDO created the award-winning television ad for Hit or Miss, whose star is instantly recognized anywhere she goes. The initial results after launch showed that OLG hit all of its goals. The game launched with 12 weeks remaining in FY18, and delivered C\$15.4 million in sales in that time. "That is a big number for us, so we built a product that generates revenue." Most of those sales were incremental business, as cannibalization on other products was minimal. Finally, the vast majority of players go through the animation to reveal their results, showing that the experience is engaging and exciting.

On the ultimate goal of attracting new and younger players? OLG hit that target as well. Stilin noted that across all of the lottery's products, the current percentage of under 35 players is around 17 percent. That percentage for Hit or Miss is 32 percent. "I like this number more than I like the revenue number. It means we are building a sustainable business, building products that attract a new player." ■

# Trade Show Welcomes New Exhibitors

By Patricia McQueen





Some three dozen exhibitors filled the exhibition hall at the convention center; many were new to NASPL this year. The big vendors had their full product lines on display, but of course they kept to the conference theme and buzz of the day by showcasing their cutting-edge sports betting and in-lane solutions.



**C**leveland-based **Premion** was a first-time exhibitor, taking advantage of proximity to introduce itself to more lotteries. Its clients include the Ohio, Michigan and Hoosier lotteries, and the company has worked previously with Connecticut, Georgia, Idaho and Oregon. Premion provides a platform for local advertising on streaming TV. “It’s television advertising the way people need to do TV advertising today,” said Director of Digital Sales Justin Gutschmidt, adding that lotteries can expect to reach new audiences by advertising on streaming services.

Another Ohio company joined the show floor this year, **Arrow International**. “We are local, and we wanted to support NASPL,” said Vice President of Marketing Gary Johnston. The company has a full line of gaming products, and specializes in pulltabs and electronic pulltab machines. “Pulltabs make a great alternative to scratch tickets – they are colorful, easy to play and easy to understand.”

**Golden Race** made its first appearance at NASPL, showing sophisticated virtual sports products. “The PASPA repeal was a bonus, and more people are interested in sports betting,” said George Vonapartis,

Regional Director, North America. “Virtual sports is a way to generate good revenue, and won’t cannibalize revenues from a real sportsbook” if a lottery is also going down that road. He added that what makes Golden Race unique is the math and the software, with realistic odds and markets. “Our players will go home with a nice betting experience, not a movie experience.” After the conference, Golden Race was accepted as a new NASPL Associate Member.

U.K.-based **Fastrak Retail** made a splash on the floor as it tries to break into the American market with innovative retail products to increase lottery sales. The company already has a global presence in Europe and Asia. “Our founders, including me, are engineers,” said Managing Director John Barrett, pointing out the unique designs the company offers, such as a modular scratch ticket dispenser system that clicks together to fit any retail need. Fastrak also offers an in-lane solution for displaying instant tickets.

Lotteries seeking to attract millennials may want to consider the experiences offered by **Promo Travel**, yet another new NASPL exhibitor. “Research on millennials shows that they would rather have experiences and vacations instead of buying things like homes,” said President Charlie







Mintz. The travel experiences offered, using name-brand providers without any license fees, are funded as part of an instant game's prize structure. Social media is utilized heavily as a marketing tool. "Millennials remember these experiences years down the road and continue to tie those memories to lottery," whereas cash prizes don't have that same emotional connection. "This is how you can build incremental sales with millennials."

**Research America** has done lottery work for some 30 years as a niche player in the market, but with more lotteries as clients these days, President Rex Repass wanted to come to the NASPL show. What makes the company different, he says, is extensive experience in the packaged goods industry. So perhaps it's not surprising that much of its projects have focused on product line extensions, something the packaged goods industry excels at but which has only just touched the lottery industry. "We've had some great conversations here," Repass said of his NASPL debut.

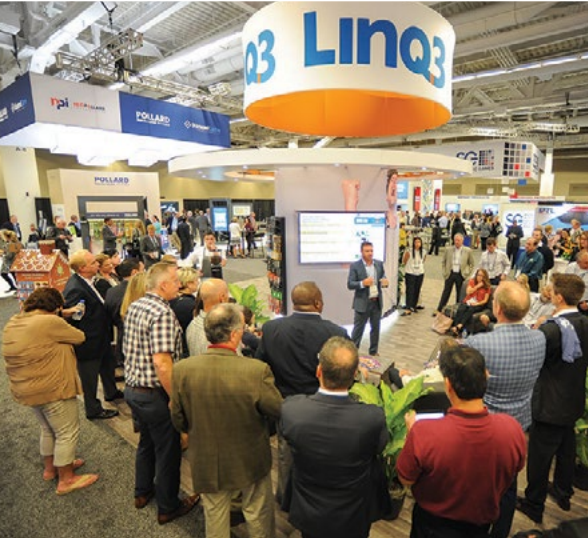
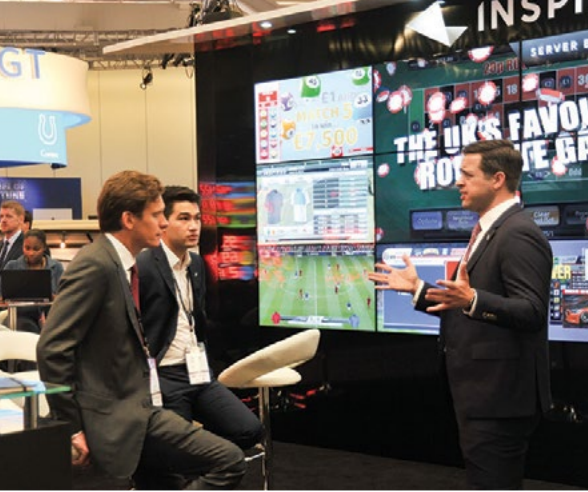
Terminal manufacturer **iBase Gaming** has worked with the big industry vendors for some time, but is looking to expand and create direct customer relationships in the U.S. The company also builds lottery and gaming cabinets and digital signage. Another

company founded by engineers, "Our strength is in building solutions quickly," said Vice President of Special Projects Bill Distefano.

Persistence and understanding have paid off for **Jackpocket**; after its third year as an exhibitor, the courier services provider was accepted as a NASPL Associate Member for the first time. "We are continuing to build our presence in the industry and can provide added value to lotteries," said Chief Executive Officer Peter Sullivan. "More than ever this year we have been able to have conversations with lotteries, and we are really excited." At the time of the conference, Jackpocket was active in Minnesota and New Hampshire, and expected to be in other states soon. Last summer, a Minnesota college student became the first big winner using the Jackpocket service with a \$1 million Powerball win; in fact, 59 percent of Jackpocket players are millennials. Recently, the company received \$16 million in venture capital funding, and became the first third-party lottery service to receive iCAP certification by the National Council on Problem Gambling for its responsible gambling commitment in the mobile space.

**EquiLottery** is another young company that is taking big steps these days. With products creating a lottery





game tied to the results of live sporting events, EquiLottery combines the excitement of sports with the games of chance heritage of lotteries. The company is scheduled for its first pilot test with the Kentucky Lottery next spring and its booth was buzzing in Cleveland.

Still relatively new to the NASPL trade show were **CM Global** and **Go Plastics**, each offering a variety of retail products for lotteries, including ticket dispensers, play stations and other items. They join longtime NASPL supporters such as **Schafer Systems** and **Take-a-Ticket**, which have adapted their product lines to attract attention with lighting and other features, and offer options to fit new products and new retail environments.

In-lane sales and cashless solutions are facilitated by a number of companies, products and services, and exhibitors **Abacus Solutions**, **InComm** and **Worldpay** maintained their presence on the show floor. **Linq3's** Lottery Card, much-anticipated in some circles, went live over the summer in trials in Georgia and Ohio and was recently introduced in Kentucky as well; visitors to the company's booth could get hands-on experience with the product.

A big supporter of NASPL in recent years is **Inspired Entertainment**, which launched its virtual sports product for the Pennsylvania Lottery last summer and is working with the Michigan Lottery for an upcoming launch there. With heightened interest in sports betting this year, Inspired's booth stayed busy.

**Alchemy3** had its typical out-of-the-box booth, this time featuring casual conversations on a boat. The company is expanding its loyalty programs and continues to focus on event-centric activities such as Power Cruise.

Signage companies, such as **Carmanah Signs** and **Pro-Lite**, have created digital menu boards and other digital signage, including in-lane solutions, as lotteries investigate those options. **Smartplay International** has provided secure ball and digital drawing systems for more than two decades.

Game provider **Tournament One** was also on the show floor, as was mobile specialist **Lazlo**.

Firms specializing in market research, consulting, control systems,

audits and testing include **Berry Dunn**, **Ipsos**, **Spectra Systems** and **Szrek2Solutions**.

**Delivery Distribution Solutions** and **Montenegro Paper** continue to support NASPL with a presence at the tradeshow, while they build and expand their industry relationships. Also looking to build relationships and brand recognition is **Advantech**, which like iBase Gaming manufactures products and components that are incorporated into the products sold by the larger vendors.

## The Big Players

**Pollard Banknote** showed off all of its special instant ticket treatments, such as the new ScratchFXtra and the clear ticket (recently launched in Idaho). Its booth incorporated Diamond Game's ticket machines, and the company also recently acquired Schafer Systems. The star of the show, perhaps, was ScanActiv, Pollard's in-lane solution for instant tickets.

Among the most talked-about products in **IGT's** booth were PlaySpot, which enables mobile play of lottery games tethered within a specific location, sports betting solutions, new data analytics options to optimize performance, and various innovations that will help lotteries convert anonymous players to known players.

The "next generation" of lottery products and services captivated visitors to the **INTRALOT** display. Of course there was considerable attention given to sports betting, but the company also showcased products for lottery modernization, including self-service, cashless and in-lane solutions, along with data analytics and improvements in the customer experience.

SCiQ continues to continue to be an important part of **Scientific Games'** lineup after its debut last year; the instant ticket revolution is a centerpiece of the company's sophisticated business intelligence solutions. Another company focus is on the development of achievement-based loyalty programs, gamifying the customer experience. On the product side, the linked lottery game Deal or No Deal returns early next year. ■

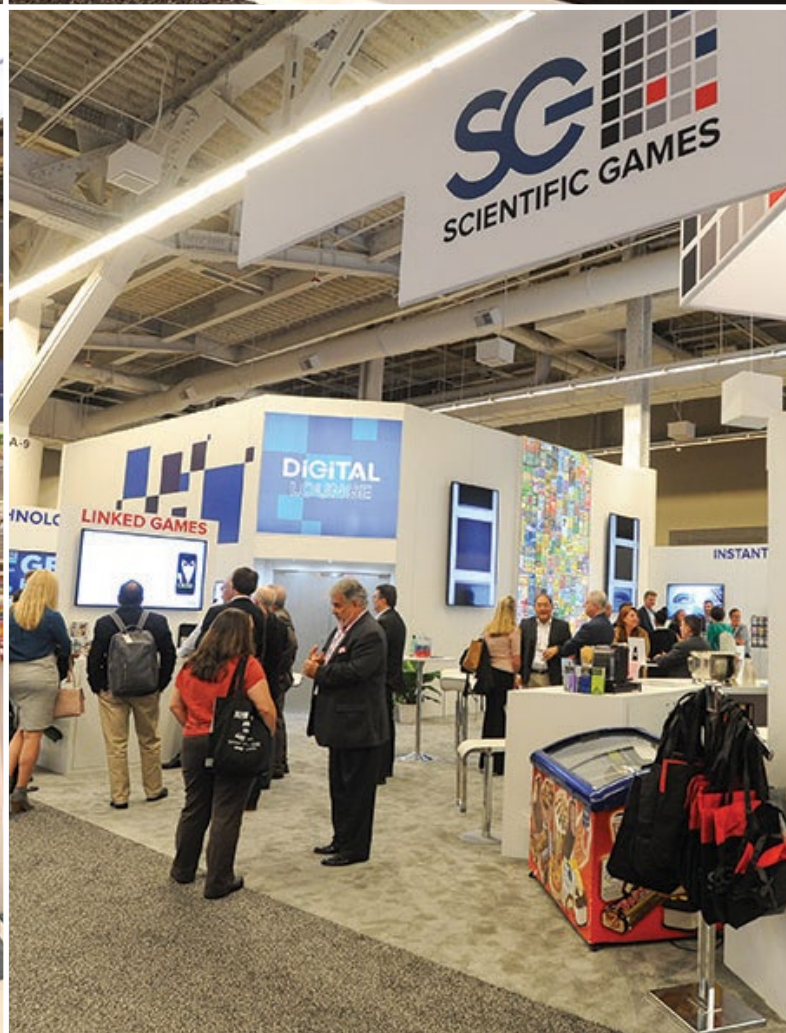


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**POLLARD**

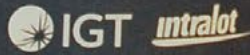


**NASPL 2018**  
*Photo Recap*

DELEGATES  
PL 2018!



NASPL would like to thank our  
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LARD



Elevator to Exhibit Hall A & Global Center



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# NASPL 2018 Award Winners

## Batchy Awards

### Best TV Advertising - Instant Games

New York Lottery  
Bodega Cat

### Best TV Advertising - Daily Draw Games

Ontario Lottery and Gaming  
Hit or Miss - Missing Changed Me

### Best TV Advertising - Lotto/Spiel Games

New York Lottery  
Small Town

### Best TV Advertising - Corporate/Beneficiary

Missouri Lottery  
Play It Forward - Elementary

### Best TV Advertising - Keno Games

Michigan Lottery  
Falling Numbers

### Best TV Advertising - Coordinated Campaign

New York Lottery  
Take 5 - Go for the Win

### Best Radio Advertising - Instant Games

Arkansas Scholarship Lottery  
Heist Radio

### Best Radio Advertising - Daily Draw Games

Arizona State Lottery  
Mega Millions Upgrade

### Best Radio Advertising - Lotto/Spiel Games

California Lottery  
SuperLotto Plus - May the Best Dream Win

### Best Radio Advertising - Corporate/Beneficiary

Missouri Lottery  
Play It Forward - What If?

