

Massachusetts State Lottery Commission Meeting

Executive Director's Report

Delivered by: Beth Bresnahan

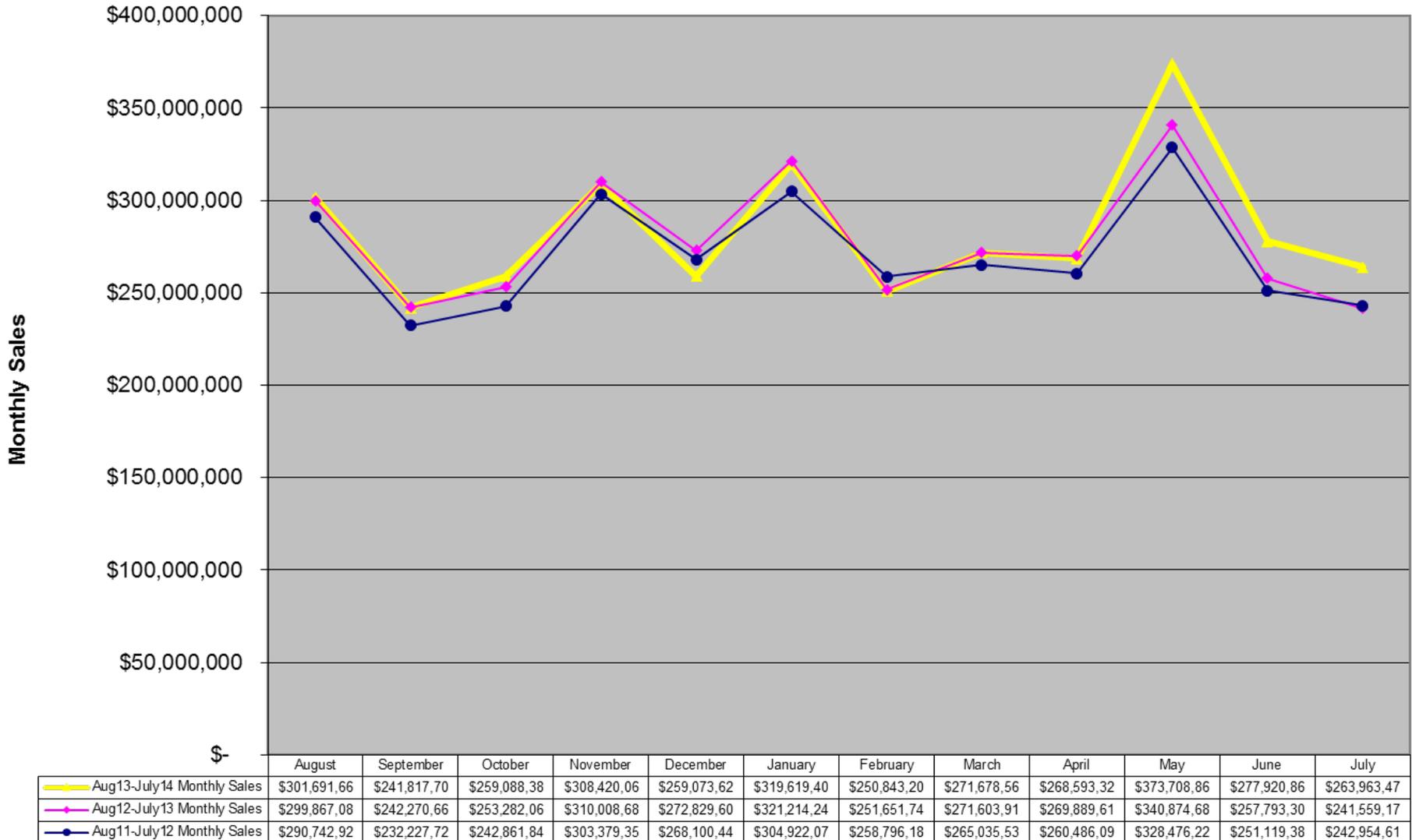
August 26, 2014



Lottery Sales Update

- Sales for July 2014 were up \$19 million as compared to July 2013 thanks to a spike in Instant Ticket sales. The prize payout for July 2014 was 71.07 percent, as compared to 70.76 percent in July 2013. This increase in prize payout decreased net profit by \$1 million as compared to last year's figure.
- The Instant Ticket portfolio saw a significant \$22 million sales increase in July following the release of four new games (\$1, \$2, \$5, \$10) in mid-June and continued excitement in the marketplace around the \$30 *World Class Millions* ticket that launched in April. Additionally, KENO experienced an increase of over \$1.4 million.
- Powerball sales were down \$3 million due to a smaller jackpot offering as compared to last year; Megabucks Doubler sales dropped approximately \$500,000; Lucky for Life sales were down approximately \$495,000; and, Jackpot Poker, the second monitor game that debuted in June 2013, saw a sales decline of \$1 million.

Instant Game Monthly Sales August 11 thru July 14



Month Ending

September Instant Ticket Release (Sept. 16)



\$10,000 Payout

Price Point: \$1

Top Prize: \$10,000



\$100 Frenzy

Price Point: \$2

Top Prize: \$50,000



\$1,000,000 Payday

Price Point: \$5

Top Prize: \$1,000,000



\$10,000,000 Mega Fortune

Price Point: \$20

Top Prize: \$10,000,000



September Instant Ticket POS

YOUR FORTUNE AWAITS?

OVER 80% PAYOUT!

OVER 72% PAYOUT!

OVER 76% PAYOUT!

OVER 69% PAYOUT!

OVER \$552,000,000 IN CASH PRIZES!

THE LOTTERY
masslottery.com

If you have a problem with gambling, help is available. Call 1-800-426-1234. YOU MUST BE 18 YEARS OR OLDER TO PLAY THE LOTTERY.

Wobbler

11X17 Poster

YOUR FORTUNE AWAITS?

OVER 80% PAYOUT!

OVER 72% PAYOUT!

