

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**  
April 7, 2003

**WV HELPS SOLDIERS PHONE HOME.** Members of West Virginia's National Guard awaiting deployment at bases throughout the U.S. will be able to call home free thanks to the West Virginia Lottery. Lottery Director John Musgrave sent 1,000, 20-minute calling cards for domestic use to National Guard officials for distribution. The free long distance cards had been used for Lottery promotions. The donated cards represent the remainder of the Lottery's inventory that is due to expire on May 31, 2003.

**FRIENDS FEATURES POWERBALL.** NBC's comedy "Friends" aired a new episode last Thursday featuring the Powerball lottery game. In the episode, the characters, based in New York City pooled their money and traveled to Connecticut to buy their Powerball tickets. The show featured "dummy" Powerball tickets provide by the CT Lottery.

**IL LOTTERY TO MERGE INTO DOR.** Illinois Gov. Rod Blagojevich took steps to consolidate several major state agencies, including the Lottery. Under the executive order the Lottery Department, Illinois Racing Board and the Illinois Liquor Control Commission would be merged into the Department of Revenue. The move is meant to improve fee collections, and reduce workers through attrition.

**FIFTH STRAIGHT GFOA FOR LA.** The Louisiana Lottery Corporation has received the Certificate of Achievement for Excellence in Financial Reporting for the fifth straight year from the Government Finance Officers Association of the United States and Canada. According to the GFOA, the Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting and its attainment represents a significant accomplishment by a government and its management.

**SUPER 7 SOARS.** A "Spring Bonus" has been underway for the past three weeks for Canada's

SUPER 7 game, as Jackpots of \$19 Million, \$22 Million, and \$25 Million have been offered. This Bonus will continue through April 11th with a guaranteed SUPER 7 Jackpot of \$30 Million.

**TEXAS CHANGES LOTTO GAME.** In a move meant to revitalize lagging ticket sales by tempting players with larger jackpots, the Texas Lottery has upped the odds for the Lotto Texas jackpot. The matrix, which was 6:54, has changed to 5:44 plus 1:44. The move nearly doubles the odds of hitting the jackpot, from 1 in 25.8 million to 1 in 47.7 million. Still other changes, including increasing the number of prize tiers from four to eight will make it easier to win a prize. Odds change from 1 in 71 to 1 in 57, and the numbers of overall winners will jump approximately 25 percent, lottery officials said. These changes are expected to add \$50 million in revenues in the first year of sales.

**ND GETS FINAL OK.** The North Dakota Lottery efforts have been finalized. The Lottery will apply to join the Powerball lottery in the next few weeks, and hopes to be selling tickets by the end of the year. The minimum age for playing is 18.

**OK LOTTERY GOES TO PEOPLE.** The Oklahoma House passed (52-49) a bill bringing the issue of a state lottery to a public vote. The next step is to set a date for the statewide vote. Governor Brad Henry has already indicated that he's in favor of a summertime vote.

**KY LOOKS FORWARD TO RECORD FY03.** The Kentucky Lottery expects to have another record year when the books close on FY03 on June 30. Sales are expected to finish around \$650 million, surpassing last years \$638.7 million. Still, the Lottery is expecting that it will be difficult to continue the upward trend in 2004, as the implementation of the Tennessee Lottery is expected to cut approximately \$75 million from the Lottery's bottom line.

**MA KENO CHANGE WORKING WELL.** Massachusetts' change to Keno draws has reportedly boosted the Lottery's weekly Keno revenue by \$1.6 million. Keno sales are up 12% since the first of this month, when the game was changed from a five-minute to a four-minute draw. Overall, the change is expected to generate an extra \$35 million a year in revenue.

**MI ADDS TO DAILY 3 EXCITEMENT.** Beginning April 7, Michigan's Daily 3 players will have a second opportunity to win on the same Daily 3 evening draw ticket, thanks to the Daily 3 Red Ball Double Draw promotion. After each regular evening Daily 3 drawing from April 7 through April 26 (Monday through Saturday), another drawing will be conducted using a separate machine that contains five white balls and one red ball. When the red ball is selected, the Lottery will draw a second set of Daily 3 numbers, giving players a second chance to win on the same ticket. Prize amounts for winners in the Red Ball Double Draw are

the same as they are for the regular Daily 3 game drawings. When a white ball is drawn, it will be taken out of the machine and set aside, resulting in one less white ball that could be drawn the next night and an increased chance of drawing the red ball. Double draws will not occur on nights when a white ball is drawn.