### Best Radio Advertising - Keno Games

Massachusetts State Lottery  
Add Excitement to Your Routine

### Best Radio Advertising - Coordinated Campaign

New York Lottery  
Take 5 - Go for the Win

### Best Print Advertising - Retailer Signage/Merchandising

New Mexico Lottery  
Holiday Scratcher Tree

### Best Print Advertising - Outdoor

Washington's Lottery  
Sea-Tac

### Best Print Advertising - Color or Black & White

Ontario Lottery and Gaming  
Instant Crossword - When Words Connect

### Best Print Advertising - Corporate/Beneficiary

Missouri Lottery  
Play It Forward - Graduation Cap

### Best Print Advertising - Coordinated Print Campaign

Missouri Lottery  
Summer Thrills Promotion Print Campaign

### Best Original Music for TV or Radio

Minnesota State Lottery  
A Whole Lotto Holiday

### Best Use of Humor - Radio

Washington's Lottery  
Ms. Pac-Man Scratch

### Best Use of Humor - TV

Ontario Lottery and Gaming  
Hit or Miss - Missing Changed Me

### Best Use of Cinematography

Ontario Lottery and Gaming  
Lotto 6/49 - Joy for All

### Best TV or Radio Spot Fitting No Other Category

New York Lottery  
Get Your Quarters Back

### Best Corporate/Beneficiary Video

Ontario Lottery and Gaming  
PlaySmart - PlaySmart Brand Story

### Best TV Campaign Under \$25,000

Idaho Lottery  
Holiday Scratch -  
Santa's Helper & Santa's Sleigh

### Best Corporate Communications - Employee/Player Newsletter

Ontario Lottery and Gaming  
Did You Know? - March 2018

### Best Corporate Communications - Retailer Newsletter

Kentucky Lottery Corporation  
The Quarter Magazine

### Best Responsible Gambling Communications - Print

Wisconsin Lottery  
Not So Super

### Best Responsible Gambling Communications - Video

Virginia Lottery  
Responsible Gambling Retailer  
Training Video

### Best Responsible Gambling Communications - Radio

South Carolina Education Lottery  
In the Kitchen

### Best Responsible Gambling Communications - Electronic

Loto-Québec  
A Close Look at Chance

### Best Responsible Gambling Communications - Coordinated Campaign

Oregon Lottery  
Signs Campaign

### Best New Media

Loto-Québec  
Lotto 6/49 - Perseids

### Best Multicultural Advertising

Illinois Lottery  
Give Me a Second Chance

## Hickey Awards

### Best Special Events Promotion

Atlantic Lottery Corporation  
Holiday Dream Box

### Best Audio/Visual Presentation

Minnesota State Lottery  
I'MN Rally Video

### Best Potpourri Promotion

New York Lottery  
Cat Scratch Magic

### Best Web Site

Ontario Lottery and Gaming  
PlaySmart Website

## Buddy Roogow Innovation Awards

### Best New Instant Game

D.C. Lottery  
Neighborhoods

### Best New Draw Game

Ontario Lottery and Gaming  
Hit or Miss

## Best of the Batch

Washington's Lottery  
Sea-Tac



# *Holiday Instant Catalog*

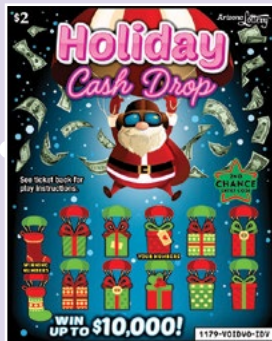


**NASPL**

It's that special time of year again for the *Insights* annual Holiday Instant Ticket Catalog. This feature includes a gallery of holiday tickets from every North American lottery that offers instant games, as well as some general information including game type, price point, odds of winning and top prize. Be sure to check our March/April 2019 issue for a review of how these games performed in the market.

Enjoy the creative works of our members.  
NASPL wishes everyone  
a wonderful holiday season!

# Arizona Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Reindeer Series	Scientific Games	Find	\$1	3,120,000	1 in 4.36	\$500
Holiday Cash Drop	Pollard Banknote	Key Number Match	\$2	2,040,000	1 in 4.1	\$10,000
Christmas Crossword	Pollard Banknote	Crossword	\$3	1,920,000	1 in 3.59	\$20,000
Holiday "7"	Scientific Games	Key Number Match	\$5	1,920,000	1 in 3.82	\$50,000
Money Tree	Scientific Games	Key Number Match	\$10	1,440,000	1 in 3.17	\$100,000
\$500,000 Holiday Countdown	Pollard Banknote	Match 2	\$20	1,200,000	1 in 2.82	\$500,000

# Arkansas Scholarship Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
BETTY BOOP™	Scientific Games	Tic-Tac-Toe	\$1	1.68M	1 in 4.70	\$3,000

# Atlantic Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Holly Jolly	Scientific Games	Word Game	\$3	1,000,000	1 in 3.36	\$30,000
Holiday Cash	Pollard Banknote	Key Number Match	\$10	400,000	1 in 3.08	\$250,000
Classic Celebration	Scientific Games	Pack containing 7 different games	\$50	300,000	1 in 2	\$350,000



# BCLC

Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Holly Jolly Cash	Pollard Banknote	Match 3	\$1	1,500,000	1 in 3.3	\$10,000
Gifts Galore	Pollard Banknote	Match 3	\$1	1,500,000	1 in 3.3	\$10,000
Santa Paws II	Pollard Banknote	Match 3 Symbols	\$2	800,000	1 in 3.3	\$20,000
Christmas Joy	Pollard Banknote	Key Number Match	\$2	800,000	1 in 3.3	\$20,000
Christmas List	Pollard Banknote	Letter Match (crossword-like game play) with Multiplier	\$3	800,000	1 in 3.5	\$50,000
Snowglobe Winnings	Pollard Banknote	Symbol Match	\$3	750,000	1 in 3.5	\$50,000
Santa 7s	Pollard Banknote	Key Number Match	\$5	750,000	1 in 3.3	\$100,000
Merry Money Multiplier III	IGT	Match 3 Symbols	\$5	750,000	1 in 3.3	\$100,000
Holiday Cash (National game)	Pollard Banknote	Key Number Match	\$10	500,000	1 in 3.08	\$250,000
Holiday Gift Pack	Pollard Banknote	9 Games in 1	\$20	375,000	1 in 2	\$150,000

# California Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
The Perfect Gift!	Scientific Games	Key Number Match	\$1	19,000,000	1 in 4.67	\$500
Winner Wonderland®	Scientific Games	Extended Play	\$3	16,000,000	1 in 3.76	\$30,000
Holiday Sparkle	Pollard Banknote	Key Number Match & Bonus	\$10	7,000,000	1 in 3.30	\$1,000,000

# Colorado Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Reindeer Riche\$	Scientific Games	Symbol Match	\$1	2,880,000	1 in 4.1	\$5,000
Silver Bill\$	Scientific Games	Key Number Match	\$2	1,080,000	1 in 4.06	\$10,000
Glowing Gift\$	Scientific Games	Key Number Match	\$3	720,000	1 in 3.2	\$30,000
Holiday Riche\$	Scientific Games	Key Number Match	\$5	1,080,000	1 in 3.72	\$100,000

# Welcome to the NASPL Matrix



NASPL Resource Index



Awards



Responsible Gambling



Insights



Lottery 101



Webinars



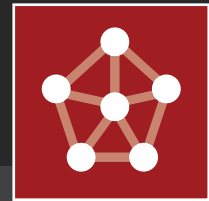
Presentations



Classifieds



Whitepapers



API

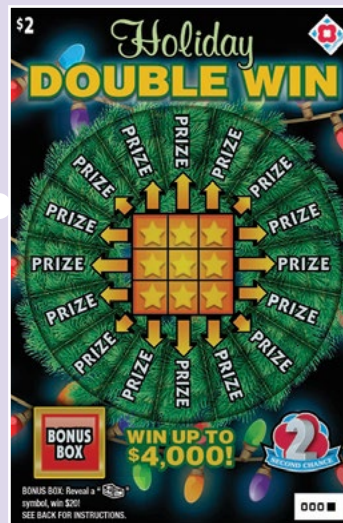
Visit the NASPL Matrix Today  
[www.nasplmatrix.org](http://www.nasplmatrix.org)

# Connecticut Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Holiday Ca\$h	Pollard Banknote	Key Number Match	\$1	1,046,600	1 in 3.94	\$500
Holiday Luck	IGT	Key Number Match	\$2	1,000,000	1 in 4.07	\$5,000
Holiday Wishes	Pollard Banknote	Key Number Match	\$5	1,000,000	1 in 3.93	\$25,000

# DC Lottery



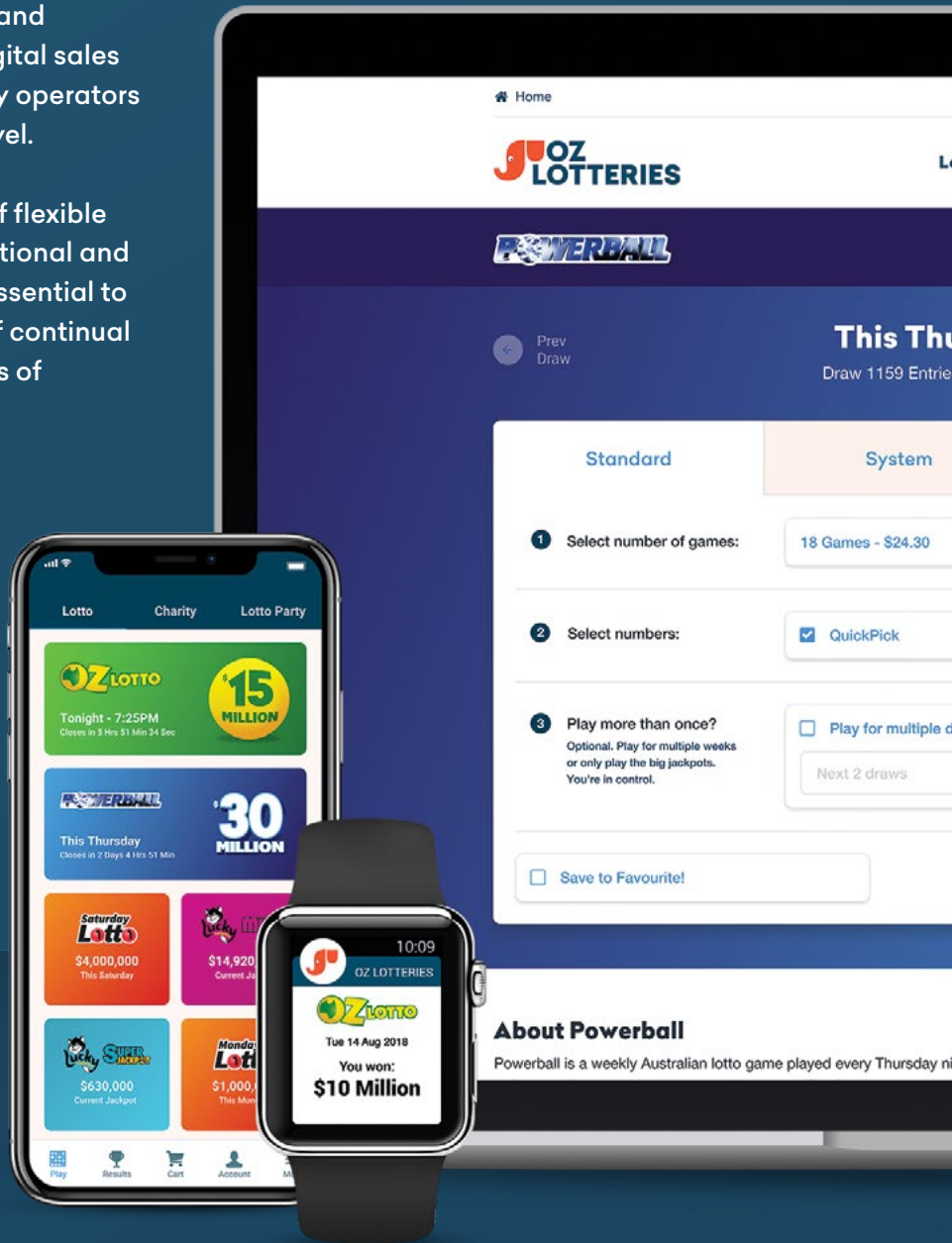
Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Jingle Bills	Scientific Games	Key Number Match	\$1	240,000	1 in 4.73	\$200
Holiday Double Win	Scientific Games	Match Symbol	\$2	160,000	1 in 4.55	\$4,000
\$25,000 Holiday Bonus	Scientific Games	Key Number Match	\$5	180,000	1 in 3.53	\$25,000



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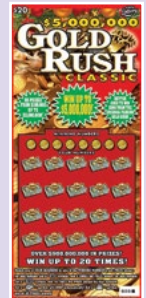
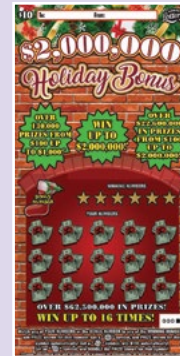
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partners@jumbointeractive.com

# Delaware Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Holiday Cash	Scientific Games	3 of 6	\$1	300,000	1 in 4.66	\$500
Season's Greetings/ Holiday Wishes	Scientific Games	Key Number Match w/doubler	\$2	180,000	1 in 4.58	\$1,000
Ten Elves	Scientific Games	Find	\$3	120,000	1 in 3.60	\$2,000
Money Tree	Scientific Games	Key Number Match w/auto win	\$5	90,000	1 in 3.60	\$5,000

# Florida Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
\$10,000 Holiday Bonus	Scientific Games	Key Number Match	\$1	22,800,000	1 in 4.88	\$10,000
\$50,000 Holiday Bonus	Scientific Games	Key Number Match	\$2	23,760,000	1 in 4.41	\$50,000
\$1,000,000 Holiday Bonus	Scientific Games	Key Number Match	\$5	15,840,000	1 in 4.05	\$1,000,000
\$2,000,000 Holiday Bonus	Scientific Games	Key Number Match	\$10	8,640,000	1 in 3.39	\$2,000,000
\$5,000,000 Gold Rush Classic	Scientific Games	Key Number Match	\$20	10,560,000	1 in 2.99	\$5,000,000