OVER 76% PAYOUT!

OVER 69% PAYOUT!

OVER \$552,000,000 IN CASH PRIZES!

OVER 23,900,000 WINNERS!

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Boston Bruins Instant Ticket Release (Sept. 30)

2014 Boston Bruins Instant Ticket

Price Point: \$2

Top Instant Prize: \$50,000

Top Second Chance Prize: Win up to \$25,000 cash in an “On Ice Challenge” event



- The \$2 2014 Boston Bruins Instant Ticket marks the Lottery's 4th Instant Ticket offering with the Bruins.
- Since September 2010 when the two organizations launched its first offering, the Lottery's Bruins-branded games have amassed over \$140 million in sales and generated approximately \$23.8 million in net profit.
- The new \$2 game offers over \$22 million in immediate “scratch and win” cash prizes and experiential prizes awarded through second chance drawings, including:
 - 10 top prizes of \$50,000, and 3,174,485 prizes ranging from \$2 to \$10,000;
 - Game day Banner Suite packages;
 - Autographed retired number banners; and,
 - Winner's choice memorabilia packages.

Boston Bruins Instant Ticket POS & Marketing Support

- Presenting Sponsor of 2014-15 Boston Bruins Regular Season
- Dashboard Advertising
- Boston Bruins In-Game Features (Warm Up Domination, 8-Spoke Salute, Helmet Shuffle)
- Superbowl Dominant LED Advertising
- StadiumVision In-Arena TV/Commercial and Ad Banners
- Five (5) On-Ice Challenge Promotions During Boston Bruins Intermission
- TD Garden Main Arena Concourse Domination
- :30 Television Advertising + :15 In-Game Drops on NESN
- Print Advertising on Pocket Schedules
- :10 Radio Advertising In-Game Drops on WBZ-FM
- Integrated Social Media Promotion on Boston Bruins & TD Garden Managed Accounts
- Out-of-Venue/In-Market Promotions at Lottery Retail Locations
- Outdoor Advertising on TD Garden Billboards
- Web Page Advertisements & Content Sponsor on BostonBruins.com
- Boston Bruins Mobile Application Advertising

