

PUBLIC

# GAMING

I N T E R N A T I O N A L

World's most widely read Lottery-Racino-Gaming magazine • Video, Racino, Casino, Internet, Wireless, Online, Scratch-Off

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

Public Gaming Research Institute Inc.'s  
International

## Morning Report

Your weekly supplement to  
**Public GAMING International  
Magazine**

November 15, 2004

### MARK YOUR CALENDARS!

**What:** PGRI's SMART-Tech 2005

**When:** February (dates TBA)

**Where:** Las Vegas!

[www.publicgaming.org](http://www.publicgaming.org)

### COMPANY ANNOUNCEMENTS

**ABBOTT BOSS MEDIA TO DELIVER MOBILE GAMING SYSTEM TO WILLIAM HILL.** Boss Media and UK fixed odds bookmaking service William Hill have signed an agreement to set up a pilot installation for a mobile gaming system. The added module will allow William Hill's customers to enjoy Black Jack, Video Poker and Slots via mobile phones. The added channel installation is set to go live in the next few weeks.



**A Scientific Games Company**

**JCM AMERICAN JOINS WITH TCSJOHNHUXLEY FOR GLOBAL DISTRIBUTION OF NEW TRIDENT™ SYSTEM.** A worldwide revolution in table games has begun. At this year's Global Gaming Expo, JCM American revealed its remarkable new product, Trident™. Trident is a table safe system that automates the table game process and for the first time ever

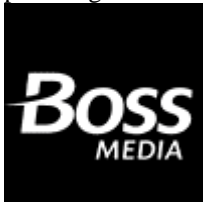
provides live, real-time data to the pit. Now, the company is pleased to announce it has entered into a strategic alliance with TCSJOHNHUXLEY for international distribution, installation and support of Trident for regions outside the United States. Under the agreement, TCSJOHNHUXLEY's international offices work with local JCM offices to negotiate contracts, manage and support the local operators in their geographic territories.



**LOTTERY OPTIONS EXPANDED WITH NASCAR.** After four years of licensing some of the sport's most popular drivers to lotteries, MDI Entertainment has now added the NASCAR® brand itself to its portfolio of lottery licenses. Under the terms of the agreement with NASCAR® Inc., U.S. lotteries will be able to license the official NASCAR® brand name, images and logo for use on tickets and in related advertising. The NASCAR® brand will be a featured graphic and promotional element in MDI-licensed games that highlight the sport's superstars. "Lotteries will also now be able to offer players NASCAR-branded scratch games that do not feature a specific NASCAR® driver on the tickets, plus they will have access to an expanded NASCAR®-licensed merchandise portfolio from which to build NASCAR®-themed scratch game prize structures," said MDI President Steve Saferin. Since July of 2000, when the Wisconsin Lottery introduced the first licensed game featuring drivers who compete in NASCAR® sanctioned events, 18 U.S. lotteries have offered games featuring the images, race car numbers and autographs of veterans and rising superstars. In 2005, 32 NASCAR® Nextel Cup Series races are scheduled at 20 tracks in 17 U.S. lottery jurisdictions. NASCAR® is the second-highest rated sport on network television. Among all major sports, NASCAR® ranks number-one in corporate involvement, fan loyalty and at-event attendance. Women comprise approximately 40 percent of NASCAR®'s fan base of 75 million Americans evenly spread across the country. This year is the inaugural season of the Chase for the NASCAR® NEXTEL Cup, a new format for choosing the sport's champion. The Chase, which concludes on Nov. 21 at Homestead-Miami Speedway, is providing more drivers the opportunity to win the championship, more exposure for all 43 teams, and more excitement for fans.

**LOTTERY DYNAMICS DEBUTS LOTTO GOLD+.** Lotto play may never be the same following the debut of Lottery Dynamics LLC's evolutionary Lotto Gold+™ program at the World Lottery Association's conference in Durban, South Africa. For the first time in Lotto history, players will be able to choose from multiple-priced tickets to play for proportionate percentages of a single progressive Lotto prize pool. At the same

time, Lotto Gold+™ addresses the key element to Lotto success and player participation - Jackpot size - by offering starting jackpot prize pools three-to-four times current levels across any game matrix or currency. Lotto Gold+™ is a win-win program for all lottery constituents: the sponsoring jurisdiction, the players, vendors, retailers and the social programs supported by lotteries worldwide. There is no added prize cost to the lottery jurisdiction to implement Lotto Gold+™, no necessity to change existing game matrixes and all prize risk is assumed by Lottery Dynamics and its strategic partners. Significantly, there is no decrease in either the lottery organization's percentage income or profit percentages earmarked for good causes.