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# Georgia Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Golden Wishes	Scientific Games	Key Number Match	\$1	7,200,000	1 in 4.44	\$5,000
Holiday Cash Multiplier	Scientific Games	Key Number Match	\$2	6,000,000	1 in 3.92	\$50,000
Holiday Gifts	Scientific Games	Extended Play	\$3	3,600,000	1 in 3.85	\$100,000
Happy Holidays	Scientific Games	Key Number Match	\$5	4,800,000	1 in 3.75	\$250,000
50X The Money Holiday Edition	Scientific Games	Key Number Match	\$10	4,800,000	1 in 3.28	\$750,000
Millionaire Jingle Jumbo Bucks	Scientific Games	Key Number Match	\$20	1,440,000	1 in 2.98	\$1,500,000

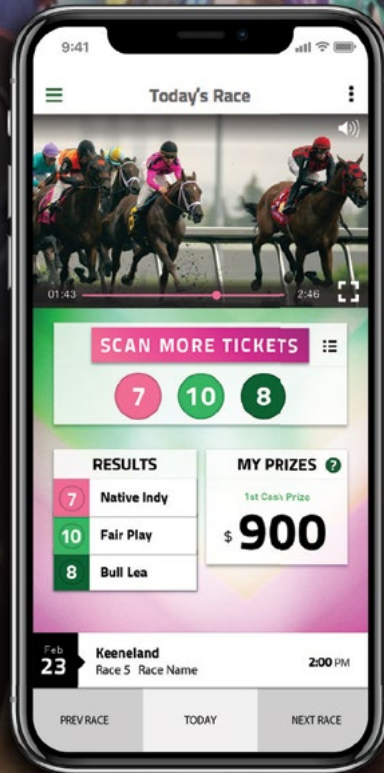
# Hoosier Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Festive \$50s	IGT	Key Number Match	\$1	7,200,000	1 in 4.66	\$500
Holiday \$100s	IGT	Key Number Match	\$2	3,360,000	1 in 4.42	\$10,000
Candy Cane Crossword Tripler	IGT	Crossword	\$3	2,880,000	1 in 3.98	\$40,000
Silver & Gold	Scientific Games	Key Number Match / Scratch My Back™	\$5	7,200,000	1 in 3.91	\$150,000



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at [brad@winplaceshowlotto.com](mailto:brad@winplaceshowlotto.com)

# Idaho Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Rollin' In The Dough	IGT	Key Symbol Match	\$1	840,000	1 in 3.68	\$1,000
Holiday Gold	IGT	Key Symbol Match	\$2	480,000	1 in 3.56	\$10,000
Jolly Holiday Crossword	IGT	Crossword	\$3	660,000	1 in 3.41	\$30,000
Winter Green	IGT	Key Number Match	\$5	480,000	1 in 3.41	\$50,000
Jackpot Frost	IGT	Key Number Match	\$20	210,000	1 in 3.27	\$200,000

# Illinois Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Holiday Cash	Scientific Games	Match 3	\$1	15,600,000	1 in 4.15	\$200
Frosty \$5,000	Scientific Games	Key Number Match	\$1	7,680,000	1 in 4.45	\$5,000
Twelve Elves	Scientific Games	Count Up	\$2	4,320,000	1 in 3.86	\$10,000
Winter Green	Scientific Games	Key Number Match	\$2	4,800,000	1 in 3.93	\$20,000
Candy Cane Crossword	Scientific Games	Crossword	\$3	4,320,000	1 in 3.96	\$500
Holiday Magic	Scientific Games	Key Number Match	\$5	4,800,000	1 in 3.72	\$100,000
Merry Millionaire	Scientific Games	Key Number Match	\$20	2,040,000	1 in 2.91	\$1,000,000

# LA FLEUR'S 2019 LotMKT TRENDS

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# Iowa Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Fa-La-La	IGT	Find Symbol	\$1	1,760,400	1 in 4.10	\$500
Happy Holly Days!	Scientific Games	Match 3	\$1	1,758,900	1 in 4.44	\$900
Gifts Galore	Pollard Banknote	Match 2 Symbols	\$2	1,337,550	1 in 3.44	\$5,000
Jingle All The Way	IGT	Key Number Match	\$2	1,001,250	1 in 3.44	\$5,000
Hipster Holiday Bingo	Pollard Banknote	Bingo	\$2	1,480,950	1 in 3.34	\$25,000
Merry Multiplier	Scientific Games	Key Number Match	\$3	1,132,100	1 in 3.82	\$30,000
Holiday Bonus Crossword	Pollard Banknote	Crossword	\$3	2,217,200	1 in 3.55	\$30,000
Holiday Cash	Scientific Games	Linked Play Action™	\$5	987,420	1 in 3.82	\$50,000
\$50,000 Holiday Super Crossword	Pollard Banknote	Crossword	\$5	1,843,020	1 in 3.51	\$50,000
Treasure Tree	IGT	Key Number Match	\$10	854,790	1 in 2.97	\$100,000
\$100,000 Holiday Mega Crossword	Pollard Banknote	Crossword	\$10	755,250	1 in 3.30	\$100,000



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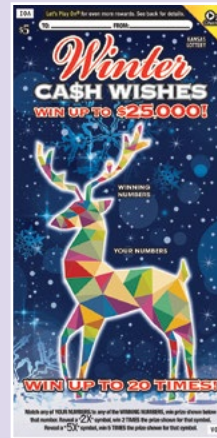
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# Kansas Lottery

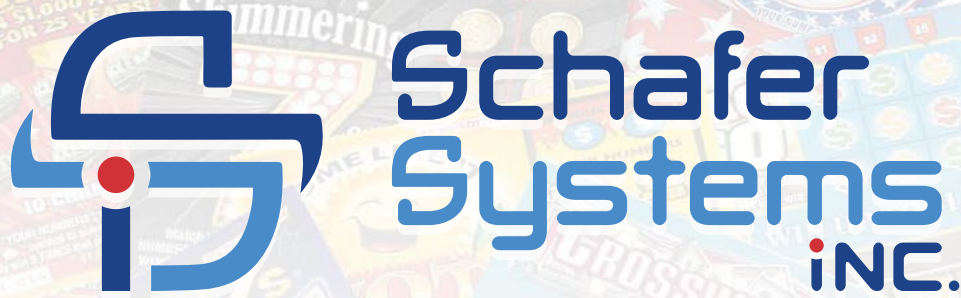


Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Winter Ca\$h Winnings	Pollard Banknote	Match 3	\$1	1,500,000	1 in 3.16	\$1,000
Winter Ca\$h Jackpot	Pollard Banknote	Key Number Match	\$2	750,000	1 in 3.22	\$10,000
Winter Ca\$h Wishes	Pollard Banknote	Key Number Match	\$5	360,000	1 in 3.01	\$25,000
Winter Ca\$h Riches	Pollard Banknote	Key Number Match	\$10	250,020	1 in 2.54	\$75,000

# Kentucky Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
\$5,000 Holiday Gold	Scientific Games	Key Number Match w/ doubler	\$1	5,280,000	1 in 4.88	\$5,000
\$10,000 Holiday Gold	Scientific Games	Key Number Match w/ auto-win & doubler	\$2	3,120,000	1 in 3.94	\$10,000
\$50,000 Holiday Gold	Scientific Games	Key Number Match w/ auto-win, doubler & win-all	\$5	3,000,000	1 in 3.52	\$50,000
\$150,000 Holiday Gold	Scientific Games	Key Number Match w/ auto-win, doubler, 5x & win-all	\$10	1,680,000	1 in 2.94	\$150,000



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# Loto-Québec



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Cadeau surprise	Pollard Banknote	Match 3 Symbols	\$2	3,000,000	1 in 4.0	12 gifts
Mots cachés édition des fêtes	Scientific Games	Crossword	\$3	1,750,000	1 in 3.4	\$25,000
Étiquettes-cadeaux	Pollard Banknote	Match 3 Symbols	\$5	1,000,000	1 in 4.7	\$1,000
Calendrier de l'aveant	Pollard Banknote	Pulltab - 3 different game plays	\$10	800,000	1 in 2.0	\$10,000
Richesses des fêtes	Pollard Banknote	Key Number Match	\$10	800,000	1 in 3.08	\$250,000

# Louisiana Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Holiday Red	Scientific Games	Match 3 with Doubler	\$1	1,920,000	1 in 4.85	\$4,000
Holiday Green	Scientific Games	Key Number Match with Doubler	\$2	960,000	1 in 4.85	\$12,000
Holiday Gold	Scientific Games	Key Number Match with auto win and Doubler	\$5	720,000	1 in 4.85	\$100,000

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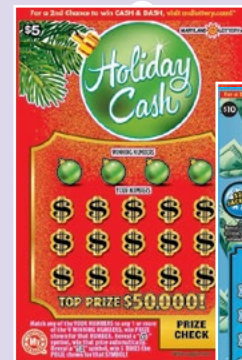
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# Maine State Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Jingle Bucks	Scientific Games	Find Symbol	\$1	1,746,900	1 in 4.50	\$250
Cashing Thru the Snow	Scientific Games	Symbol Reveal	\$2	1,000,050	1 in 4.36	\$25,000
The 12 Days of Christmas	Scientific Games	Symbol Match, 5X Win. Win All	\$5	879,000	1 in 3.70	\$100,000

# Maryland Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Holiday Pets	Pollard Banknote	Symbol Reveal	\$1	3,720,000	1 in 4:51	\$1,000
Polar Bear Bucks	Pollard Banknote	Key Number Match	\$2	2,520,000	1 in 4.00	\$10,000
Peppermint Payout	Pollard Banknote	Number match / Extended Play	\$3	1,560,000	1 in 4.07	\$30,000
Holiday Cash	Pollard Banknote	Key Number Match	\$5	3,120,000	1 in 3.79	\$50,000
\$100,000 Winter Winfall	Pollard Banknote	Key Number Match	\$10	2,040,000	1 in 3.36	\$100,000



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# Massachusetts Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
\$1 Holiday Cheer	Scientific Games	Key Number Match + Auto Win	\$1	70,560,000	1 in 4.83	\$10,000
\$2 Holiday Cheer	Scientific Games	Key Number Match + Auto Win	\$2	12,096,000	1 in 4.64	\$100,000
\$5 Holiday Cheer	Scientific Games	Key Number Match + Auto Win	\$5	12,096,000	1 in 4.15	\$1,000,000
Holiday Cash Blowout	Scientific Games	Key Number Match	\$10	15,120,000	1 in 8.86	\$500

# Michigan Lottery



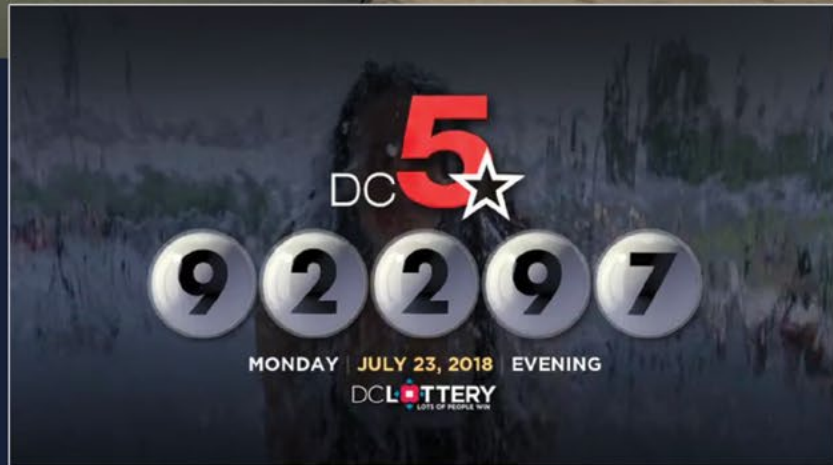
Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Festive \$50's	Pollard Banknote	Key Number Match, Find Symbol	\$1	15,000,000	1 in 4.6	\$5,000
Holiday Lucky Times 12	Pollard Banknote	Key Number Match, Multiplier Feature	\$2	9,600,000	1 in 4.41	\$30,000
Peppermint Payout	Pollard Banknote	Key Number Match, Find Symbol	\$5	4,500,000	1 in 3.8	\$300,000
Holiday Dazzle	Pollard Banknote	Key Number Match, Find Symbol	\$10	3,000,000	1 in 3.67	\$500,000



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# Minnesota State Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Naughty or Nice	Pollard Banknote	Find w/doubler	\$1	3,840,000	1 in 3.72	\$2,000
Frosty Fun	Pollard Banknote	Find w/doubler	\$2	2,640,000	1 in 3.72	\$15,000
Peppermint Cash	Pollard Banknote	Extended Play	\$3	2,640,000	1 in 3.52	\$25,000
Cash Flurries	Pollard Banknote	Find w/Win All	\$5	2,280,000	1 in 3.77	\$100,000

# Missouri Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Mistle Dough	IGT	Key Number Match	\$1	9,120,000	1 in 4.74	\$1,000
Merry Money	Scientific Games	Key Number Match	\$2	4,800,000	1 in 4.45	\$25,000
Peppermint Payout	IGT	Extended Play Number Match	\$3	3,600,000	1 in 3.82	\$50,000
National Lampoon's Christmas Vacation™	Scientific Games	Key Number Match	\$5	3,600,000	1 in 4.08	\$100,000
25 Days of Winning	Scientific Games	Symbol Reveal	\$10	1,680,000	1 in 3.27	\$250,000
Money Tree	Pollard Banknote	Key Number Match & Symbol Reveal	\$20	840,000	1 in 3.17	\$500,000



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# Montana Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Holiday Cash	Scientific Games	Symbol Match	\$1	120,000	1 in 4.00	\$1,000
Frosty Fun	Scientific Games	Key Number Match	\$1	120,000	1 in 4.10	\$1,500
Winter Ice Doubler	Scientific Games	Key Number Match	\$2	140,000	1 in 4.30	\$12,000

# Nebraska Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Merry Money	IGT	Symbol Find	\$1	780,000	1 in 3.48	\$50
Naughty or Nice Crossword	IGT	Crossword	\$3	360,000	1 in 3.51	\$5,000
Peppermint Payout	IGT	Key Number Match	\$5	270,000	1 in 3.26	\$35,000



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# New Hampshire Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Holiday Cheer	Scientific Games	Key Symbol Match (3 scenes)	\$1	1,506,150	1 in 4.75	\$500
Holiday Bonus	Scientific Games	Key Number Match w/Bonus Box	\$2	1,504,650	1 in 4.44	\$20,000
Holiday Lucky X10	Scientific Games	Key Number Match w/Multiplier & Bonus Box	\$5	1,306,700	1 in 4.15	\$100,000