The poster features a bright yellow background. At the top, the words "BOSTON BRUINS" are written in a large, bold, black font with a white outline. Below this, the "THE LOTTERY" logo is displayed, featuring a blue outline of the state of Massachusetts and the website "masslottery.com". The Boston Bruins logo, a black circle with a white "B" and a yellow cross, is centered below the logo. Three instant lottery tickets are shown, each with a "\$2" price tag and the "BOSTON BRUINS" branding. The tickets display various prize amounts and the "VOID IF REMOVED" warning. At the bottom of the poster, the text "WIN UP TO \$50,000!" is written in a large, bold, black font with a white outline. Below this, the text "5 SECOND CHANCE DRAWINGS" is written in a bold, black font with a white outline. Underneath, the text "WIN UP TO \$25,000 IN EACH OF FIVE BRUINS® ON ICE CHALLENGES" is written in a bold, black font with a white outline. At the very bottom, the text "ENTER SECOND CHANCE DRAWINGS TO WIN" is written in a bold, black font with a white outline. Small text at the bottom of the poster includes "If you have a problem with gambling, help is available. Call 1-800-426-1234." and "You must be 18 years or older to play the Lottery."

11X17 Poster



August Instant Ticket Sales Update

\$500 Frenzy

Price Point: \$5

3 Week Sales: \$11,838,735



Wild 10s

Price Point: \$2

3 Week Sales: \$3,137,446



Electric 5s

Price Point: \$2

3 Week Sales: \$2,399,430



Hot 9s

Price Point \$1

3 Week Sales: \$1,152,493



World Class Millions Sales Update

World Class Millions

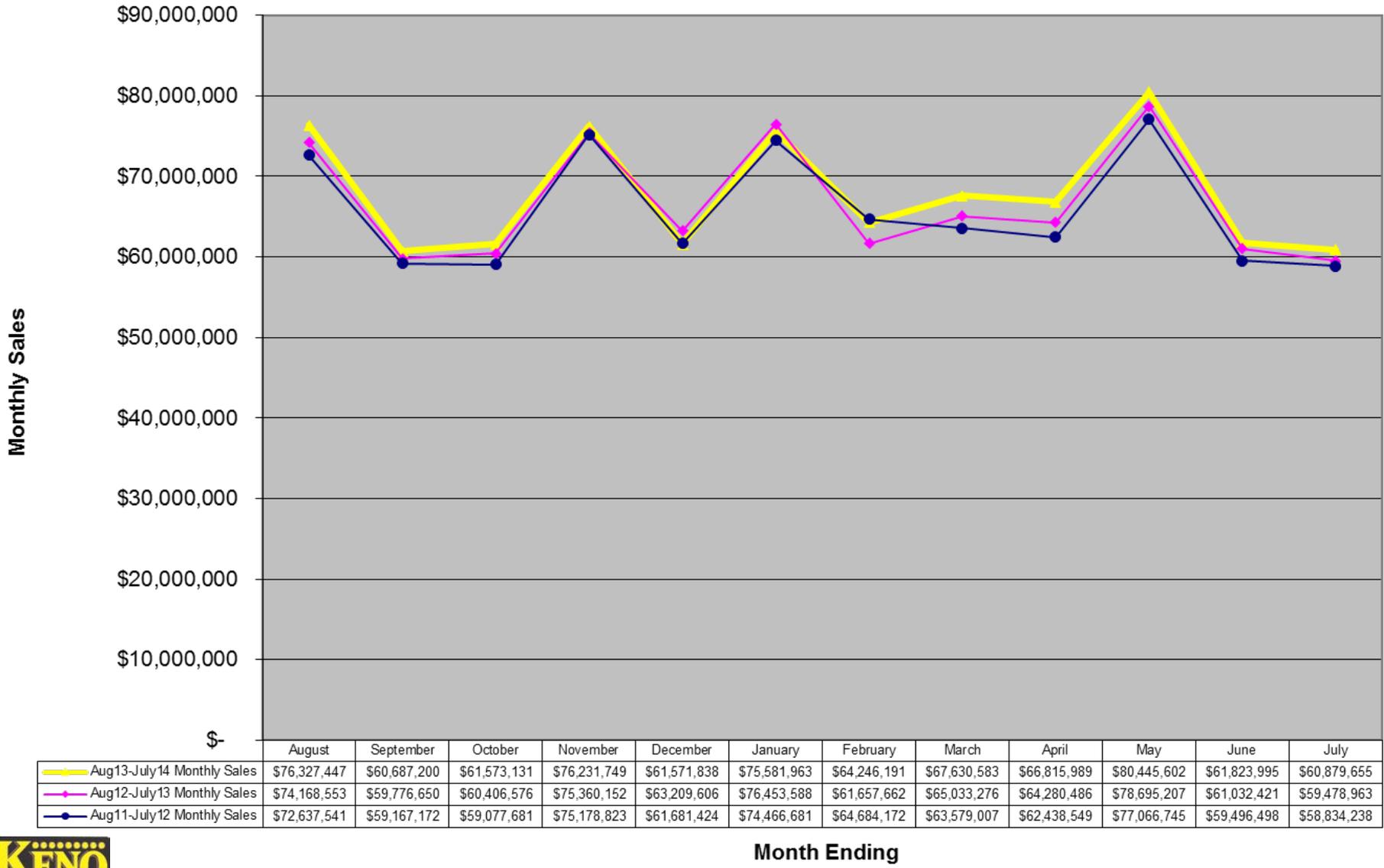
Price Point: \$30

18 Week Sales: \$259,594,680

- Game is approximately 34 percent sold. Second Chance Drawing #2 is projected to take place the week of September 13th.
- To date, one \$15 million prize and 11 \$1 million instant prizes have been claimed.



KENO Game Monthly Sales August 11 thru July 14



KENO 2nd Chance Promotion (Aug. 28 – Sept. 1)

From August 28th – September 1st, all non-winning KENO, KENO Bonus and KENO-to-Go tickets sold will have a second chance to win \$2,014.

On September 2nd, the Lottery will randomly select 20 of the serial numbers on the non-winning tickets and post the winning ticket numbers on masslottery.com.

Winning ticket holders must visit a Lottery regional office to claim their prize.