**LORO SELECTS GTECH.** GTECH has been named the preferred bidder by Societe de la Loterie de la Suisse Romande (LoRo) for a new integrated online and instant-ticket lottery system, terminals, and communications network.. Subject to the successful completion of a product sale agreement, the Company will install GTECH's Enterprise Series™ architecture, featuring internet protocol (IP) web component technology that will offer a platform for LoRo's new online and instant ticket system.



GTECH will upgrade the existing online applications to Enterprise Series. The Company will also provide LoRo with approximately 2,000 Altura® LVT terminals, 100 handheld terminals, and project management services. In addition, an advanced IP-based wireless communications system will be installed as the interface between retailers and the central system.

**MDI AND WORLD SERIES OF POKER SIGN EXCLUSIVE LOTTERY LICENSING DEAL.** MDI

Entertainment, a wholly owned subsidiary of Scientific Games, has signed an exclusive agreement with a subsidiary of Harrah's Entertainment, Inc. for the rights to license the legendary WORLD SERIES OF POKER to lotteries worldwide. The agreement, which runs through 2007, will enable lotteries to use



the World Series of Poker name and imagery in association with their Hold 'Em Poker®/Texas Hold 'Em™ theme games, along with opportunities for lotteries to award seats at actual World Series of Poker tournaments as player prizes. "Industry estimates are that 50 million to 80 million Americans play poker,"

according to a recent story in the Washington Post. MDI-licensed Hold 'Em Poker® instant lottery games have been hot sellers since their recent introductions in Ohio and Kentucky, and several other state lotteries plan to launch similar games in the near future. In addition to signing the new licensing deal with the World Series of Poker, MDI recently entered into a similar agreement with the World Poker Tour™.

**NEW CALL CENTER SOLUTION SHOWCASED BY ESSNET.** EssNet is featuring AutoHelp, a new agent call center solution, at the WLA Dream Africa 2004 Trade Show and Convention in Durban, South Africa. EssNet has developed a product that provides lotteries with automation of a major part of agent calls to the lottery call centre, taking care of maintenance requests and orders for new coupons, tickets etc. Lotteries can achieve substantial cost savings, yet providing an increased service level by automating routine communication with their agents. The services are based on the latest speech recognition technology and can easily be tailored to fit specific needs of any lottery. EssNet's AutoHelp is open for integration with existing lottery systems and it can also be installed as a stand-alone system.



**PEOPLE**

**Aristocrat Technologies, Inc.,** has named **Simon Ashley** Vice President, Finance with responsibilities for all financial operations of its North and South American business. In his role as Vice President, Finance, Ashley will oversee financial planning, revenue and profit management, long-range planning, cash and asset management, information technology and risk management. Ashley has 18 years of financial and business management experience. He most recently served for three years as CFO of The Macquarie Leisure Trust Group, a small-cap Australian leisure business listed on the Australian Stock Exchange where, during his tenure, the company's market value increased more than 250 percent.



**Oberthur Gaming Technologies ("OGT")** is pleased to announce that **Todd Bauman** has accepted the position of Marketing Research Director. Todd will report to André Nadeau, Sr. Vice President, Marketing and Strategic Development, and will be located at our San Antonio facility. Todd has worked in the lottery industry since 1995 initially with the Missouri Lottery. Prior to joining OGT, he directed marketing research and product development activities for both the Washington Lottery and the Missouri Lottery. Todd also directed several business process reengineering projects while at the Missouri Lottery. In addition, he has managed customer satisfaction and new product research activities for the Principal Financial Group, a Fortune 500 financial services company. His background also includes program research and evaluation within the mental health field.