# New Jersey Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Holiday Loose Change	Scientific Games	"Add up" Coins	\$1	5,040,000	1 in 4.57	\$500
Holiday Lucky Times 10	IGT	Key Number Match w/ Multiplier	\$2	7,200,000	1 in 4.24	\$20,000
Holiday Bucks	Scientific Games	Key Number Match	\$5	3,600,000	1 in 4.30	\$200,000
\$1,000,000 Spectacular	Scientific Games	Key Number Match	\$10	8,100,000	1 in 3.92	\$1,000,000 (Annuity)

# X



# Y



# Z



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# New Mexico Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Feliz Navidad!	Scientific Games	Match 3 with a tripler	\$1	720,000	1 in 4.76	\$3,000
Betty Boop	Scientific Games	Reveal Symbol with a doubler	\$2	300,000	1 in 4.12	\$10,000
Holiday Cheer	Scientific Games	Linked Coordinates (Linked Play Action)	\$3	360,000	1 in 3.93	\$25,000
Holiday Games	Scientific Games	Key Number Match with a 5 Times Multiplier and a Bonus Box	\$5	480,000	1 in 3.76	\$50,000
\$100,000 Holiday Countdown	Scientific Games	Match Symbols with a Bonus Box	\$10	240,000	1 in 3.52	\$100,000

# New York Lottery



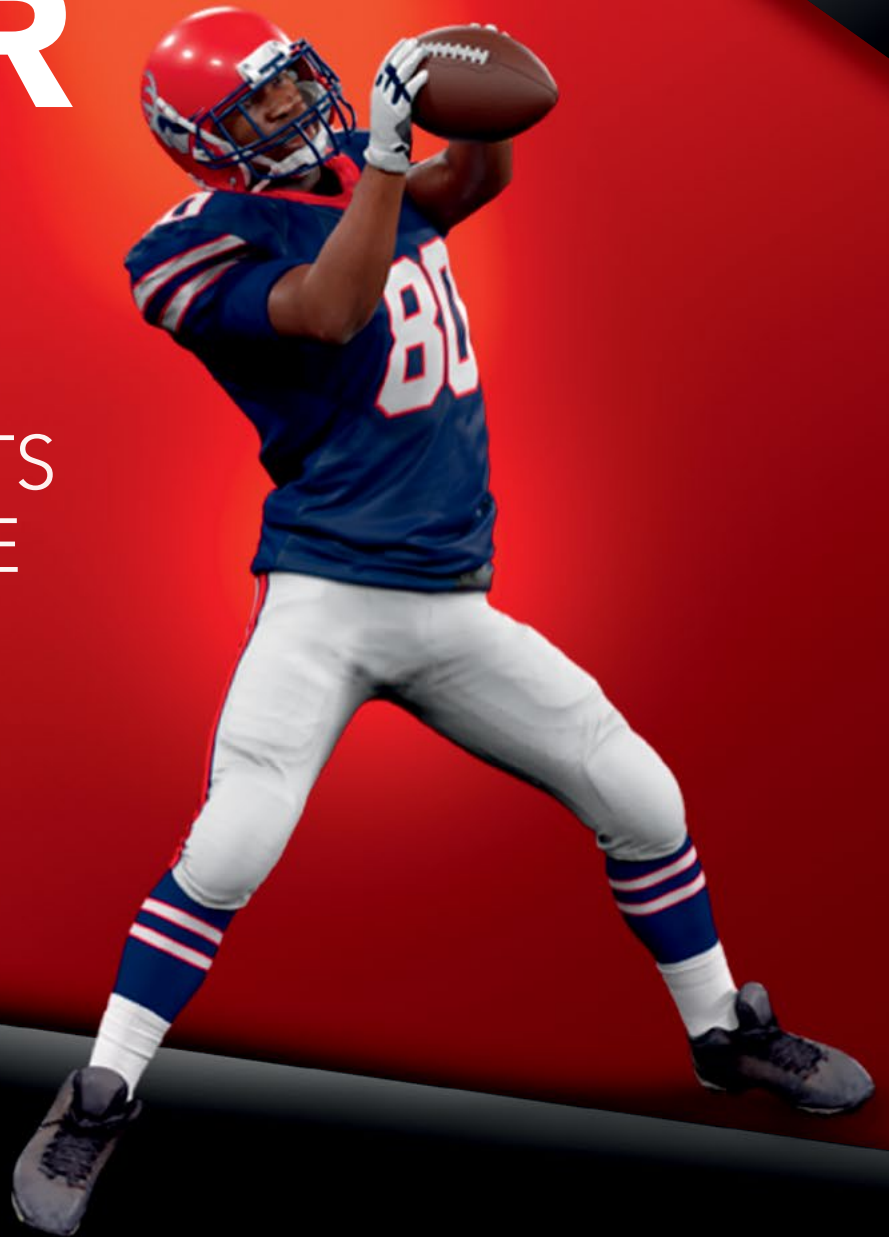
Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Season's Greetings Gift Tags - 10 Scenes	Scientific Games	Symbol Match	\$1	15,120,000	1 in 4.23	\$500
Money Tree Tripler	Scientific Games	Symbol Match	\$2	10,320,000	1 in 4.41	\$25,000
\$500,000 Holiday Magic	Scientific Games	Number Find	\$5	7,920,000	1 in 3.99	\$500,000
Set For The Holidays	Scientific Games	Key Number Match	\$10	5,040,000	1 in 3.28	\$1,000,000



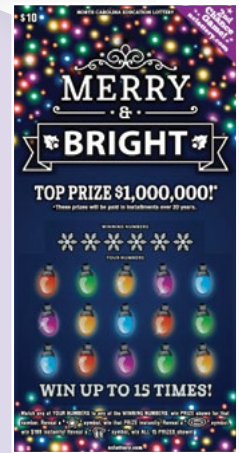
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# North Carolina Education Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Happy Holidays	Scientific Games	Match 3	\$1	4,800,000	1 in 4.76	\$2,000
Tis the Season	Scientific Games	Find	\$2	4,080,000	1 in 4.6	\$25,000
Holiday Cheer	Scientific Games	Extended Play	\$3	2,400,000	1 in 3.99	\$75,000
Holiday Cash	Pollard Banknote	Key Number Match	\$5	3,360,000	1 in 3.96	\$150,000
Merry & Bright	Scientific Games	Key Number Match	\$10	2,400,000	1 in 3.22	\$1,000,000

# Ohio Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Holiday Cash	Scientific Games	Match 3	\$1	18,000,000	1 in 3.99	\$500
Snow Me the Money	Scientific Games	Match Symbols	\$1	8,000,000	1 in 4.73	\$1,000
Holiday Gifts	Scientific Games	Key Number Match	\$2	7,000,000	1 in 3.87	\$20,000
Reindeer Game	Scientific Games	Key Number Match	\$2	6,000,000	1 in 4.09	\$20,000
Naughty or Nice	Scientific Games	Extended Play	\$3	6,000,000	1 in 3.83	\$50,000
Holiday Lucky Times 10	Scientific Games	Key Number Match w/ Multiplier	\$5	6,000,000	1 in 3.64	\$250,000
Winter Ice Multiplier	Scientific Games	Key Number Match	\$5	6,000,000	1 in 4.13	\$150,000
Holiday Fun!	Scientific Games	3 Separate Games	\$10	4,000,000	1 in 3.38	\$500,000



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# Oklahoma Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Reindeer Riches	Scientific Games	Key Number Match	\$1	960,000	1 in 4.00	\$4,000
Snow Me the Money	Scientific Games	Key Number Match	\$2	840,000	1 in 3.30	\$15,000

## OLG



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Warm Winter Winnings	Pollard Banknote	Key Number Match	\$2	2,000,000	1 in 3.73	\$35,000
Reindeer Games	Scientific Games	Casino Games	\$3	3,080,000	1 in 3.51	\$75,000
Jack Frost	Scientific Games	Blackjack	\$5	2,800,000	1 in 3.41	\$100,000
Holiday Cash	Pollard Banknote	Key Number Match	\$10	1,500,000	1 in 3.08	\$250,000
Holiday Gift Pack	Pollard Banknote	Pouch of games including Crossword and Bingo	\$10	2,100,000	1 in 3.16	\$50,000
24 Days to Celebrate	Pollard Banknote	Calendar, Match 3 and Symbols	\$20	1,600,000	1 in 2.99	\$250,000

# Oregon Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Stocking Stuffer	Pollard Banknote	Match 3	\$1	2,160,000	1 in 3.49	1,000
Snow Globe Cash	IGT	Symbol Match	\$2	1,080,000	1 in 3.45	10,000
Holiday Cheer	Scientific Games	Key Number Match	\$5	549,000	1 in 3.56	50,000
Holiday Wishes	IGT	Key Number Match	\$10	230,400	1 in 3.37	100,000
Winter Ca\$h	Pollard Banknote	Key Number Match	\$20	116,000	1 in 3.03	25,000 a year for 10 years / 250,000

# Pennsylvania Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Reindeer Games	Scientific Games	Match 3, 3X Multiplier	\$1	16,800,000	1 in 4.67	\$5,000
Frosty the Doughman	Scientific Games	Find, Auto Win, \$20 Instant Win, Win All	\$2	10,800,000	1 in 4.65	\$20,000
Sleigh Bell\$	Scientific Games	Find, 2X Multiplier, Win All, \$10/\$50 Bonus	\$3	8,400,000	1 in 4.07	\$50,000
Cash Kringle	Scientific Games	Key Number Match,	\$5	12,600,000	1 in 4.28	\$100,000
Money Tree	Scientific Games	Key Number Match	\$10	6,600,000	1 in 3.56	\$300,000
Merry Millionaire	Scientific Games	Key Number Match	\$20	5,400,000	1 in 3.39	\$1,000,000

# Puerto Rico Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Lechon	Scientific Games	Symbol Match	\$1	2,160,000	1 in 4.46	\$1,000
Reyes Mago (Wise Men)	Scientific Games	Symbol Match	\$2	960,000	1 in 4.49	\$10,000

# Rhode Island Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
2019	IGT	Key Number Match	\$1	1,000,000	1 in 4.77	\$1,000
Winter Wishes	IGT	Key Number Match	\$2	840,000	1 in 4.22	\$10,000
Winter Green Multiplier	IGT	Key Number Match	\$5	540,000	1 in 3.68	\$35,000
Winter Cash Blast	IGT	Key Number Match	\$10	300,000	1 in 3.25	\$100,000

# South Carolina Education Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Holiday Cheer	Scientific Games	Tic Tac Toe	\$1	1,920,000	1 in 4.55	\$5,000
Holiday Spectacular	Scientific Games	Key Number Match + Find Symbol	\$2	1,920,000	1 in 4.19	\$20,000

# South Dakota Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Snow Me The Money	Scientific Games	Match 2	\$1	600,000	1 in 4.87	\$5,000
Cashing Thru The Snow	Scientific Games	Find Symbol	\$2	360,000	1 in 4.23	\$10,000
Naughty Or Nice	Scientific Games	Cashword	\$3	360,000	1 in 4.23	\$30,000
Holiday 7	Scientific Games	Key Number Match	\$5	180,000	1 in 3.78	\$57,777

# Tennessee Education Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Holiday Sparkle	Scientific Games	Key Number Match	\$1	3,600,000	1 in 4.69	\$500
15th Anniversary Cash	Scientific Games	Key Number Match	\$1	4,080,000	1 in 4.88	\$1,500
\$20,000 Holiday Gifts	Scientific Games	Key Number Match	\$2	2,520,000	1 in 4.5	\$20,000
15th Anniversary Riches	Scientific Games	Key Number Match	\$2	3,600,000	1 in 4.33	\$15,000
Winter Jumbo Bucks Seasons	Scientific Games	Key Number Match	\$3	1,440,000	1 in 3.65	\$75,000
7 Series [Holiday]	Scientific Games	Key Number Match	\$5	1,680,000	1 in 4.02	\$100,000
Neon	Scientific Games	Key Number Match	\$5	2,160,000	1 in 4.02	\$200,000
Silver Bells	Scientific Games	Key Number Match	\$10	840,000	1 in 3.32	\$200,000
Jumbo Bucks 300X	Scientific Games	Key Number Match	\$30	5,040,000	1 in 2.86	\$4,000,000

# Texas Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Winter Cash	Pollard Banknote	Match 3	\$1	9,000,000	1 in 4.48	\$500
Holiday Cash Drop	Pollard Banknote	Key Symbol Match	\$2	7,200,000	1 in 4.55	\$30,000
Holiday Word Blast	Pollard Banknote	Crossword	\$3	6,000,000	1 in 4.12	\$50,000
Holiday Greetings	Pollard Banknote	Key Number Match	\$5	7,200,000	1 in 3.97	\$100,000
Season's Greetings	Pollard Banknote	Multiple Games	\$10	4,560,000	1 in 3.45	\$250,000

# Vermont Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Bee Merry	Pollard Banknote	Key number match	\$1	550,000	1 in 4.07	\$500
Holiday Fun	Pollard Banknote	Legend	\$2	360,000	1 in 4.24	\$5,000
Oh What Fun Cashword	Pollard Banknote	Crossword	\$3	540,000	1 in 3.85	\$10,000
Holiday Tree	Pollard Banknote	Key number match	\$5	270,000	1 in 4.07	\$10,000
Happy Holidays	Pollard Banknote	Key number match	\$5	270,000	1 in 4.08	\$10,000
Winter Ca\$h	Pollard Banknote	Key number match	\$10	245,000	1 in 3.56	\$20,000



# Virginia Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Holiday Sparkle	Pollard Banknote	Reveal	\$1	6,000,000	1 in 4.49	\$1,000
Gingerbread Doubler	Pollard Banknote	Match and Reveal	\$2	3,840,000	1 in 4.51	\$20,000
Winter Luck	Pollard Banknote	Match and Reveal	\$5	4,080,000	1 in 3.84	\$100,000
\$10,000 Bonus	Scientific Games	Match and Reveal	\$10	2,880,000	1 in 3.44	\$10,000
Win Either \$100 or \$200	Scientific Games	Match and Reveal	\$20	2,880,000	1 in 9.9	\$200