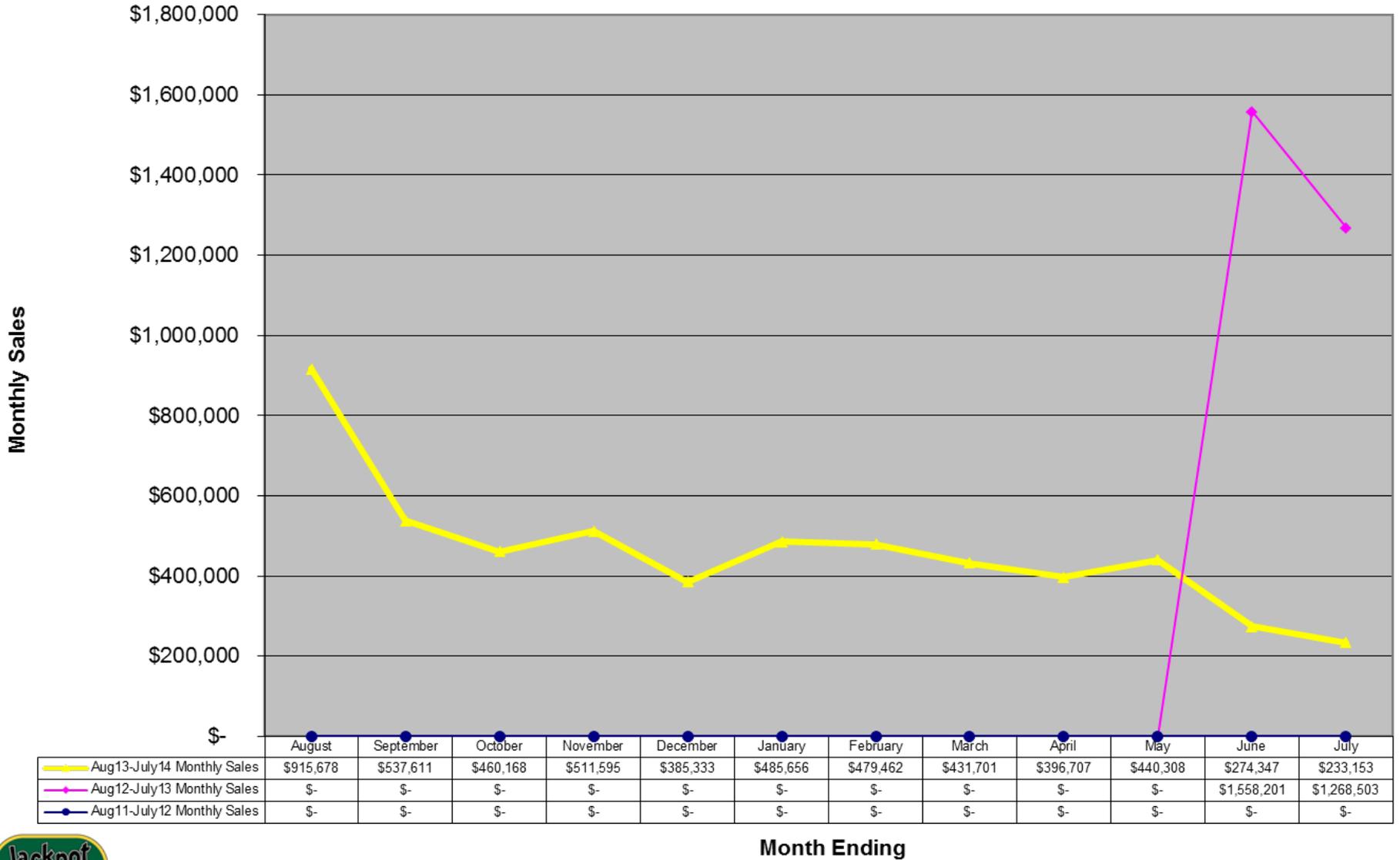


The poster features a background of an American flag. At the top, the word "KENO" is written in a stylized, dotted font. Below it, the text "MassLottery Celebrates LABOR DAY WEEKEND" is displayed. The central image shows a picnic table with various items like a water bottle, mustard, a basket of bread, and a bowl of salad. Overlaid on this image is the text "Twenty Tickets Have A Second Chance To Win" and "WIN \$2,014" in large, bold letters. At the bottom left, there is a sample Keno ticket with the following details: "KENO", "WIN #2014 WITH THIS TICKET", "SERIAL #1379081", "DRAW #08145", "MULTIPLIER PLAYED", and "Serial Number 000-000007100-1379081". To the right of the ticket, the text reads: "Every non-winning KENO, KENO BONUS and KENO to-go ticket sold August 28 through September 1, 2014 will have a second chance to win! Visit masslottery.com on September 2, 2014 after 2 p.m. to check the serial numbers on your non-winning KENO tickets to see if you have won." At the bottom, there is a red banner with white text: "Winning ticket holders in the '2014 Labor Day Weekend' drawing must claim their prizes by October 1, 2014 at a Lottery Regional Office (check www.masslottery.com for office locations). To claim a prize, winning ticket holder must present winning ticket and proper identification. Prize check will be mailed approximately two weeks after prize is claimed. Actual prize amount will be less applicable taxes and withholdings. If you have a problem with gambling, help is available. Call 1-800-426-1234. You must be 18 years or older to play the Massachusetts Lottery." The logo "THELOTTERY" is at the bottom right.