**Shuffle Master, Inc.** announced that **Mike Skvorzov** has been promoted to Vice President of Service. Skvorzov joined Shuffle Master in 1995 as a Service Technician and has held numerous positions of increasing responsibility including Service Supervisor, Service Manager and most recently Service Director.

## LOTTERY & GAMING ORGANIZATIONS VIDEO GAMING/RACINOS

**BATAVIA CONSTRUCTION TO BEGIN.** \$2.2 million in financing has given Western Regional Off-Track Betting the capital needed to move forward with plans to implement VLTs at New York's Batavia Downs. Construction could start in December. Approximately 600 VLTs are currently scheduled to launch on March 15, 2005.

**WV TRACK ANNOUNCES THIRD QUARTER PROFIT.** MTR Gaming Group Inc., the parent company of Mountaineer Race Track & Gaming Resort in Chester, West Virginia reported a third-quarter profit of \$5.9 million, translating to 20 cents per share on revenues of \$85.2 million for the period ending September 30.

### INTERNET AND MOBILE GAMING

**SVENSKA SPEL LAUNCHES PICK'N'CLICK.** A completely new category of games, developed by Boss Media in cooperation with Svenska Spel, has been launched on the Svenska Spel website. Pick'n'Click, a probability game, features a chance to win every time. The player's choice determines the outcome of the game. Initially, there will be three Pick'n'Click games on the svenskaspel.se website: Three-card poker, Dice and the soccer game Penalty Kick.



SCS designs and implements everything a State Lottery needs to offer its Players a comprehensive, flexible and state-of-the-art subscription services program.



**ICLANDIC OPERATOR GOES ONLINE WITH BETWARE.** Íslandsspil (Icelandic Gaming) has opened a new interactive casino-gaming website with play-for-fun games developed by Betware. Four games are currently offered with more games soon to be added.

### LOTTERY NEWS

**WI EMPLOYS RNG PROGRAM.** The Wisconsin Lottery is now one of more than a dozen U.S. lotteries to use random

number generating computers to select the winning numbers for its nightly on-line games. The Lottery began to research random number generators as it faced the prospect of having to replace its aging inventory of mechanical ball machines which would have cost as much as \$200,000 to replace. The total cost for three computers with three certified random number generator (RNG) programs and the cabinets to house them was \$11,000. Still, it was the security features on the machines that sealed the deal. Find out more about these features in the December issue of Public Gaming International Magazine.



**VIRGINIA (DIS)PLAYS TO WIN.** Last fiscal year, Virginia Lottery Sales Consultants (LSCs) participated in the Dispenser Challenge, a contest designed to encourage the development of more creative and exciting instant ticket displays at retailers. Each of the Lottery's 53 LSCs was encouraged to submit entries showing how they transformed instant ticket displays to become more attractive, attention-getting, and above all, to increase sales. Six winners were selected from over 200 entries; each winner received a monetary award. The contest has definitely paid off - Virginia Lottery scratcher sales set a new record in FY04 (\$631 million, a 16% increase), and so far in FY05 instant sales are up 11%.



**CASH WINFALL CORVETTE.** Beginning November 1, the Mass Lottery will offer its players the chance to win a Chevrolet Corvette and 100 \$100 Season Ticket to one of the Lottery's jackpot games. Every fifth ticket purchased statewide for CASH WinFall will generate an entry for the upcoming drawing. The bottom of the CASH WinFall ticket will read "Entry form to follow" if that player is going to receive an entry form. Players must fill out the entry form and mail the original entry to the address on the form to be eligible for entry into the contest. The contest runs until the close of business on December 31, 2004. The drawing takes place the week of January 17, 2005. The Lottery will notify winners by mail.

**CLEAN SWEEP RETURNS AT SCEL.** South Carolina players have been asking the Lottery to return the Clean \$weep promotion, and it's here! Plus the values of the prizes are BIGGER and BETTER! Since Clean \$weep is all about being environmentally responsible, Lennox Industries is partnering with this promotion and has donated some of their top environmentally friendly products. To participate in the Clean \$weep promotion, players must collect 10 non-

winning instant game "scratch" tickets. Players must also completely fill out the back of at least one ticket and mail it to the lottery. Twelve entrants (three selected from each drawing) will win their choice of one of the sponsor's prizes.

