

To: Lottery CEO's, IALS Members, Marketing Directors,  
PR/Communications Directors

**Public Gaming Research Institute Inc.'s**

# **INTERNATIONAL MORNING REPORT**

Your weekly supplement to  
**Public Gaming International Magazine**  
February 11, 2002

**Dear Morning Report Newsmakers and Readers.**

For the past six years you have been the part of my professional life I loved the most, writing Morning Report. This industry never fails to excite and always generates the news that makes it so much fun to write about, and I hope, to read. However, it is now time for me to move on, but not without thanking all of you for being so newsworthy and such great people. Keep sending your Morning Report news to DUANEBURKE@AOL.COM or call 425-653-1253. You can now reach me, just to chat, at (312) 649-6577 or SHARONJSHARP@earthlink.net. Millions of thanks. Sharon Sharp.

**Personal Note:**

Sharon, many, many thanks for all of your contributions to PGRI throughout our professional affiliation; you will be missed. We will carry on Morning Report in the tradition that you have started. Best wishes to you in the latest advancement of your distinguished lottery industry career.  
Duane Burke, CEO/Publisher.

**OUR THANKS TO THE GEORGIA LOTTERY**

Our sincere thanks to **Rebecca Paul** for being the co-sponsor and to the staff of the Georgia Lottery for helping to make SMART-Tech 2002 the great success that it was.

**A special thanks goes to all of the presenters, panelists and exhibitors** at SMART-Tech. You made the professional sessions and Circles of Learning so interesting and valuable for everyone.

**To our sponsors,** a very special thanks for your financial support of the social functions, so important to everyones enjoyment of the conferences.

**HAINES TO LEAVE NEW JERSEY LOTTERY.** New Jersey Lottery Director Virginia Haines has put in her retirement papers and will leave her position on February 28. A former State Representative, Haines was appointed director in 1994, and is the longest serving Director in New Jersey history. She currently serves as Secretary of NASPL. Good luck and best wishes Ginny.

**NEW PRES FOR LOTO-QUEBEC.** Gaetan Frigon, CEO of Quebec Liquor Corp, will take over as President of Loto-Quebec on February 18, replacing long-time chief Michel Crete. Frigon takes over under direction to not aggressively increase profits, but to preserve the assets of the organization.

**SCI GAMES SOLUTION FOR SCEL.** Scientific Games will provide a Virtual Private Network telecommunications transport solution for the South Carolina Education Lottery, expecting to launch Pick 3 on March 6, as planned. The telecommunication provider is BellSouth. VPN is a private, secure, commercial network that utilizes the Internet as its communication infrastructure.

**ONE TO WATCH.** Looks like a good one. The new \$25 Big Ticket Lottery from the Ontario Lottery and Gaming Corp goes on sale today, one million 4 x 7 pouched instant/ passive tickets at 3,500 selected retailers out of OLG's 10,000 strong network. Several drawings lead up to the April 18 final drawing for \$2 million (odds: 1 in 1 million). Instant prizes from a million to \$100; 42 cars including luxury Jaguars; dream vacations; boats; four million-dollar prizes; and 100,000 three-month Lotto subscriptions. Overall odds are 1 in 10.  
New pricepoint and a first for limited distribution in Ontario will make this one to watch.

**MISSOURI QUICK DRAW.** Lots more fun coming to Missouri, possibly by June 1, as the Missouri Lottery brings Quick Draw Lotto to restaurants, bars and fraternal organizations. The keno-style game, with drawings every five minutes, is expected to be offered in up to 1,200 locations and produce a yearly profit of \$21 million on sales of \$79 million.

**THINKING INTERNATIONAL.** The proposal in Maryland that would allow the Lottery to talk about another multi jurisdictional game with others, so interested, had attached as background, "The

International Lottery Alliance plans to introduce a new multi jurisdictional game similar to Maryland's Big Game in the spring of 2003." Legislation in Iowa and West Virginia was passed previously to allow international participation. Another bill in Indiana to allow participation outside of the US is out of Committee and on to the Senate. This in preparation for the possibility of Mexico joining Powerball.

**LOOKING FOR MARKET RESEARCHER.** The Wisconsin Lottery is looking for a Market Researcher to locate to its Madison office. Read all about it on <http://www.dor.state.wi.us/hrs/job.html> or call 1-877-DEPTREV. Application deadline February 21.

**ALL WELCOME.** The California Lottery is offering a once in a lifetime chance at a million dollars in prizes to all willing to send in a self-addressed stamped envelope by March 18. This in response to the instant problem where tickets were sold after top prizes were awarded and since taken care of. Two hundred and forty prizes of \$1,000 to \$25,000 offered and the money comes out of the Lottery's administration budget.

**READ ALL ABOUT IT.** The Arizona Lottery provided lots of information to the state's newspaper readers with an eight-page, 800,000-copy insert that included a letter from the Governor and info on where the money has gone since startup in 1981. The Lottery spent \$60,000 on the insert and advertisers took care of the rest.

**MAKING MILLIONAIRES.** The Illinois Lottery just presented a check to its 1000th millionaire since its launch in 1974.

**IF THIS IS GOOD, MORE IS BETTER.** Taiwan's new online lottery is showing success. Now look for legislation to allow sports betting, including local and imports. Already lots of illegal action on the b-balls and well yes, pigeon racing.