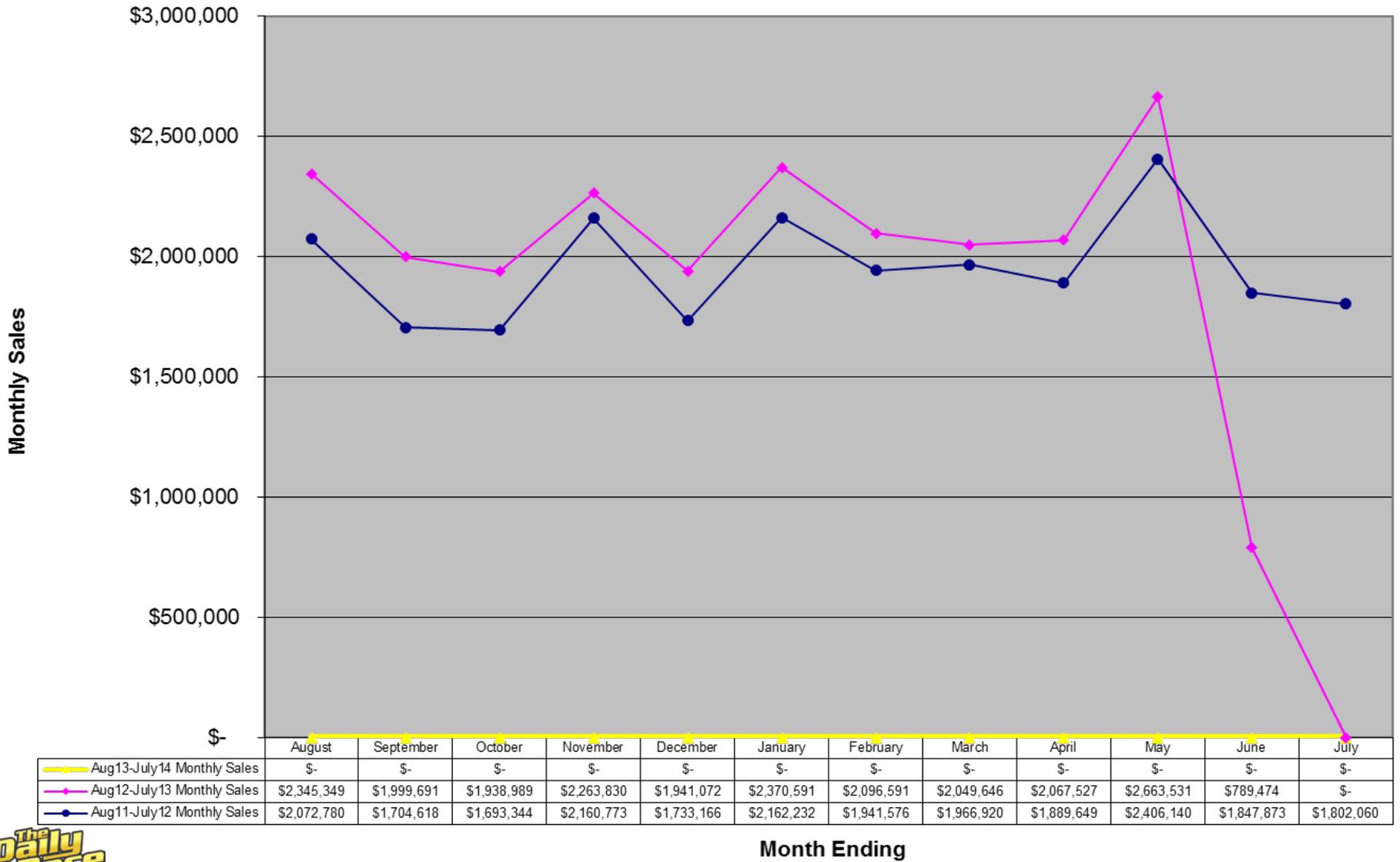
8.5X11 Poster