**CRAZY CRINGLE AND THE FUN ZONE.** As the holidays approach, the Nebraska Lottery is introducing a group of seasonal Scratch games. The latest game, \$2 Crazy Kringle Cash shows three stylized scenes of Santa on a motorcycle, riding a surfboard, or driving a van. In addition to 10 chances to win on each ticket, Crazy Kringle Cash features The Fun Zone, which gives players the chance to win extra prizes through the Nebraska Lottery website. By visiting [www.nelottery.com](http://www.nelottery.com) accessing 'The Fun Zone' and entering the serial number on the back of each Crazy Kringle Cash ticket, players who have joined the MVP Club can either win an instant prize or be entered in a grand prize drawing scheduled for December 31. The Fun Zone prizes range from free tickets to cash or merchandise.

**LOTTERY WEBSITE GETS FACELIFT.** If you haven't seen the Maryland Lottery's new website design, be sure to check it out! The site ([www.mdlottery.com](http://www.mdlottery.com)) has been updated to bring players a more user-friendly format and a variety of new features. The fresh look incorporates elements of State government, making it clear to visitors that they are on an official State website. The new homepage banner provides continuity with other agencies and offers a search feature that enables visitors to search the Lottery's site as well as the websites of other agencies. This feature allows easier access to State information from a variety of online sources. As visitors log on, they will immediately notice a new format as well. Rather than viewing just two frames, they will see three frames. This additional frame makes more information available while reducing the time spent scrolling down the screen. Many other new features have been added to the Lottery's homepage. For instance, current winning numbers are displayed more prominently, and the navigation bar is now located vertically on the left for easier maneuvering. You will also notice new regular homepage features including a section that showcases the latest scratch-off tickets and icons that allow you to peruse our newsletters online and access the most recent Lottery headlines. Additionally, a brand new Lotto page, similar to the Mega Millions page, has been created featuring the latest jackpot winners and how many second, third, and fourth tier winners there are for each drawing. The Lotto page also displays when the next drawing will occur and lists the current cash and annuity values.

**NJ DISTRIBUTES RESPONSIBLE PLAY BROCHURES TO RETAILERS.** As part of its continuing efforts to increase public awareness and understanding of playing responsibly, the New Jersey Lottery has designed a brochure for distribution to the public that provides guidelines to use when playing the lottery and other gaming activities. The brochure, entitled "It's Only a Game," has been distributed to the lottery's 6,000 retailers in the state. In addition, these brochures will be provided to the public at lottery exhibits and fairs as well through its "Where the Money Goes" speakers' tour. The free brochure encourages the public to call the 1-800-GAMBLER number if they think they or someone they know may have a gambling problem. The staff at the hotline can direct them for assistance. The brochure offers tips for setting responsible play guidelines such as: Set a limit. Don't chase your losses and risk getting deeper into a hole; set some winnings aside

for other purposes; and Money needed for daily expenses should not be used for playing the lottery.

## CASE STUDIES

### NEW YORK LOTTERY CASE HISTORY – 2004 HOLIDAY GAMES

It was the week before Halloween and all through the stores, all the retailers were clearing space, right down to the bare walls...yes, it's that time of year again; time to make room for Holiday Instant game inventory!

The New York Lottery will be offering five new Holiday Instant games this season with price points ranging from \$1 to \$5. New York Lottery Director Nancy A. Palumbo said many retailers really do clear extra space to accommodate extra holiday inventory. "The field staff does a tremendous job selling in these games in the fall," Director Palumbo noted. "Our retailers know they will receive their hassle-free shipments of Holiday games as early as late October and can begin pre-promoting the games in their stores. For many, that means showcasing them as a separate display."

New York will begin rolling out its 2004 Holiday Game line up on October 27 with the introduction of *Dashing through the Dough*. This \$1 ticket offers players a top prize of \$2,500 and a popular doubler feature. Each ticket features one of five different fun designs, including sled dogs, snowmen, penguins, polar bears and reindeer.

October 27 also marked the debut of New York's *Million Dollar Mania* Instant game with its celebratory, New Year's Eve-esque design. As its name implies, this \$5 ticket offers players a top prize of \$1 million. Additional play features include Auto Win and a Prize Multiplier. Players have 12 chances to win.