# Washington's Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Tis the Season	Scientific Games	Match 3	\$1	1,800,000	1 in 3.77	\$1,000
Gifts Galore	Scientific Games	Key Number Match	\$5	1,320,000	1 in 2.7	\$50,000
Holiday Countdown	Scientific Games	Match 2	\$10	1,080,100	1 in 3.02	\$200,000



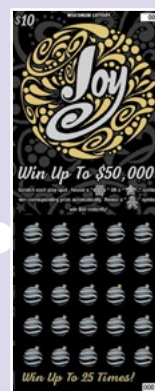
Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Christmas Cash	Pollard Banknote	Match 3	\$1	1,000,000	1 in 3.67	\$10,000
Season's Greetings	Pollard Banknote	Match 3	\$1	1,000,000	1 in 4.05	\$10,000
Cash Flurries	Pollard Banknote	Number Match	\$2	800,000	1 in 3.8	\$25,000
Holly Jolly Doubler	Pollard Banknote	Symbol Match	\$2	1,200,000	1 in 3.54	\$25,000
Gifts Of Gold	Pollard Banknote	Key Number Match	\$3	800,000	1 in 2.99	\$50,000
Christmas Crossword	Pollard Banknote	Crossword	\$3	1,500,000	1 in 3.89	\$50,000
Christmas For Life	Pollard Banknote	Key Number Match	\$4	801,000	1 in 3.31	\$75,000
Lucky Lines Multiplier	Pollard Banknote	Symbol Match	\$4	720,000	1 in 3	\$75,000
Christmas Fun Pack	Pollard Banknote	Number/Symbol Match	\$5	750,000	1 in 3.45	\$100,000
Holiday Green	Pollard Banknote	Key Symbol Match	\$5	750,000	1 in 3.44	\$100,000
\$50s And \$100s Christmas Edition	Pollard Banknote	Key Number Match	\$10	600,000	1 in 5.8	\$100
Holiday Cash	Pollard Banknote	Key Number Match	\$10	600,000	1 in 3.08	\$250,000
Player's Choice Mega Pack	Pollard Banknote	Variety Pack	\$20	750,000	1 in 1	\$1,000,000
24 Days To Celebrate	Pollard Banknote	Symbol Match	\$30	600,000	1 in 2.94	\$300,000

# West Virginia Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Scaredy Cash	IGT	Key Number Match	\$1	1,320,000	1 in 4.98	\$1,000
Santa Paws	IGT	Key Number Match	\$1	1,320,000	1 in 4.98	\$1,000
Cashing Through The Snow	IGT	Key Number Match	\$2	1,080,000	1 in 4.37	\$2,000
Dia De Los Muertos	IGT	Key Number Match	\$2	1,080,000	1 in 4.37	\$2,000
Red & Green Machine	IGT	Symbol Match	\$5	240,000	1 in 4.97	\$5,000

# Wisconsin Lottery



Game Name	Vendor	Play Style	Price Point	Quantity Ordered	Odds of Winning	Top Prize
Winter Time Winnings	Pollard Banknote	Find the Symbol	\$1	1,200,000	1 in 4.2	\$100
Naughty or Nice Crossword	Pollard Banknote	Crossword	\$3	1,200,000	1 in 3.5	\$30,000
Jolly \$500's	Pollard Banknote	Key Number Match	\$5	960,000	1 in 4.2	\$500
Joy	Scientific Games	Find the Symbol	\$10	360,000	1 in 3.7	\$50,000
Holiday Countdown	Pollard Banknote	Match 3	\$15	360,000	1 in 2.9	\$100,000

# WHAT A REBOUND!

The background features a dynamic composition of thick, jagged lines in black and bright pink. These lines create a sense of movement and energy, resembling a stylized path or a series of peaks and valleys. Scattered throughout the white background are small black circles and stars, adding to the celebratory and energetic feel of the design.

AMERICAN LOTTERIES ROARED BACK IN FISCAL 2018, WITH MANY SETTING ALL-TIME RECORDS IN A YEAR MARKED WITH CONSIDERABLE GOOD NEWS AND AN EXCITING LOOK AHEAD.

BY PATRICIA MCQUEEN

**A**s their books were closed for the year, many lotteries surged to all-time highs in fiscal 2018, proof that a billion dollar jackpot isn't the only thing that drives sales. Sure, it's easier to look good when you are coming off what was for many lotteries a down year in fiscal 2017, but the fact is that most lotteries gained enough to surpass even their results from that record-setting fiscal 2016.

A record total of \$77.7 billion in sales of traditional lottery products was generated in fiscal 2018 by the 45 American lotteries covered in this report, up 6.6 percent over the previous year. With net revenues from casino gaming activities operated by some lotteries added in, total sales were almost \$85.6 billion, a increase of 6.4 percent.

Those sales translated to record revenues to beneficiaries – education, economic development, the environment, cities and towns, senior citizens and more. U.S. lotteries transferred a total of \$23.4 billion to those beneficiaries in fiscal 2018, up five percent from the year before.

In Canada, traditional lottery sales were C\$8.8 billion, up 1.5 percent from fiscal 2017. Add in net revenues from the VLTs offered by two lottery operators and total sales were up 1.4 percent to about C\$10.2 billion. Canadian lotteries delivered C\$3.3 billion to their beneficiaries, up 1.1 percent from the previous year.

As always we advise that due to differences in accounting methodologies and other factors, the amounts transferred don't always move in lock step with sales or even with the net income that a lottery generates in a given year, so year-to-year comparisons in transfers are often less meaningful and may be misleading.

Canada's lotteries end their year on March 31, while in the United States most years end June 30; the exceptions are New York (March 31), Texas (August 31), and Michigan and the District of Columbia (September 30). The year end can impact how these lotteries compare to their peers if the timing of a big jackpot pushes sales into different years.

## AMERICAN LEADERS

Leading the way in terms of total sales, and return to beneficiaries, is perennial leader New York Lottery, with more than \$7.9 billion in sales of traditional games, plus just over \$2 billion in net revenues from electronic gaming machines. In total, it finished the year only a few million shy of the \$10 billion mark, up 3.1 percent from the previous year. Almost \$3.4

billion was sent to education in the state.

New York holds onto that lead despite two challengers which have been growing rapidly in recent years; both California and Florida are closing in on the \$7 billion mark in sales.

The California Lottery led the ranks of billion-plus lotteries in terms of percentage increase in sales, posting an 11.7 percent gain to surpass \$6.96 billion. Florida's 8.8 percent growth kept it third at \$6.7 billion. In terms of return to education – the beneficiaries in both states – Florida's \$1.758 billion edged California's \$1.698 billion; both were impressive numbers compared to previous year returns.

Two other lotteries exceeded \$5 billion in sales. Texas surged past Massachusetts to become the fourth largest American lottery with more than \$5.6 billion in sales, a 10.8 percent increase (a rate putting it second behind California among billion-plus lotteries). Massachusetts checked in with almost \$5.3 billion in sales, up 3.8 percent.

Gains in traditional game sales were reported across the board, with just about every lottery posting a sales increase; the vast majority also reported increased revenues to their beneficiaries. Far and away the leading lottery in terms of percentage increase in sales was the Oklahoma Lottery, with a staggering 46 percent increase. There's a reason for that, as described later in this report.

Thirteen other lotteries reported double-digit increases in traditional sales, a remarkable result even considering that fiscal 2017 was that "down" year. Far behind Oklahoma in terms of percentage increase in sales, but still very impressive, was South Dakota, with an 18.5 percent increase in traditional sales.

South Dakota's growth was a result of a number of things. Player excitement was high due to good jackpot rolls in the national games, publicity around the debut of Lotto America and a record jackpot in the state's own lotto game, Dakota Cash. Also contributing was a record year in instant ticket sales (up 15.8 percent), thanks in part to insights learned from player research.

**"JACKPOTS COME AND GO, BUT INSTANT GAMES ARE WHAT REALLY DRIVE CONSISTENCY IN OUR BUSINESS.."**

**- GREGG EDGAR**

"We also attribute our great year to the hard work of our sales staff, along with the valuable partnerships we have with our retailers," said Public Affairs Manager Wade LaRoche. "Together, they collaborated on new dispenser and POS placements that caught the attention of our players."

Behind South Dakota came Arizona with 15.2 percent growth. Another with strong instant ticket sales (up 12.3 percent), Arizona also reported the highest growth of any lottery's local lotto category, with sales of The Pick up almost 28 percent thanks to a record jackpot during the year. The Lottery also had a very successful launch of Fast Play games, further contributing to the great year.

"Jackpots come and go, but instant games are what really drive consistency in our business, so we placed a tremendous amount of focus on what we could control," explained Executive Director Gregg Edgar. The resulting strength in its instant ticket business comes from a number of initiatives – such as expanding the lineup of \$10 core and licensed games, introducing a \$20 game, utilizing creative talents in its Dia de los Muertos and Lucha Libre Loot tickets, which spoke to the Hispanic heritage and soul of Arizona, and developing a licensed ticket with legendary rocker Alice Cooper, who has deep roots in the state.

While instant tickets played a strong part in overall growth, "There is no silver bullet here," said Edgar. "It's a combination of many things – attracting fringe players and catering to core players – that have made the Arizona Lottery the third-fastest growing lottery in the country. We also drove these increases with innovative and unconventional marketing approaches. We implemented targeted promotional and experiential events, generous second chance prizes (we gave away \$2 million in second chance prizes last year alone), and expanded our reach through investments in digital and retail ad environments, and through our aggressive earned media program, worth \$2.3 million in fiscal 2018 and already worth \$4.3 million in fiscal 2019."

# United States Sales Summary

(Dollars in millions)

	FY17	FY18	Increase (Decrease)	Percent Change
Instants	\$46,482.1	\$49,391.5	\$2,909.5	6.3%
Pulltabs	209.5	193.1	(16.4)	-7.8%
Powerball	4,593.1	5,034.9	441.8	9.6%
Mega Millions	2,325.2	3,242.3	917.2	39.4%
Lotto America/Hot Lotto	73.4	79.7	6.2	8.5%
For Life games *	446.6	475.0	28.4	6.4%
All other lotto games	3,565.2	3,519.8	(45.3)	-1.3%
Daily numbers (2-5 digits)	10,384.7	10,525.8	141.1	1.4%
Monitor games	4,131.2	4,389.7	258.5	6.3%
Daily keno	62.7	65.4	2.7	4.3%
Terminal-based instant games	411.1	551.4	140.3	34.1%
Raffles	68.6	63.0	(5.6)	-8.2%
Hybrid instant/draw games	56.8	40.3	(16.5)	-29.0%
All other games	163.2	182.5	19.2	11.8%
<b>Total draw games</b>	<b>26,281.9</b>	<b>28,169.8</b>	<b>1,887.8</b>	<b>7.2%</b>
<b>Total traditional games</b>	<b>72,973.4</b>	<b>77,754.4</b>	<b>4,780.9</b>	<b>6.6%</b>
Electronic gaming machines (net)	6,646.1	6,937.8	291.7	4.4%
Table games (net)	768.7	869.7	101.0	13.1%
<b>Grand total sales</b>	<b>\$80,388.3</b>	<b>\$85,561.9</b>	<b>\$5,173.6</b>	<b>6.4%</b>

\* Includes Lucky for Life, Cash4Life and Win for Life

Rounding out the list of lotteries with double-digit growth were Wyoming (+13.5 percent), North Dakota (+13.4 percent), California (+11.7 percent), Arkansas (+11.3 percent), New Hampshire (+11.2 percent), Oregon (+10.9 percent), Texas (+10.8 percent), Wisconsin (+10.7 percent), Maine (+10.6 percent), Idaho (+10.5 percent) and Colorado (+10.2 percent).

Some of the smaller lotteries on this list – and the two without instant tickets (North Dakota and Wyoming) – benefitted the most from the changes to Mega Millions and a few jackpot rolls in both that game and Powerball. And because those games return a healthy profit percentage, these lotteries also saw big increases in their revenue to beneficiaries. The Wyoming Lottery, the nation's smallest, actually returned 85 percent more in proceeds to its beneficiaries than the year before – by far

the leader by this measure. It accomplished that feat in part because of its 13.5 percent increase in sales, but also due to a reduction in various expense categories. As a fairly recent startup, some of the initial expenses and extra spending on advertising and promotions have wound down.

## THE GAMES

America's two big national jackpot games continue to create drama in the industry. Mega Millions reaped the benefit of its price and matrix change in October 2017, producing bigger jackpots and increased sales for every lottery, translating into extra revenue for beneficiaries. Game sales across the country were \$3.2 billion, an increase of more than 39 percent. Powerball checked in at \$5.0 billion, up 9.6 percent

but still a far cry from the nearly \$6.6 billion in sales back in the billion-dollar year of fiscal 2016. A new rallying cry for these games became “dueling jackpots” when they rolled together, an idea that attracted additional interest by mainstream media.

Fast Play type games surged in fiscal 2018, jumping 34 percent thanks to their introduction in Arizona, Florida and Maine and the first full year of sales in big states like Michigan and Pennsylvania. In total, these terminal-based instant games brought in more than \$551 million in sales during the year.

Keno had its best year ever even as sales slumped slightly in some mature jurisdictions, thanks to several lotteries adding some form of the fast-draw game during the year, including New Hampshire, New Jersey, North Carolina, Pennsylvania and Tennessee. Sales of all monitor games

# Recent Trends in Sales - United States

(Dollars in millions)

	FY14	FY15	FY16	FY17	FY18
Instants/pulltabs	\$39,224.2	\$42,171.3	\$45,396.9	\$46,691.5	\$49,584.6
Monitor games	3,484.7	3,660.1	3,958.8	4,131.2	4,389.7
Lotto and all other games	22,269.6	21,307.4	24,124.7	22,150.7	23,780.1
<b>Total traditional games</b>	<b>64,978.5</b>	<b>67,138.8</b>	<b>73,480.4</b>	<b>72,973.4</b>	<b>77,754.4</b>
Gaming (net)	6,150.0	6,731.8	7,064.6	7,414.8	7,807.5
<b>Total sales</b>	<b>\$71,128.5</b>	<b>\$73,870.6</b>	<b>\$80,545.0</b>	<b>\$80,388.3</b>	<b>\$85,561.9</b>

reached almost \$4.4 billion, up 6.3 percent.