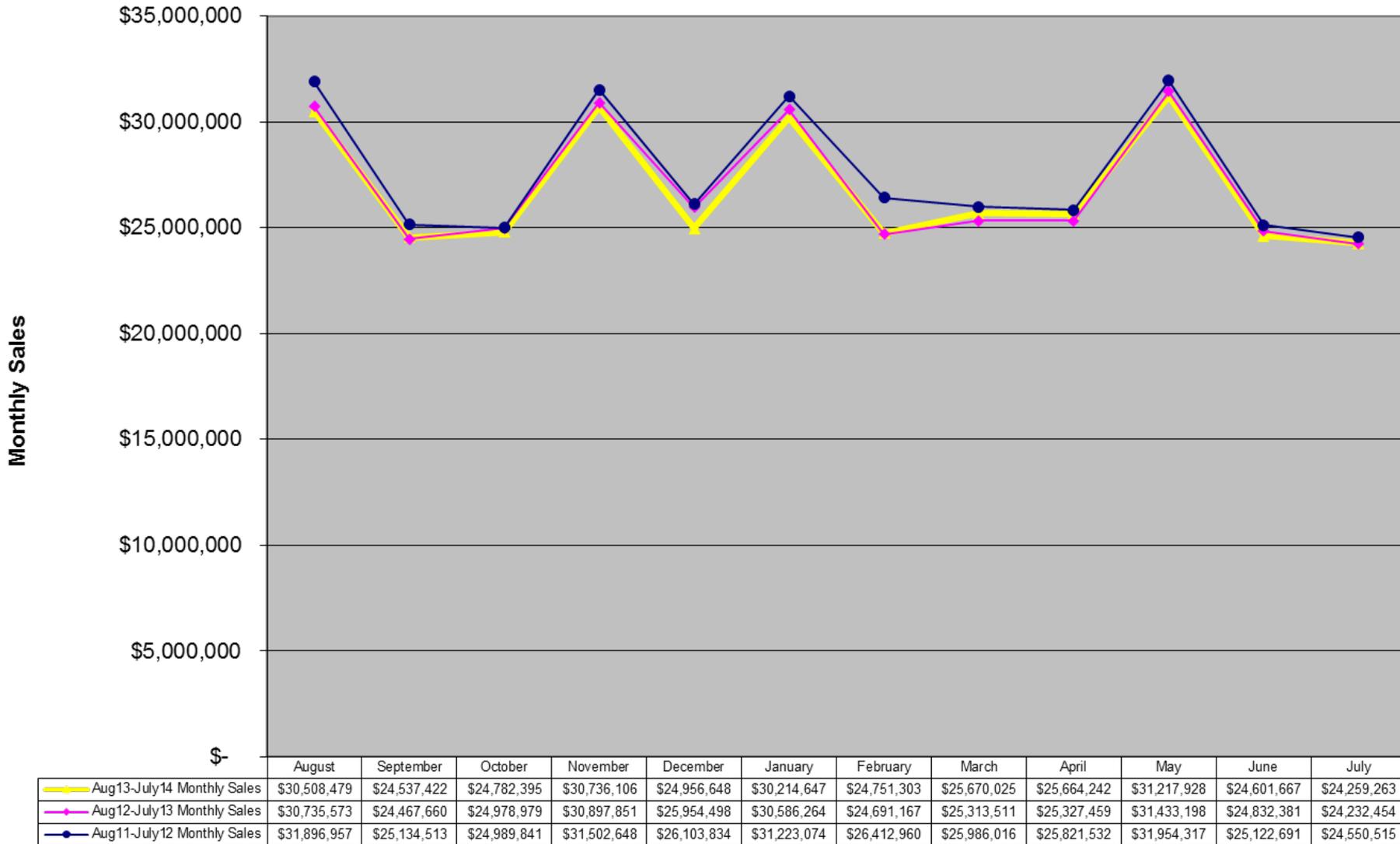
Poker Game Monthly Sales August 11 thru July 14



