

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
September 8, 2003

DC FUNDRAISING CORRECTION. In the Sept. 1 issue of PGRI's Morning Report under D.C. Fundraising Workshop, we erroneously reported that the "The DC Lottery held its Annual Putting the Fun Into Fundraising Workshop..." when in fact the workshop has not yet taken place. It is scheduled for Thursday, September 25 from 8:30 a.m. - 4 p.m. We sincerely apologize for any confusion this might have caused.

WIN-TAR-I-O! Ontario Lottery players can rake in the fun this fall with a brand new version of an old classic. Wintario MILLIONS went on sale last week. Each \$10 Wintario Millions pouch contains five tickets for five special draws to be held on consecutive Thursday nights starting October 30, 2003 and ending November 27, 2003. Each individual ticket contains two 7-digit numbers to match against one 7-digit number to be drawn each week. Prizes range from \$1 million for matching all 7 digits down to \$10 for matching the last 2 digits. Each ticket also includes two instant portions that can be played anytime with prizes ranging from \$100,000 down to \$10. Wintario MILLIONS is a version of Ontario's first and best-remembered lottery game.

CABELA'S CASH IN KS. The Kansas Lottery launched a game last week featuring the state's most-visited tourist attraction - Cabela's, a hunting, fishing and outdoor sports outfitter. The \$2 Cabela's Cash features wildlife themes, offers a chance at up to \$10,000, a Cabela's shopping spree (one \$10,000 and four \$2,000), and discounts at the store. The idea for this game was born out of the Lottery's desire to find ways partner with and promote Kansas businesses.

MA EXTENDS KENO HOURS. The Massachusetts Lottery is launching a pilot program that will add 22 hours of Keno draws each week. Monday through Saturday Keno draws will run from 10am to 1am, and Sundays from noon to 1am. Keno had been drawing from noon to 11pm Sunday through Thursday and noon to 1am on Friday and Saturday.

MI LAUNCHES FRONT PAIR PAYOUT. Michigan Lottery players will soon have yet another way to win cash prizes with the Lottery's Daily 4 game thanks to "Front Pair Payout!" In the Daily 4 game, Lottery players choose any four-digit number and then place a \$1 bet for that drawing.

There are three different ways to place bets in the Daily 4 game -- straight, boxed and two-way. If a player chooses to play a number straight, he or she would need to match the number he or she picked in the exact order chosen to win a \$5,000 cash prize. From September 8, through September 28, 2003, players whose straight bets match the first two numbers drawn will receive a \$10 payout. The odds of matching the front pair are a mere 1 in 101.

GA HARLEY LAUNCH. The Georgia Lottery launched a new \$2 Harley-Davidson game, offering players a chance at the \$25,000 top prize, as well as the chance to win a 100th Anniversary Edition Harley-Davidson Sportster 1200.

AZ DREAMIN'. Picture yourself on the hottest day of the year, cooling off in the swimming pool at Bank One Ballpark as Arizona Diamondbacks owner Jerry Colangelo fishes a baseball out of the ballpark pool. This is just one example of the three dream sequence scenarios developed by the creative team at Phoenix-based E.B. Lane Marketing Communications to promote the Arizona Lottery's instant tickets. Katie Pushor, executive director for the Arizona Lottery, charged E.B. Lane with creating a campaign to entertain consumers while reinforcing brand identity. The set of three commercials focus in a lighthearted, comedic manner on what people dream might happen if their instant ticket is a winner. Beginning and ending each commercial in a location where tickets can be purchased is an important factor in the thematics of the spots.

WA JOINS AMBER ALERT. The Washington Lottery has joined a regional AMBER Alert response network. In the event of an AMBER Alert, more than 3,500 Lottery retailers will receive an urgent message via Lottery terminals with important information about abductions. Alert information will be posted at retailers statewide and automatically be updated by the same network relaying information to broadcasters, police agencies, etc. Lottery retailers receive alerts automatically on Lottery terminals and must print them in order to clear the system for ticket sales. To support retailers in prominently displaying the emergency information, the Lottery is providing special displays for printed AMBER Alert messages to be placed in plain view for players and other customers.

PLAY RESPONSIBLY IN TX. Starting Monday, September 1, the Texas Lottery Commission will begin an awareness campaign to remind players that The Games of Texas™ were created to be a fun form of entertainment and to PLAY RESPONSIBLY! The campaign was created in an effort to provide a public service to players in response to the recent legislative budget cuts to the Texas Counsel on Problem and Compulsive Gambling hotline. The Texas Lottery's PLAY RESPONSIBLY resource Web page will include links to various agencies that provide help for players who think they might have a gambling problem, or who live or care for a problem gambler.

FORTUNE LOOKS TO SMS IN INDIA. It's been reported that Fortune Lottery officials are negotiating with mobile phone company Hutchinson to enable lottery players to purchase tickets via their cell-phones using SMS. There are two million Hutchinson cell phone users in India.

COMPANY ANNOUNCEMENTS

FLORIDA PICKS GTECH. The Florida Lottery has selected GTECH to design, construct and operate the Lottery's on-line gaming system. The contract is scheduled to begin no later than February 1, 2005, with a base term of six years.