**PA LAUNCHES LUCY.** The Pennsylvania Lottery is launching I LOVE LUCY – the \$2 scratch-off ticket reminiscent of the popular sit-com of the same name. Each new commemorative ticket will feature Lucy in action during one of six different scenes from the classic television show - to play or to keep! Featured episodes include: #25, "Pioneer Woman"; #39, "Job Switching"; #79, "The Million Dollar Idea"; #96, "The Golf Game"; #130, "Lucy Does a TV Commercial"; and #150, "Lucy's Italian Movie". I LOVE LUCY offers players a top prize of \$12,000, and over 200,000 prizes between \$10 and \$30 are available in the game. I LOVE LUCY also features four second chance drawings! Players who return non-winning tickets will be entered into these drawings for chances to win authentic I Love Lucy merchandise.

**FREE INSTANTS IN WA.** There's no better price than free. Reaching out to new and lapsed players, the Washington Lottery connected with nearly 2 million households in March with a pair of instant-ticket coupon offers that let players win just by visiting their favorite Lottery retailer. Partnering with direct-mail vendors to reach 1,918,050 households throughout the state, the offers encouraged players to buy a \$1 Scratch ticket and get one free and also to buy a \$5 ticket and get a \$2 savings. Recipients got one coupon for each offer, and the Lottery staff closed the loop by offering coupons to state residents who did not get coupons via mail. The promotion ended April 5, the expiration date for the coupons.

**VA BONUS BALL GOES TO OVERTIME:** Due to players' response to the chance at higher prizes, the Virginia Lottery has extended its Bonus Ball promotion for Pick 3 and Pick 4. The program was originally slated to end March 31, but will continue for a limited time. For the promotion, one orange ball mixes with four white balls in an extra machine for every drawing. All Pick 3 and Pick 4 prizes will continue to be 20% higher any time the orange Bonus Ball comes up in the drawing.

**WISCONSIN CELEBRATES HARLEY'S 100<sup>th</sup>.** All across the Badger State the Wisconsin Lottery's new \$3 Harley-Davidson® instant scratch game is thundering into stores. The game features \$10,000 in cash prizes and three chances to win a special edition 100th Anniversary Harley-Davidson motorcycle. The Lottery will hold three bonus drawings for Harley-Davidson merchandise. The top prize in each of the three drawings will be a 100th Anniversary Harley Davidson Sporster® 1200 Custom™ motorcycle. To enter, players must mail in two non-winning Harley Davidson

tickets. The bonus drawings will be held on May 8, July 24 and November 6.

**MA LOOKS AT VLTs.** Massachusetts' Governor Romney is backing a plan to auction off three licenses to set up facilities with 2,400 VLTs terminals each. It is estimated that the plan could raise \$300 million in revenues per year. The proposed licenses would be good for five years. While a decision hasn't been reached as to what type of facilities would house the machines, it is not automatically assumed that they would be placed at racetracks. This plan is taking the place of a plan seeking payments from Connecticut, New Hampshire and Rhode Island in return for keeping VLTs out of Massachusetts.

**POWERBALL TV GAME BACK FOR YEAR FOUR.** The Powerball Instant Millionaire TV Game Show is returning for its fourth year, and will continue its successful run in Las Vegas. The show is currently in the middle of its first season in Vegas. Thirty-one shows have been taped and more than \$4.3 million in prizes have been awarded. MUSL is planning surprises for year four that they hope will make the game even more exciting and allow for more money to be won.

**MD HOUSE SAYS NO TO SLOTS.** Maryland Gov. Robert L. Ehrlich Jr. saw his Slot bill get crushed by a 16-5 vote in the state's House Ways and Means Committee. The bill would have allowed 3,500 machines at each of four Maryland racetracks, and would have raised an estimated \$700 million for education per year.

**TX BILLS PROPOSE MULTI-STATE.** Bills that would allow Texas to join a multi-state lottery have been offered as a solution for a nearly \$10 billion budget shortfall. Still, TX Gov. Rick Perry has said all along that he is not in favor of expanded gambling.

**HOOSIERS CHANGE CHANNEL.** The Hoosier Lottery is changing channels for its Hoosier Millionaire televised lottery game show. The Lottery, which had been airing the show on Saturdays on WTTV, has accepted a bid from WXIN to air the show. Under the proposal, WXIN will produce "Hoosier Millionaire" and air the show at either 7:00 or 7:30 p.m. Saturday. The show will be rebroadcast at 10 p.m. Saturdays on WTTV.

**MI SELLING AT THE PALACE.** Michigan Lottery tickets are now available at The Palace of Auburn Hills. The Lottery will be offering Mega Millions, Michigan Rolldown, Keno, Daily 3&4, WINFALL and instant game tickets, during normal business hours and during select Palace events. The Lottery sells tickets at in-arena merchandise booths and at The Palace Locker Room store. The relationship gives the Lottery the opportunity to reach a majority of the attendees during the Palace's approximately 250 annual events. Lottery jackpot figures, prominently displayed courtside on rotating signage, are updated nightly during Pistons games to

remind fans that they can play lottery games at The Palace. Also, Lottery tickets may be purchased Monday through Friday from 10:00 a.m. to 4:00 p.m. on non-event days at the Locker Room store.