**NEW CHIEF FOR HUNGARY.** The new President and CEO of the Hungarian Lottery is Jozsef Gebler. Gebler joined the Lottery in 1998 and was most recently Deputy CEO prior to his December 1 appointment.

**FIVE AND FIVE.** The Kentucky Lottery Corporation has signed a five-year contract extension with GTECH for online products and services, through June 2008. Same in New Mexico. The New Mexico Lottery also signed a five-year extension agreement, valued at \$25 million over the term.

**FLORIDA EXTENDS SCI GAMES.** The Florida Lottery has extended its instant ticket and cooperative services contract with Scientific Games International for another two years. The extension is valued at \$32 million. The original contract started in 1997.

**ONE NEW AND ONE EXTENSION FOR OGT.**

The Vermont Lottery has selected Oberthur Gaming Technologies as its primary instant supplier in a two-year contract with two one-year extension options. OGT has supplied the Lottery since 1997. The New Mexico Lottery extended its OGT contract to March 2003.

**INTERLOTT AWARD IN D.C.** Interlott Technologies was awarded a one-year lease contract with three one-year extension options to supply the D.C. Lottery with up to 150 12 and 16-bin ITVMs.

**SCI GAMES ON NASDAQ.** Scientific Games is now trading on Nasdaq under the trading symbol SGMS.

**KOREAN CONSORTIUM SELECTED.** Korea's Kookmin Bank selected, as its preferred negotiating partner to set up a lottery network, KLS and its group, which includes Samsung, SDS, KT, SKCorp Ahnlab and Compaq. Planning on 5000 retail locations and estimating sales of \$265 million a year.

**INTERNET GAMBLING BILLS SURFACE AGAIN.** House members testified before a Senate Committee on two Internet gambling prohibition bills citing the need to ban Internet gambling to seal off terrorist money laundering routes as one of the reasons to ban.

**KENTUCKY CHAMBER LIKES VLTS.** The Northern Kentucky Chamber of Commerce Board of Directors overwhelmingly supported VLTs at tracks. Powerful.

**MARK YOUR CALENDARS**

**ILAC CONGRESS 2002**

April 6-9, Hilton Cancun & Golf, Cancun, Mexico  
Co-hosted by the National Lottery of Mexico

**INTERNATIONAL LOTTERY EXPO 2002**

August 1-4, Loews Miami Beach  
Co-hosted by the Florida Lottery

**For more info:**  
[WWW.PUBLICGAMING.ORG](http://WWW.PUBLICGAMING.ORG)

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## SMART IDEA AWARDS

Many thanks to all of those lotteries and supplier companies that submitted ideas for the Smart-Ideas portion of SMART-Tech 2002. And thanks to those individuals who presented the ideas during the conference. All of the ideas were great and were definite winners for their respective organizations.

From among the 15 ideas presented, the following received the most votes from the lotteries and supplier companies in attendance and hence were presented awards at the closing session of the conference. Each lottery and supplier company in attendance during the Smart-Ideas presentations were given one vote in order to keep the voting unbiased by the number of people attending from a particular organization. Ballots were counted by the Georgia Lottery "accounting firm" of **Kelly Cavales, Lou Anne Russell and Cathy Walls**. Our thanks for your help.

## AWARDS

CATEGORY: NEW PRODUCT, SERVICE OR TECHNOLOGY  
LOTTERY

FIRST PLACE  
**Draws Results Systems**  
Loto Quebec  
Presenter: Beaudoin Daigneault

SECOND PLACE  
**Enhancing Lotto Game (Lotto Plus)**  
Washington State Lottery  
Presenter: Julie Martin

VENDOR  
FIRST PLACE (2)  
**Collector Game with Multidimensional Bar Code**  
Oberthur Gaming Technologies  
Presenter: Dennis Miller

**E3-Colorado**  
Scientific Games International  
Presenter: Jim Kennedy

SECOND PLACE (2)  
**Laminated Products**  
Pollard Banknote  
Presenter: Nancy Bettcher

**Sign Technology**  
American Lite  
Presenter: Ray Mickel

CATEGORY: REVENUE-ENHANCING  
LOTTERY  
FIRST PLACE  
**On-Counter Scratch Sales in Supermarkets**  
Washington State Lottery  
Presenter: Julie Martin

SECOND PLACE  
**Lotto. . . to Go! At Fueling Stations**  
Washington State Lottery  
Presenter: Julie Martin

VENDOR  
FIRST PLACE ONLY  
**The Change Game**  
Bersch Gaming LLC  
Phil Congello

CATEGORY: COST SAVINGS  
VENDOR ONLY  
FIRST PLACE  
**Random Animated Digital Drawing System**  
TeleCom Game Factory  
Presenter: Budd Libby

SECOND PLACE  
**Beetle Bailey**  
Oberthur Gaming Technologies  
Presenter: Zoann Attwood

CATEGORY: OTHER  
LOTTERY  
FIRST PLACE  
**Texas Lottery Studio Draws a Crowd**  
Texas State Lottery  
Presenter: Keith Elkin

SECOND PLACE  
**Community Outreach**  
Washington State Lottery  
Presenter: Julie Martin

VENDOR  
FIRST PLACE ONLY  
**Interfacing Products - Web-based Slingo**  
Oberthur Gaming Technologies  
Presenter: Sean Athey