The 'for life' category of lotto games grew by 6.4 percent (to \$475 million) due primarily to a full year of sales in Florida (now the second-largest state in that game category behind New York), Kansas and South Dakota; same-lottery sales were down in many cases.

The new Lotto America multi-state game replaced Hot Lotto during fiscal 2018, and sales for the two games combined were 8.5 percent higher than previous year sales for Hot Lotto.

All other lotto games, mostly in-state games, slipped just 1.3 percent, and as usual there were bright spots. Cash lotto games (defined as any lotto-style game with an advertised cash jackpot, not an annuity) actually recorded a 3.5 percent increase in sales during the year, from \$2.12 billion to \$2.19 billion. Twenty-seven of the 42 lotteries with these kinds of games grew sales; 12 of those saw double-digit gains. The largest in the category is Florida, whose sales of two games with their add-on option (EZ Match) reached almost \$339 million, up 23 percent.

Daily numbers games continue to be the second largest game category after instant tickets; sales of two through five digit games inched forward in fiscal 2018, with a 1.4 percent gain to more than \$10.5 billion.

Instant tickets followed up their modest year in fiscal 2017 with much stronger growth in fiscal 2018, recording a very good 6.3 percent gain. At \$49.4 billion, instant tickets accounted for 63.5 percent of traditional lottery sales, down slightly from 63.7 percent the previous year.

Eight lotteries saw double-digit gains in instant ticket sales. In the stratosphere was Oklahoma's nearly 88 percent increase due to legislative relief; more on that below. Leading the rest was South Dakota,

which as noted earlier achieved instant ticket growth of 15.8 percent. Next was Michigan with 12.6 percent growth; that state continues to impress, reporting strong sales at retail in addition to a healthy online sales channel. Others with impressive instant sales were Arizona and Texas, each up 12.3 percent, followed by California (up 11 percent), Maryland (up 10.9 percent) and Arkansas (up 10.6 percent).

California continues to sell more instant tickets than any other American lottery, becoming the first to surpass \$5 billion in instant sales. Right behind was Florida with more than \$4.6 billion. Texas, with its strong performance, checked in third with \$4.4 billion, jumping past New York in that category.

## OKLAHOMA SUCCESS

The Oklahoma Lottery's spectacular performance was long overdue, ending years of frustration and sagging sales due to a legislated profit mandate of 35

percent. That meant the Lottery couldn't follow industry best practices with instant products and its prize payouts were among the lowest in the country.

The results prove what the industry has known for years – lower payouts mean lower sales, resulting in lower profits; higher payouts trigger higher sales, which more than compensate for lower percentage returns with greater absolute dollars. Oklahoma's instant ticket sales increased by almost 88 percent compared to fiscal 2017, total sales were up 46 percent and the total return to beneficiaries went from \$53.8 million to just under \$64 million, an increase of more than \$10.1 million (or 19 percent). Except for the Powerball anomaly in fiscal 2016, where every lottery's beneficiaries hit the jackpot, so to speak, sales and profits in Oklahoma had been on their way down.

Just how it all happened on the sales and marketing side has been documented in these pages before – see the 2018 and 2017 July/August issues of *Insights* for complete details. But suffice it to say that the entire instant ticket product line was

**"WE ARE HONORED TO ACHIEVE THE HIGHEST PERCENTAGE SALES INCREASE FOR FISCAL 2018."**

**- ROLLO REDBURN**

# Canada Sales Summary

(Canadian dollars in millions)

	FY17	FY18	Increase (Decrease)	Percent Change
Instants	\$2,335.4	\$2,605.3	\$269.8	11.6%
Pulltabs	162.8	154.4	(8.5)	-5.2%
Lotto 6/49	1,430.8	1,451.9	21.0	1.5%
Lotto Max	1,927.0	1,632.3	(294.7)	-15.3%
For Life games	107.4	203.1	95.7	89.1%
All other lotto games	397.1	391.5	(5.5)	-1.4%
Daily numbers (2-4 digits)	219.0	228.9	9.9	4.5%
Spiel games	627.1	621.0	(6.1)	-1.0%
Sports betting	560.4	562.0	1.6	0.3%
Club Keno	293.3	312.7	19.3	6.6%
Daily keno	261.1	262.7	1.6	0.6%
Hybrid instant/draw games	179.5	207.7	28.2	15.7%
All other games	199.7	195.1	(4.6)	-2.3%
<b>Total draw games</b>	<b>6,202.4</b>	<b>6,068.8</b>	<b>(\$133.6)</b>	<b>-2.2%</b>
<b>Total traditional games</b>	<b>8,700.7</b>	<b>8,828.4</b>	<b>127.8</b>	<b>1.5%</b>
Electronic gaming machines (net)	1,391.6	1,410.0	18.4	1.3%
Table games (net)	1.9	2.0	0.1	6.2%
<b>Grand total sales</b>	<b>\$10,094.2</b>	<b>\$10,240.5</b>	<b>\$146.3</b>	<b>1.4%</b>

reintroduced at one time with higher payouts at all price points, and new price points were also added. "We broke a few rules in our approach, and so far it has worked out well," said Executive Director Rollo Redburn. "We are honored to achieve the highest percentage sales increase for fiscal 2018."

Lottery officials had tried for years to get the law changed, and while their efforts fell on deaf ears, they learned in the process. "More effective resources had to be applied to our efforts to make sure that the lawmakers were all properly informed as to the impact of the change and the impact of no change. This included using younger, energetic and intelligent Lottery staff to assist; getting outside consulting help on how to go forward with our efforts and on who to approach and when; and getting professional help to keep all the lawmakers informed and identify, and quickly address, possible problems as they arise." Exacerbating the problem was the typical

turnover of policymakers – relationships along the way had to be developed, redeveloped and nurtured.

Redburn cited one key aspect to finally getting the law changed – identifying a specific education-related need and allocating extra profits to that program. By proposing a modified law that protected existing revenue streams for the four original education beneficiaries while creating a new funding program for reading intervention programs and STEM (Science-Technology-Engineering-Math) programs, it became "an added inducement that helped to get the law changed." He noted that because of the outstanding results in fiscal 2018, the 2019 legislature will appropriate approximately \$13 million to these new programs.

Part of the difficulty in getting the legislative change was that many lawmakers do not support gambling, despite billions of dollars flowing through Oklahoma's tribal casinos. Redburn's

attempts to discuss lottery issues of any kind – even just updates and information – often failed. But with the Lottery's consumer and financial success in fiscal 2018, the tide has turned. "After years of work using the added resources I mentioned, we have now actually received calls and been asked questions such as: 'How can I help you; do you need a bill author?' and 'What law changes are needed to keep the momentum going?'"

That important change in the conversation from 'I don't support the Lottery' to 'So, how much more can the Lottery do?' can't be emphasized enough. Redburn cited three more bills that the Legislature passed in 2018 to further help the Lottery improve sales and profits, including one authorizing the use of debit cards for lottery purchases and one allowing online entry for second chance drawings.

"We are going to ride this wave of success as long as we can and continue to



# Recent Trends in Sales - Canada

(Canadian dollars in millions)

	FY14	FY15	FY16	FY17	FY18
Instants/pulltabs	\$2,408.7	\$2,351.7	\$2,420.7	\$2,498.3	\$2,759.6
Club Keno	242.7	252.3	274.4	293.3	312.7
Sports betting	523.3	544.2	544.3	560.4	562.0
Lotto and all other games	5,026.9	4,660.7	5,740.6	5,348.7	5,194.2
<b>Total traditional games</b>	<b>8,201.6</b>	<b>7,808.9</b>	<b>8,980.0</b>	<b>8,700.7</b>	<b>8,828.4</b>
Gaming (net)	1,327.7	1,319.7	1,383.4	1,393.5	1,412.0
<b>Total sales</b>	<b>\$9,529.3</b>	<b>\$9,128.6</b>	<b>\$10,363.4</b>	<b>\$10,094.2</b>	<b>\$10,240.5</b>

improve relationships with lawmakers and other stakeholders in order to fulfill our mission of providing funding for Oklahoma education programs.”

## THE CANADIAN EXPERIENCE

Canada’s lotteries also rebounded in fiscal 2018 following a tough fiscal 2017, but not quite to the same extent as their southern neighbors. Their national game sales that drove new heights in fiscal 2016 was a harder act to follow than the similar experience in the U.S., because Lotto Max and Lotto 6/49 account for more than a third of Canada’s traditional game sales – compared to about 10 percent of American sales coming from Powerball and Mega Millions.

The country’s two largest lotteries, Ontario Lottery and Gaming (OLG) and Loto-Québec, both saw nearly three percent gains in traditional sales. In both provinces, gains were driven by strong instant sales (up more than 13 percent in each), increases in the national Lotto 6/49 and a full year of Daily Grand, also available across the country.

The Atlantic Lottery’s instant product actually led the nation in percentage gains, with sales up 14.5 percent across its four member provinces. The record sales in instant games were due in part to brand extensions into higher price points, including a \$30 Crossword and a \$20 Super Set for Life, along with higher price points in the national instant games as well.

OLG launched its first-ever four-minute game, Hit or Miss, near the end of the fiscal

year. In just 12 weeks, the game produced C\$15.4 million in sales, big numbers for Ontario, and 132 percent over budget. For more about Hit or Miss, which won NASPL’s Buddy Roogow Innovation Award for Best New Draw Game, see page 45.

The national game Lotto Max sagged again, with a 15 percent drop in sales following a nearly 12 percent decline in fiscal 2017; the game had soared in fiscal 2016. Upcoming changes to the game will launch next spring in the hopes of reversing that trend.

Daily Grand expanded to all provincial lotteries in fiscal 2018; total sales in the ‘for life’ category game reached \$203 million during the year. First launched in October 2016, the middle of Canada’s fiscal 2017, the C\$3 Daily Grand was the country’s first new national draw game since Lotto

Max debuted in 2009. The game is drawn twice weekly and is modeled after similar American games.

## ONLINE SALES

More lotteries are joining the online sales arena, which is often seen as an important way to attract new – and younger – players. The first American lottery to offer single-draw ticket sales online was Illinois, launched in March 2012. Others have followed suit, and 11 lotteries were offering some form of online sales, including those with subscriptions only, by the end of fiscal 2018.

Comparing results is challenging, however, due to differences in product offerings and in reporting. Some lotteries

THE COUNTRY’S TWO LARGEST LOTTERIES, ONTARIO LOTTERY AND GAMING (OLG) AND LOTO-QUEBEC, BOTH SAW NEARLY THREE PERCENT GAINS IN TRADITIONAL SALES.

## BASED ON EVENTS TO DATE IN FISCAL 2019, THE RECORDS ACHIEVED BY MANY LOTTERIES IN FISCAL 2018 WILL LIKELY BE BLOWN AWAY NEXT YEAR.

only offer a few draw games online, others add instant-win games to the mix, and Pennsylvania's launch includes only instant-win interactive games with added play value. Of those offering instant-win games, Georgia, Kentucky and Pennsylvania report total sales, while Michigan reports sales net of prizes.

The Pennsylvania Lottery made a smashing online debut on May 22, generating \$20.8 million in total play in less than two months; its fun and interactive instant-win games are clearly resonating with players.

Michigan continues its strength in the online channel, reporting almost \$114 million in play during fiscal 2018, net of about \$6.1 million in promotional costs for its successful online game cards, which involve retailers in the purchase. That's up 24 percent from fiscal 2017. Most sales come from online instant games, although as noted those are reported net of prizes. It should also be noted that Michigan's retail products continue to do incredibly well. For example, instant tickets were up 12.6 percent in fiscal 2018 after a 16.2 percent increase the previous year, for a two-year growth of almost 31 percent. That compares to the industry average two-year growth of about 9.2 percent, and exceeds all other lotteries except the special case of Oklahoma.

The Georgia Lottery, which offers an online portfolio of selected draw games, keno and instants, reported \$50 million in online sales, up more than 50 percent over the previous year. The Illinois Lottery, limited to Powerball, Mega Millions and Lotto, had \$27.6 million in online sales in fiscal 2018, up almost 40 percent. The Kentucky Lottery offers instant games, Powerball, Mega Millions, Keno, Lucky for Life and Cash Ball 225. Total online sales in fiscal 2018 were \$14.7 million, up 122 percent with Keno added to the online product mix during the year.

Two more lotteries began their online path with subscription-based sales, but now offer single-draw sales. First was the North Dakota Lottery, which added that option beginning in July 2014; online sales

in this small lottery state, which only offers draw games, surpassed \$1 million in fiscal 2018, up 19 percent. The North Carolina Education Lottery began offering single draw sales in June 2016, and available games are Powerball, Mega Millions, Lucky for Life and Cash 5. Total sales more than doubled in fiscal 2018 to \$6.8 million.

The Virginia and New York lotteries continue to offer subscriptions through an online system, but have thus far stopped short of single draw sales. New Hampshire was doing the same thing until it launched an online sales platform in September; available games there now are Powerball, Mega Millions and instant-win products.

The Delaware Lottery has gone a different route – offering online sales of casino gaming products in partnership with their racetrack casinos; the tiny state brought in \$2.2 in net gaming revenue online during fiscal 2018, down from \$2.7 million the previous year.

Canada's lotteries have much more online experience than those in the United States, with two operators launching online sales back in 2004 and others following suit, but for the most part their online sales figures are not released.

## CASINO GAMING

As always, revenue from casino gaming is included for eight American lotteries in this analysis; the numbers reported are net win from electronic gaming machines (video lottery terminals or slot machines) and table games, where offered. A ninth lottery, Kansas, owns casinos in its jurisdiction but farms out their operation; as the model is somewhat different, its gaming revenues are not included here.

Although still growing overall, gaming revenues are slowing down in mature markets. The two newest jurisdictions, Maryland and Ohio, continue to do well. Maryland gaming revenues were up 18.2 percent; Ohio's were up 6.5 percent. South Dakota led the mature markets with a 3.9 percent gain, but all the other markets managed at least a marginal gain as some

of the biggest competitive impacts have already been absorbed.

Although it had a very good year in traditional game sales, Maryland's strong growth in casino gaming revenues pushed it into the double-digit growth category for overall sales, with a total increase of 11.0 percent.