New York's November 10 hassle-free shipment featured the return of the immensely popular *Stocking Stuffer* game that doubles as a thoughtful holiday card. A winner for New York in 2002, the \$5 *Stocking Stuffer* ticket has been re-tooled for 2004 to feature three separate play areas, each with its own top prize, adding up to \$333,000. Game #1 offers players a chance to win up to \$3,000. Game #2 features a \$30,000 top prize and Game #3 provides multiple bonus features to give recipients of this fun holiday card an opportunity to win a whopping \$300,000.

Holiday-minded New York Lottery retailers can also add *Frosty's Jolly Bonus* to their Instant inventory starting Nov. 10. The \$2, \$25,000-top-prize ticket presents two different match-and-win play areas with a corresponding prize legend plus a "snowflake" bonus feature.

The warm and cozy *Winter Winfall* Instant game ticket featuring a wonderful log cabin nestled in a forest of swirling dollar bills hits stores on December 8. The \$2 offering gives players up to 10 chances to win up to \$25,000. An auto win feature and prize doubler add to the appeal of this hot, seasonal selection.

New York estimates 2004 Holiday game sales will outsell 2003 holiday sales season by a good margin. Sales for the first two games after only 10 days on the market amounted to \$9.3 million, which is \$3.3 million ahead of last year for the same period.

**Please submit material for next week's Morning Report by Wednesday of this week to [Toddpg2@aol.com](mailto:Toddpg2@aol.com)**



## ADVERTISING

**Your gaming company can now benefit by advertising in Public GAMING International magazine and in PGRI's weekly MORNING REPORT.**

Previously limited to lottery interests over the past 30 years, this world-leading publication, *Public GAMING International magazine*, has now *expanded* its editorial focus to encompass *the growth of all forms of gaming* which makes it an important new avenue for promoting your products and services throughout the world.

Public GAMING International magazine's has also *expanded its distribution* to make it the most widely distributed and most widely read publication in the world for gaming professionals – 20,000 copies per month – giving advertisers the greatest value per ad dollar in the industry.

For major *added* value, Public GAMING International advertisers also get FREE, dynamic banner ads in the magazines' weekly supplement, *PGRI's MORNING REPORT*, which is distributed to the same 20,000 recipients *each week!* Besides the vast, added exposure, advertisers' banner ads will direct readers to the advertisers' web sites with simple clicks on the ads.

As a further bonus, advertisers receive a FREE link from Public GAMING International magazines' web site, [www.publicgaming.org](http://www.publicgaming.org), to their own web sites.

And as if that wasn't enough, Public GAMING Magazine will be distributed at every major gaming conference in the world during 2005 giving you the added on-site exposure that you want!

## You can't beat the value!

So, for the price of a page of advertising each month in Public GAMING International magazine, your company gets 100,000 monthly exposures to prospective customers around the world, FREE, dynamic-linked banner ads in PGRI's e-MORNING REPORT each week, a link from Public Gaming's web site to yours *and* distribution at probably every conference and trade show of interest to you in the world! Oh, and I almost forgot, your ad in the electronic version of Public GAMING International magazines is dynamic also, linking to your web site with the click of a reader's mouse!.....**Now that's super value!**

*Public GAMING International magazine is focused on growth – your growth. Let us help you exceed your goals for 2005.*

*For assistance in creating a successful ad program in Public GAMING International magazine for your company, please contact one of our representatives:*

Susan Jason, VP Marketing	Tel. 425-985-3159
E-mail: <a href="mailto:susanjason@aol.com">susanjason@aol.com</a>	
Raquel Orbegozo, VP Sales	Tel. 425-765-41
E-mail: <a href="mailto:raquelpgr2@aol.com">raquelpgr2@aol.com</a>	
Molly Gilmore, VP Sales	Tel. 425-283-63
E-mail: <a href="mailto:mollypgr2@aol.com">mollypgr2@aol.com</a>	
Todd Koeppen, Editor	Tel. 425-985-3159
Want to reach the publisher? Call or E-mail Duane Burke,	
CEO & Publisher	Tel. 425-985-3157
E-mail: <a href="mailto:duaneburke@aol.com">duaneburke@aol.com</a>	