**TEXAS JOINS AMBER ALERT.** The Texas Lottery has joined the state's AMBER Alert Network to help locate abducted children. More than 15,000 retail outlets will distribute printed information on missing children who are being sought through the Amber Alert Network. The information will be printed on small sheets of paper that resemble lottery tickets.

**ISRAEL LAUNCHES 123.** After repeated delays, Mifal Hapayis launched its new daily game, called "123". The first draw was held Wednesday, March 26. This is a Pick 3-styled game where the amount of the prize is dependent on the sum invested by the player and the type of game chosen. One option requires the player to guess three numbers (0-9) in the exact order that they appear in the draw. The prize will be the amount invested multiplied by 600. In option two, if the player guesses all three numbers in the exact order the prize will be the sum invested multiplied by 400, and if the player guesses the correct numbers but in a different order, the prize will be the sum invested multiplied by 40.

**TATTERSALL'S DONATES TO SOUTH AFRICAN SCHOOL.** Australia's Tattersall's has donated R50,000 to help a school in South Africa, which has gained national renown for its teaching of music and arts to children aged between five and thirteen. Tattersall's is a member of an international consortium who won the license for the South African National lottery, known as Uthingo.

**UGANDA GETS LOTTO.** The Uganda Finance Ministry has given its approval for the Uganda Lottery Company (ULC) to launch its much-awaited 'Lotto' game. The game is expected to start within three weeks.

**SA LOTTERIES' LOTTO GAME TURNS 30.** SA Lotteries' flagship game, Lotto, celebrated its 30th anniversary last week. It debuted on 30 March 1973. Winnings have totaled more than \$1.16 billion since inception.

**UTHINGO DRAW CHANGES CHANNELS.** E-tv will broadcast Uthingo's live Lotto draws on Wednesdays and Saturdays. SABC2 had broadcast the live draws since the inception of the Lotto, but the contract expired.

**MARIANAS LAUNCHES RANGER RAFFLE.** The Marianas Lottery's newest and biggest promotion, the "Ranger Raffle," is a chance for customers to win a brand new 2003 Ford Ranger pickup truck. Customers can turn in a \$5 ticket (winning or non-winning), purchased between March 29 and June 27, at the Lottery office to receive an entry form for the "Ranger

Raffle" drawing." The last day to turn in tickets for the raffle is July 2, 2003, with the big raffle draw on Saturday, July 5, 2003.

## COMPANY ANNOUNCEMENTS

### HUNGARY GOES WITH HEWLETT-PACKARD.

Hungary's Szerencsejáték Rt has awarded a Ft 500 million contract to Hewlett-Packard Hungary Kft for setting up a nationwide online betting system. The system, which is expected to handle transactions at 3,000 outlets, is expected to begin operations in September.

### BENCHMARK LOTTERY MERCHANDISING INTRODUCES LOTTERY LIGHTNING BALL.

Benchmark Lottery Merchandising has introduced a new tool to "power-up" online product sales at retail—the Lottery Lightning Ball. This item utilizes cutting edge "plasma lightning illumination" technology to generate both new and renewed player awareness of online games, such as Lotto or Powerball. It invites players to "touch the Lightning Ball for luck", and enables lotteries to feature game logos and to make a call to action from a prominent position on the sales counter. It is available in a variety of colors. The Kentucky Lottery Corporation, the first US jurisdiction to place this item at the retail agent level to energize Powerball sales, reports strong retailer acceptance and exceptional player response.

## LOTTERY PEOPLE

**Gregory Ziemak**, a 28-year veteran of the lottery industry, has joined the North American Gaming Division of IGT as senior account executive. Ziemak previously served as executive director of the Kansas Lottery, director and assistant director of the Connecticut Lottery, management supervisor for Yaffee and Company Advertising in Michigan, and senior vice president of sales and marketing for eLottery, Inc. in Connecticut.

**Colleen Sealock** has been named the Oregon Lottery's Assistant Director of Support Services. Sealock joins the Lottery after almost three years as the Director of Operations for the Oregon Department of Administrative Services (DAS). As Assistant Director of Support Services, Sealock will be responsible for a number of areas, including human resources, finance and accounting, information technology, facilities and materials management, and training. Sealock's previous experience includes: Director, Oregon State Elections Division, Secretary of State; Administrator, Oregon Support Enforcement Division, Department of Justice; and Assistant Director, Marion County Family Court.

**Submit material for next week's Morning Report by Wednesday of this week to [Toddpgr2@aol.com](mailto:Toddpgr2@aol.com)**