In Canada, both Loto-Quebec and Atlantic Lottery reported slight gains in net VLT revenues; combined revenues were up 1.3 percent. Again for the purposes of this report, casino operations in British Columbia, Ontario and Quebec are not included, even though a single entity runs both lottery and gaming in each of these provinces. Also excluded are VLTs operated by other entities in Alberta, Manitoba and Saskatchewan.

## THE WILD RIDE CONTINUES

Based on events to date in fiscal 2019, the records achieved by many lotteries in fiscal 2018 will likely be blown away next year. Mega Millions joined Powerball in the billion dollar club, with a \$1.537 billion jackpot in October. Monthly sales records fell for many lotteries, and because of the 50 percent payout of these games, record revenues for beneficiaries are also likely.

Many American lotteries are also excited about sports betting, effectively legalized last May when the U.S. Supreme Court struck down the Professional and Amateur Sports Protection Act as unconstitutional. Delaware wasted no time expanding from parlay wagering to full head-to-head sports betting in early June, just before its fiscal year ended. Sports sales there were \$54.7 million in fiscal 2018, compared to \$46.1 million the previous year.

The West Virginia Lottery opened its first casino sports book at the end of August, and the Rhode Island Lottery began offering sports betting at its two casinos in late November.

North of the border, changes are coming to Canada's biggest game, Lotto Max, although the scheduled implementation in May 2019 actually comes after the close of their fiscal year on March 31. A second weekly drawing, an increase in the maximum jackpot size and additional prize levels all are designed to help the jackpots grow bigger, and faster. These changes, like the ones to America's big games, are in response to the marketplace as the bar keeps raising for consumer expectations on big jackpots. ■

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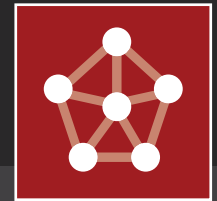
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# Fiscal 2018 Lottery Sales and Revenues

## United States

	..... Daily Numbers Games .....					
	Instants	Pulltabs	2-digit	3-digit	4-digit	5-digit
Arizona	\$710,886,936	\$8,713,206		\$11,710,743		
Arkansas	407,604,791			7,736,793	\$4,516,508	
California	5,077,397,175			149,410,774	29,805,996	
Colorado	407,489,335			12,247,661		
Connecticut	730,691,892			121,616,297	120,868,978	
Delaware	70,595,124			27,022,550	22,781,984	
D.C.	49,489,636		\$572,655	39,528,838	52,460,631	\$21,939,646
Florida	4,652,295,000		20,267,000	366,073,000	259,271,000	52,618,000
Georgia	3,163,420,479			525,434,491	282,570,633	7,396,780
Idaho	146,906,667	45,416,663		2,385,518		
Illinois	1,880,457,348			278,061,925	248,815,994	
Indiana	934,985,000			36,359,000	35,039,000	
Iowa	244,260,964	10,916,692		7,705,163	4,341,103	
Kansas	149,979,002	7,410,040		7,089,797		
Kentucky	623,386,000			149,653,000	43,484,000	
Louisiana	217,150,430			52,108,444	48,710,356	
Maine	223,524,517			5,731,155	4,457,041	
Maryland	760,009,629			235,402,012	296,206,896	
Massachusetts	3,592,661,000	686,000		325,158,000		
Michigan	1,576,818,301	32,899,604		371,283,878	466,480,953	
Minnesota	411,165,885			17,686,855		
Missouri	906,750,562	86,031,404		79,213,721	52,780,998	
Montana	17,865,674					
Nebraska	100,813,623			5,481,295		
New Hampshire	238,866,572			5,455,938	4,928,155	
New Jersey	1,852,303,108			421,314,899	267,152,439	
New Mexico	72,291,000			5,624,000		
New York	4,178,499,000			887,310,000	927,022,000	
North Carolina	1,782,807,000			317,138,000	145,065,000	
North Dakota						
Ohio	1,600,611,627			340,069,004	205,061,785	40,827,991
Oklahoma	127,627,940			5,302,479		
Oregon	130,389,967				1,605,368	
Pennsylvania	2,824,238,704		5,998,196	270,442,958	220,658,083	44,812,727
Rhode Island	98,706,129			23,210,120		
South Carolina	1,259,068,821			213,132,561	101,128,568	
South Dakota	30,181,754					
Tennessee	1,407,863,177			63,334,620	38,882,396	
Texas	4,418,324,547			261,738,769	114,217,052	
Vermont	102,000,000			1,257,000	1,198,000	
Virginia	1,184,641,974			296,627,276	302,727,557	
Washington	507,900,498			18,925,205	13,677,024	
West Virginia	99,194,790			7,940,388	4,746,084	
Wisconsin	419,398,240	1,036,575		23,867,132	13,909,820	
Wyoming						
<b>Total U.S.</b>	<b>\$49,391,519,818</b>	<b>\$193,110,184</b>	<b>\$26,837,851</b>	<b>\$5,996,791,258</b>	<b>\$4,334,571,400</b>	<b>\$167,595,144</b>

**General notes:**

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**Specific note:**

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# Fiscal 2018 Lottery Sales and Revenues

United States

	Lotto	Powerball	Mega Millions	Lotto America/ Hot Lotto	For Life games
Arizona	\$58,029,361	\$118,509,867	\$60,900,765		
Arkansas	7,918,644	36,745,344	19,598,073		\$2,856,202
California	429,936,838	537,015,866	434,643,087		
Colorado	50,011,834	88,156,321	38,401,894		15,686,288
Connecticut	50,028,735	88,134,827	42,157,718		19,577,098
Delaware	4,559,172	24,577,701	12,072,786	\$3,430,551	3,022,369
D.C.		9,033,810	7,136,278		2,163,648
Florida	578,625,000	474,039,000	220,619,000		59,219,000
Georgia	117,172,402	155,933,613	125,569,535		9,778,636
Idaho	3,507,795	33,197,811	13,524,177	2,715,739	3,298,584
Illinois	228,385,057	161,207,497	125,010,860		
Indiana	68,531,000	108,147,000	45,852,000		5,414,000
Iowa		58,471,048	21,293,740	8,633,919	5,600,490
Kansas	13,381,500	40,047,750	17,220,849	7,338,642	5,887,198
Kentucky	11,520,000	77,865,000	39,816,000		7,834,000
Louisiana	34,922,265	96,167,914	41,915,689		
Maine	13,522,231	24,372,974	8,856,271	2,247,386	3,780,748
Maryland	48,610,933	111,194,931	88,555,640		13,173,716
Massachusetts	103,508,000	130,832,000	92,552,000		25,028,000
Michigan	107,079,315	125,354,463	152,676,533		14,856,681
Minnesota	28,371,329	75,389,899	26,037,036	12,501,142	6,629,815
Missouri	57,993,374	103,895,726	48,248,806		7,938,172
Montana	7,628,564	13,676,021	4,899,157	2,671,112	2,719,668
Nebraska	19,193,857	38,615,072	14,980,937		4,283,308
New Hampshire	11,398,337	36,780,498	16,947,560	1,322,044	5,444,744
New Jersey	217,503,433	231,872,739	180,327,212		41,328,758
New Mexico	7,653,000	29,612,000	13,159,000	4,784,000	
New York	309,463,000	408,065,000	311,750,000		94,011,000
North Carolina	65,357,000	168,684,000	78,566,000		19,176,000
North Dakota	4,394,747	14,315,212	6,263,412	3,115,076	3,219,828
Ohio	87,365,409	148,094,503	120,080,340		20,740,043
Oklahoma	4,021,953	49,550,146	22,786,249	9,179,354	1,985,662
Oregon	36,525,999	60,088,322	30,089,400		3,608,392
Pennsylvania	250,415,767	272,715,402	133,885,243		17,825,596
Rhode Island	4,465,768	30,191,087	13,345,270		4,970,754
South Carolina	23,918,157	93,177,864	45,544,772		12,679,134
South Dakota	3,328,840	14,535,193	4,725,124	2,832,536	2,577,463
Tennessee	18,986,720	117,977,776	51,746,858	13,547,384	8,817,648
Texas	241,916,656	289,578,267	260,991,143		
Vermont	5,047,000	10,179,000	4,532,000		1,740,000
Virginia	46,484,948	110,388,116	130,782,622		15,241,200
Washington	60,186,145	72,892,676	54,651,304		
West Virginia	4,833,798	36,483,389	14,850,547	5,346,702	
Wisconsin	64,420,038	98,228,249	39,471,740		
Wyoming	9,700,978	10,890,693	5,293,448		2,861,021
<b>Total U.S.</b>	<b>\$3,519,824,900</b>	<b>\$5,034,881,586</b>	<b>\$3,242,328,074</b>	<b>\$79,665,587</b>	<b>\$474,974,864</b>

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**Specific note:**

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# Fiscal 2018 Lottery Sales and Revenues

United States

	..... Monitor Games .....				Terminal-based Instant games	Hybrid lotto/ Instant-win
	Daily Keno	Keno	Others	Raffles		
Arizona					\$8,099,976	\$2,382,590
Arkansas					12,731,621	
California		\$288,701,169				
Colorado						
Connecticut		86,427,989		\$2,146,010		
Delaware		8,721,480				
D.C.		7,445,525	\$8,618,948		11,865,871	
Florida					17,785,000	
Georgia		190,926,260			9,537,517	4,238,866
Idaho				3,000,000	11,131,640	
Illinois				6,484,800		
Indiana	\$17,545,000				11,831,000	
Iowa					9,733,769	
Kansas		14,200,817	2,459,770	3,933,440		
Kentucky		82,818,000				6,136,000
Louisiana						-
Maine					6,073,697	1,567,673
Maryland		291,409,988	192,584,289			5,646,303
Massachusetts		996,794,000	9,679,000			
Michigan	8,988,488	627,851,848		14,998,400	71,183,967	7,886,791
Minnesota				6,998,440	11,697,167	
Missouri		57,363,460				
Montana				3,000,000	3,921,292	
Nebraska						
New Hampshire		8,357,389			3,250,789	
New Jersey		53,033,838			29,344,906	5,521,419
New Mexico					786,000	
New York	29,557,000	793,152,000				
North Carolina		28,519,000				
North Dakota						
Ohio		421,148,362	11,579,612		164,535,171	
Oklahoma						656,613
Oregon		102,023,352		2,499,910		
Pennsylvania		7,614,162		11,705,360	114,448,817	
Rhode Island		82,435,628	1,034,438			
South Carolina					1,512,809	
South Dakota						
Tennessee		14,758,379				
Texas						
Vermont					6,467,000	
Virginia				7,491,580	45,434,462	
Washington	5,705,640					
West Virginia	3,639,022					
Wisconsin				765,188		6,295,438
Wyoming						
<b>Total U.S.</b>	<b>\$65,435,150</b>	<b>\$4,163,702,646</b>	<b>\$225,956,057</b>	<b>\$63,023,128</b>	<b>\$551,372,471</b>	<b>\$40,331,693</b>

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# Fiscal 2018 Lottery Sales and Revenues

United States

	Other	..... Traditional Games .....	% Change	EGMs (Net)	Table Games (Net)
		Total Sales			
Arizona	\$2,144,400	\$981,377,844	15.2%		
Arkansas		499,707,976	11.3%		
California	18,881,208	6,965,792,113	11.7%		
Colorado		611,993,333	10.2%		
Connecticut	5,941,739	1,267,591,283	4.2%		
Delaware	54,747,779	231,531,496	7.3%	\$355,959,193	\$54,629,995
D.C.		210,255,485	-3.9%		
Florida		6,700,811,000	8.8%		
Georgia	5,803,646	4,597,782,858	1.5%		
Idaho		265,084,594	10.5%		
Illinois		2,928,423,481	2.9%		
Indiana	6,363,000	1,270,066,000	4.7%		
Iowa		370,956,887	5.3%		
Kansas		268,948,805	4.2%		
Kentucky		1,042,512,000	4.2%		
Louisiana		490,975,098	7.9%		
Maine		294,133,693	10.6%		
Maryland		2,042,794,337	5.8%	1,046,676,783	632,289,627
Massachusetts		5,276,898,000	3.8%		
Michigan		3,578,359,222	7.5%		
Minnesota		596,477,568	5.9%		
Missouri		1,400,216,223	4.3%		
Montana	221,754	56,603,242	7.4%		
Nebraska		183,368,092	5.5%		
New Hampshire		332,752,026	11.2%		
New Jersey		3,299,702,751	3.5%		
New Mexico	120,000	134,029,000	6.3%		
New York		7,938,829,000	3.4%	2,034,690,000	
North Carolina		2,605,312,000	7.3%		
North Dakota		31,308,275	13.4%		
Ohio		3,160,113,845	5.3%	987,297,088	
Oklahoma		221,110,396	45.9%		
Oregon	1,523,926	368,354,636	10.9%	933,980,026	
Pennsylvania	46,620,182	4,221,381,197	5.5%		
Rhode Island	10,391	258,369,585	3.4%	481,372,522	145,831,111
South Carolina		1,750,162,686	7.0%		
South Dakota		58,180,910	18.5%	220,625,317	
Tennessee		1,735,914,958	7.7%		
Texas	40,080,453	5,626,846,887	10.8%		
Vermont		132,420,000	8.2%		
Virginia		2,139,819,735	7.5%		
Washington		733,938,492	9.0%		
West Virginia		177,034,720	6.3%	877,207,338	36,931,055
Wisconsin		667,392,420	10.7%		
Wyoming		28,746,140	13.5%		
<b>Total U.S.</b>	<b>\$182,458,478</b>	<b>\$77,754,380,288</b>	<b>6.6%</b>	<b>\$6,937,808,267</b>	<b>\$869,681,788</b>

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# Fiscal 2018 Lottery Sales and Revenues