INTELTEK LAUNCHES TERMINAL SYSTEM IN TURKEY. In Turkey, the Inteltek consortium, in which Intralot and Turkcell participate, has successfully launched operations with two games and 1,000 terminals for Sportoto, the National Football Prognostics Organisation of Turkey. The official start of operations came with the launch of the games TARAFTAR and FUTBOL-SANS. The network is composed of 1,000 terminals, all of which were installed in 42 days. The terminals used are ATRIS II and the central system LOTOS, both provided and supported by Intralot.

INTRALOT FIRST HALF RESULTS. Intralot announced its financial results for the six-month period ending June 30th, 2003. Revenues for the period grew to 173.0m, 11.8% up on H1 2002. EBITDA increased by 26.3% to 62.5m, compared to the same period last year. EBITDA margin reached 36.1% (last year 32.0%) reflecting increased operational efficiency. Profits Before Taxes (EBT) recorded an increase of 25.3% y.o.y. by reaching 55.3 million compared to 44.2 million for H1 2002. Net cash position has grown by an impressive 102.7% y.o.y. reaching 91.0m for the semester (H1 2002: 44.9m).

MDI SIGNS NHL. Scientific Games subsidiary MDI Entertainment, LLC announced an exclusive licensing agreement with NHL Enterprises, L.P. granting MDI rights to market National Hockey League lottery games and promotions. The agreement will run through June 30, 2007. This marks the second agreement MDI has secured with one of the four major sports leagues. In 2001 MDI secured lottery licensing rights to the National Basketball Association. Under the terms of the NHL agreement, U.S. lotteries will be able to manufacture and distribute instant scratch games featuring official NHL league and related member team names, nicknames, slogans, logos, emblems, insignia, colors, uniform designs and other symbols associated with the National Hockey League, including the NHL All-Star Game and the Stanley Cup, the most famous trophy in sports. Promotions developed under the NHL license will feature "Winner's Choice" Grand Prize NHL Experiences such as regular season ticket games, trips to see lottery players' favorite teams on the road, NHL All-Star trips and trips to NHL playoff games.

OR PURCHASES FROM INTERLOTT. The Oregon Lottery has placed an order with Interlott for the purchase of 75 new TTS 16000 model 16-bin ITVMs and 75 certified new 16-bin ITVMs. Delivery of the machines is to be completed by December 31, 2003. As part of the contract for the certified new 16-bin ITVMs, the lottery will return 150 eight-bin machines currently in the field. Interlott will recondition and use certain internal components of these machines in manufacturing the certified new 16-bin models for the lottery. These ITVMs will carry the same warranties and guarantees as new machines.

BENCHMARK TO HOST "THE NUTS AND BOLTS OF P-O-P" SEMINAR. Benchmark Lottery Merchandising is pleased to invite lottery professionals to their seminar created specifically for those involved in the development and/or procurement of P-O-P materials. "Nuts and Bolts" will be held in Chicago from September 22-24 and is free of charge including all meals (delegates are responsible for hotel and travel only). According to Steve Casebeer, Senior Vice-President of Sales and Marketing for the Kentucky Lottery, "Our Advertising & Production Manager attended Benchmark's "Nuts & Bolts Seminar" in September, 2002. This program broadened her knowledge of the materials and processes used in the production of high quality, cost-effective P-O-P items. The seminar problem-solving exercises, with attendees from other industries that compete for retail space, created a better understanding of how particular manufacturing materials and processes can improve retail impact and item durability, and, at the same time optimize budget management and delivery to the field. This has been a real benefit to the Kentucky Lottery. I highly recommend this seminar to anyone involved in lottery P-O-P production." For more information, [click here](#) to contact Glenn Gratta at ggratta@benchmark.com.

LOTTERY JOBS

IL LOTTERY SEEKS ON-LINE PRODUCT MANAGER. The Illinois Lottery is seeking an On-Line Games Product Manager for its \$900- million-per-year on-line product portfolio. The successful candidate will be responsible for administering all facets of the Lottery's on-line system, including in-field hardware and software. Additional responsibilities include researching, developing and implementing (with Marketing and Sales staff) new on-line games and promotions; developing long-term prize-structure strategies based upon sound research and industry trends; developing long-term growth strategies for each product in the on-line portfolio; compiling sales and statistical reports for Marketing and Sales staff; and coordinating on-line vendor contracts to ensure adherence standards, implementation schedules and user training. **Preferred Qualifications:** The successful candidate should possess a Bachelor's degree (Master's preferred) and a minimum of five years experience in the gaming industry. Applicants should possess a demonstrated ability to plan, develop, and direct comprehensive research and game-development programs. Experience with on-line vendor "Request For Proposals" a plus. Good communication skills (both oral and written) a must. The successful candidate should possess creativity, boundless energy, and unimpeachable integrity. **Salary Range:** \$65,000-\$115,000 per year, plus comprehensive State of Illinois benefits package. The successful candidate will be based in Springfield, Illinois. *The Illinois Lottery values diversity and is an equal opportunity employer.* **Applicants should respond by Sept. 30, 2003 and send resume/cover letter (including salary requirements) to: Illinois Lottery Superintendent Carolyn Adams, 100 W. Randolph Suite 7-274 Chicago, IL 60601.** Finalists will be selected for interviews in October.

Submit material for next week's Morning Report by
Wednesday of this week to Toddpr2@aol.com