United States

	Total FY18 Lottery Sales	Total FY17 Lottery Sales	% Change	FY18 Prizes Traditional Games	FY18 Total Transfers to Beneficiaries
Arizona	\$981,377,844	\$852,004,622	15.2%	\$647,652,599	\$211,913,799
Arkansas	499,707,976	449,141,028	11.3%	341,895,420	91,844,929
California	6,965,792,113	6,233,468,423	11.7%	4,476,580,353	1,698,345,219
Colorado	611,993,333	555,333,490	10.2%	380,834,168	140,736,802
Connecticut	1,267,591,283	1,216,262,021	4.2%	792,589,574	347,300,000
Delaware	642,120,684	624,490,704	2.8%	136,506,526	214,909,734
D.C.	210,255,485	218,709,000	-3.9%	117,365,480	46,100,000
Florida	6,700,811,000	6,156,478,806	8.8%	4,844,771,000	1,758,329,000
Georgia	4,597,782,858	4,528,949,737	1.5%	2,768,717,337	1,143,913,309
Idaho	265,084,594	239,929,866	10.5%	176,187,739	53,500,000
Illinois	2,928,423,481	2,846,172,791	2.9%	1,984,121,927	722,383,573
Indiana	1,270,066,000	1,213,076,372	4.7%	797,271,000	306,079,000
Iowa	370,956,887	352,242,810	5.3%	227,491,072	87,096,200
Kansas	268,948,805	258,030,943	4.2%	157,890,979	74,726,543
Kentucky	1,042,512,000	1,000,501,000	4.2%	657,362,000	263,271,000
Louisiana	490,975,098	454,966,217	7.9%	263,606,902	171,955,980
Maine	294,133,693	265,947,755	10.6%	194,088,898	63,029,986
Maryland	3,721,760,747	3,352,488,029	11.0%	1,248,722,984	1,148,848,171
Massachusetts	5,276,898,000	5,084,779,000	3.8%	3,891,554,000	997,057,000
Michigan	3,578,359,222	3,329,798,181	7.5%	2,209,486,482	935,391,333
Minnesota	596,477,568	563,503,002	5.9%	370,624,524	145,099,182
Missouri	1,400,216,223	1,342,665,109	4.3%	937,733,555	306,072,098
Montana	56,603,242	52,705,002	7.4%	32,710,156	10,699,126
Nebraska	183,368,092	173,819,106	5.5%	106,634,524	45,250,114
New Hampshire	332,752,026	299,154,697	11.2%	211,533,505	87,386,002
New Jersey	3,299,702,751	3,186,909,893	3.5%	1,991,568,091	1,030,296,012
New Mexico	134,029,000	126,041,264	6.3%	73,142,478	40,218,983
New York	9,973,519,000	9,675,722,000	3.1%	4,816,333,000	3,371,868,000
North Carolina	2,605,312,000	2,428,071,344	7.3%	1,647,827,000	671,261,549
North Dakota	31,308,275	27,620,244	13.4%	16,140,645	8,042,500
Ohio	4,147,410,933	3,928,345,277	5.6%	1,995,285,756	1,087,721,000
Oklahoma	221,110,396	151,502,503	45.9%	129,610,748	63,979,605
Oregon	1,302,334,662	1,246,302,524	4.5%	227,423,034	726,087,401
Pennsylvania	4,221,381,197	4,001,035,373	5.5%	2,733,773,913	1,093,645,976
Rhode Island	885,573,218	872,376,419	1.5%	162,126,601	364,974,453
South Carolina	1,750,162,686	1,635,698,381	7.0%	1,149,786,141	430,978,177
South Dakota	278,806,227	261,454,819	6.5%	33,679,593	124,746,260
Tennessee	1,735,914,958	1,611,904,497	7.7%	1,039,051,371	421,680,920
Texas	5,626,846,887	5,077,461,652	10.8%	3,737,392,730	1,450,474,658
Vermont	132,420,000	122,370,063	8.2%	87,436,000	27,154,000
Virginia	2,139,819,735	1,989,872,193	7.5%	1,307,698,463	606,222,494
Washington	733,938,492	673,330,399	9.0%	457,904,034	182,970,728
West Virginia	1,091,173,112	1,079,517,288	1.1%	106,531,033	473,947,597
Wisconsin	667,392,420	602,772,777	10.7%	404,446,975	170,659,626
Wyoming	28,746,140	25,333,304	13.5%	14,971,342	5,026,720
<b>Total U.S.</b>	<b>\$85,561,870,343</b>	<b>\$80,388,259,924</b>	<b>6.4%</b>	<b>\$50,106,061,652</b>	<b>\$23,423,194,759</b>

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# Fiscal 2018 Lottery Sales and Revenues

Canada

	..... Daily Numbers .....			
	Instants	Pulltabs	3-digit	4-digit
British Columbia	\$273,813,993	\$25,750,200		
Ontario	1,353,751,658		\$70,325,899	\$69,939,505
Quebec	445,405,000		43,228,000	
Alberta	178,485,789		17,418,426	
Manitoba	64,897,783		5,994,422	
NW Territories	8,084,434		160,954	
Saskatchewan	49,405,637		2,446,536	
Yukon	3,223,595		63,262	
WCLC Total	304,097,238		26,083,600	
New Brunswick	59,779,493	18,484,637		
Newf. & Lab.	82,925,623	79,426,655		
Nova Scotia	73,097,150	23,393,125		
Prince Edward Island	12,386,145	7,306,690		
ALC Total	228,188,412	128,611,108		
<b>Total Canada</b>	<b>\$2,605,256,301</b>	<b>\$154,361,308</b>	<b>\$139,637,499</b>	<b>\$69,939,505</b>

	Lotto	Lotto Max	Lotto 6/49	For Life	Spiel
British Columbia	\$34,299,915	\$199,248,523	\$170,061,233	\$24,038,398	\$66,549,587
Ontario	147,894,565	693,703,793	617,889,088	59,633,053	222,483,376
Quebec	109,101,000	321,489,000	332,320,000	67,843,000	142,151,000
Alberta	48,001,884	222,895,999	159,806,061	30,565,027	87,901,974
Manitoba	8,754,070	49,346,839	37,863,109	4,883,773	20,013,308
NW Territories	517,255	3,273,322	2,185,080	389,566	1,082,358
Saskatchewan	10,788,925	49,018,662	36,586,344	5,792,610	21,225,734
Yukon	444,406	1,894,120	1,484,410	288,375	839,905
WCLC Total	68,506,540	326,428,942	237,925,004	41,919,351	131,063,279
New Brunswick	10,159,906	25,821,739	28,639,424	3,256,359	18,316,250
Newf. & Lab.	8,745,767	29,984,282	26,130,057	3,425,946	18,195,849
Nova Scotia	11,123,528	31,684,607	34,463,169	2,692,464	19,487,583
Prince Edward Island	1,696,526	3,938,543	4,454,229	328,089	2,707,486
ALC Total	31,725,727	91,429,170	93,686,879	9,702,858	58,707,168
<b>Total Canada</b>	<b>\$391,527,747</b>	<b>\$1,632,299,428</b>	<b>\$1,451,882,204</b>	<b>\$203,136,660</b>	<b>\$620,954,410</b>

**Notes:**

All figures in Canadian dollars, Internet sales, where applicable, may be listed in "other" or in the specific game categories, depending on the types of games and the individual lottery, ALC net proceeds for PEI include revenues from operations at the racetrack entertainment centers and from the harness racing industry.

# Fiscal 2018 Lottery Sales and Revenues

Canada

	Hybrid	Club Keno	Daily Keno	Sports	Other
British Columbia	\$5,971,174	\$298,365,046		\$44,169,811	\$32,647,677
Ontario	123,908,602		\$87,377,370	298,201,307	34,629,463
Quebec	38,022,000		163,693,000	86,169,000	131,706,000
Alberta	24,083,709	8,457,464		58,114,633	
Manitoba	7,736,628	1,893,677		22,754,375	
NW Territories	475,602	369,986		1,073,801	
Saskatchewan	5,268,637	2,580,777		13,180,330	
Yukon	240,897	996,761		377,193	
WCLC Total	37,805,473	14,298,665		95,500,332	
New Brunswick	531,720		3,340,668	9,957,340	3,652,609
Newf. & Lab.	623,502		2,657,045	8,409,559	5,537,890
Nova Scotia	739,156		5,147,475	17,385,349	5,386,359
Prince Edward Island	82,988		533,720	2,173,912	828,017
ALC Total	1,977,366		11,678,908	37,926,160	15,404,875
<b>Total Canada</b>	<b>\$207,684,615</b>	<b>\$312,663,711</b>	<b>\$262,749,278</b>	<b>\$561,966,610</b>	<b>\$214,388,015</b>

..... Traditional Games .....				
	Total Sales	% Change	EGMs (Net)	Table Games (Net)
British Columbia	\$1,174,915,557	0.9%		
Ontario	3,779,737,679	2.7%		
Quebec	1,881,127,000	2.9%	\$963,120,000	
Alberta	835,730,966	-3.4%		
Manitoba	224,137,984	-2.0%		
NW Territories	17,612,358	0.0%		
Saskatchewan	196,294,192	-5.1%		
Yukon	9,852,924	-2.5%		
WCLC Total	1,283,628,424	-3.4%		
New Brunswick	181,940,146	1.6%	138,022,652	
Newf. & Lab.	266,062,175	0.9%	140,038,853	
Nova Scotia	224,599,964	1.9%	136,099,072	
Prince Edward Island	36,436,345	3.0%	32,706,913	\$2,024,693
ALC Total	709,038,631	1.5%	446,867,490	2,024,693
<b>Total Canada</b>	<b>\$8,828,447,291</b>	<b>1.5%</b>	<b>\$1,409,987,490</b>	<b>\$2,024,693</b>

**Notes:**

All figures in Canadian dollars, Internet sales, where applicable, may be listed in "other" or in the specific game categories, depending on the types of games and the individual lottery, ALC net proceeds for PEI include revenues from operations at the racetrack entertainment centers and from the harness racing industry.

# Fiscal 2018 Lottery Sales and Revenues

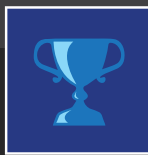
Canada

	Total FY18 Lottery Sales	Total FY17 Lottery Sales	% Change	FY18 Prizes Traditional Games	FY18 Proceeds to Beneficiaries
British Columbia	\$1,174,915,557	\$1,164,800,870	0.9%	\$679,795,980	\$277,041,047
Ontario	3,779,737,679	3,680,753,501	2.7%	2,115,607,000	1,070,923,000
Quebec	2,844,247,000	2,777,440,000	2.4%	1,002,074,000	1,099,958,000
Alberta	835,730,966	865,528,845	-3.4%	425,451,729	298,829,895
Manitoba	224,137,984	228,733,428	-2.0%	117,238,868	61,222,585
NW Territories	17,612,358	17,604,781	0.0%	9,737,776	5,251,566
Saskatchewan	196,294,192	206,876,907	-5.1%	100,764,715	64,080,714
Yukon	9,852,924	10,100,772	-2.5%	5,268,668	3,053,706
WCLC Total	1,283,628,424	1,328,844,733	-3.4%	658,461,756	432,438,466
New Brunswick	319,962,798	313,110,364	2.2%		128,666,000
Newf. & Lab.	406,101,028	405,299,721	0.2%		133,774,000
Nova Scotia	360,699,037	355,152,712	1.6%		137,981,000
Prince Edward Island	71,167,951	68,786,961	3.5%		18,779,000
ALC Total	1,157,930,814	1,142,349,758	1.4%	412,116,738	419,200,000
<b>Total Canada</b>	<b>\$10,240,459,474</b>	<b>\$10,094,188,862</b>	<b>1.4%</b>	<b>\$4,868,055,474</b>	<b>\$3,299,560,513</b>

## The NASPL Matrix



NASPL Resource Index



Awards



Responsible Gambling



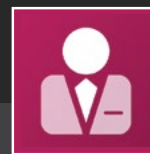
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# NASPL

## LITTLE ROCK, AR

# 2019

# This is WINNING!

### 2018 CALENDAR

**December 2018**  
*NCPG/McGill University RG Lottery  
Holiday Campaign*

**December 3-6, 2018**  
*La Fleur's 2018 LotTECH Connect*  
AT&T Executive Education  
and Conference Center  
Austin, TX  
Hosted by the Texas Lottery

### 2019 CALENDAR

**January 4-6, 2019**  
*NCLGS Winter Meeting*  
Harrah's New Orleans Hotel  
New Orleans, LA

**February 26-28, 2019**  
*PGRI SMART-Tech 2019*  
Hilton Fort Lauderdale Hotel  
Fort Lauderdale, FL

**March 2019**  
*NCPG Problem Gambling  
Awareness Month*

**April 15-18, 2019**  
*NASPL Lottery Leadership*  
Hyatt Regency Arcade Hotel  
Cleveland, OH  
Hosted by the Ohio Lottery

**May 13-16, 2019**  
*La Fleur's 2019 LotMKT Trends*  
George Washington University  
Washington, DC  
Hosted by the DC Lottery

**June 17-20, 2019**  
*NASPL Directors Meeting  
& Dialogue*  
Kingsmill  
Williamsburg, VA  
Hosted by the Virginia Lottery

**July 19-20, 2019**  
*NCPG National Conference on Gambling  
Addiction & Responsible Gaming*  
Sheraton Denver Downtown Hotel  
Denver, CO

**July 22-26, 2019**  
*NASPL Professional Development Seminar*  
Arizona Grand  
Phoenix, AZ  
Hosted by the Arizona Lottery

**September 17-20, 2019**  
*NASPL 2019 Annual Conference*  
Little Rock Convention Center  
Little Rock, AR  
Hosted by Arkansas Scholarship Lottery

**December 2019**  
*NCPG/McGill University RG Lottery  
Holiday Campaign*

### 2020 CALENDAR

**March 2020**  
*NCPG Problem Gambling Awareness Month*

**April 20-23, 2020**  
*NASPL Lottery Leadership*  
Drury Plaza Hotel  
Pittsburgh, PA  
Hosted by the Pennsylvania Lottery

**June 15-18, 2020**  
*NASPL Directors Meeting  
& Dialogue*  
Westin San Diego  
San Diego, CA  
Hosted by the California Lottery

**July 20-24, 2020**  
*NASPL Professional Development Seminar*  
Grand Hyatt Denver  
Denver, CO  
Hosted by the Colorado Lottery

**October 26-30, 2020**  
*World Lottery Summit*  
Vancouver Convention Center  
Vancouver, British Columbia  
Hosted by BCLC

**December 2020**  
*NCPG/McGill University RG Lottery  
Holiday Campaign*



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