Race Game Monthly Sales August 11 thru July 14

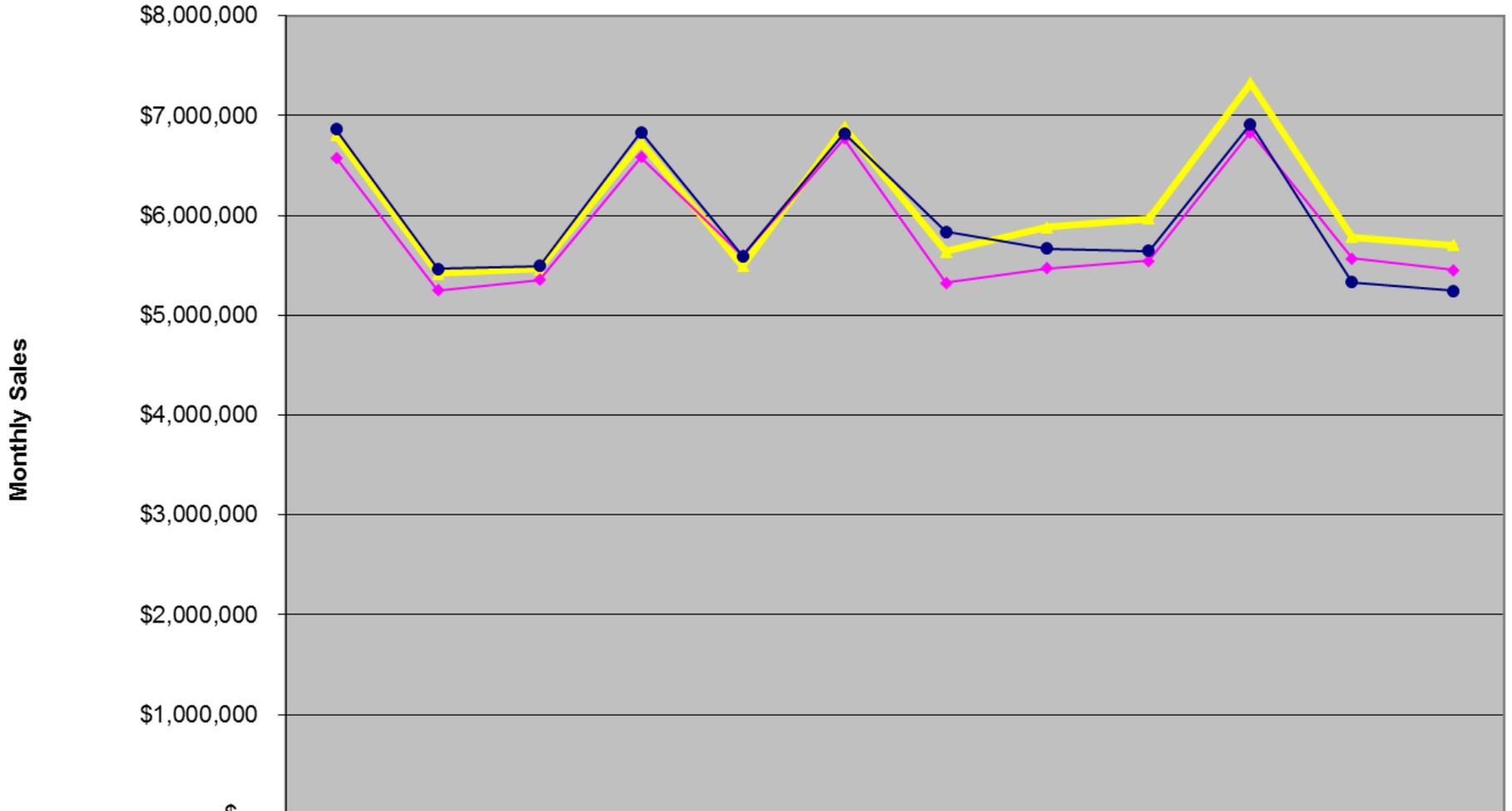


Numbers Game Monthly Sales August 11 thru July 14



Month Ending

Mass Cash Game Monthly Sales August 11 thru July 14

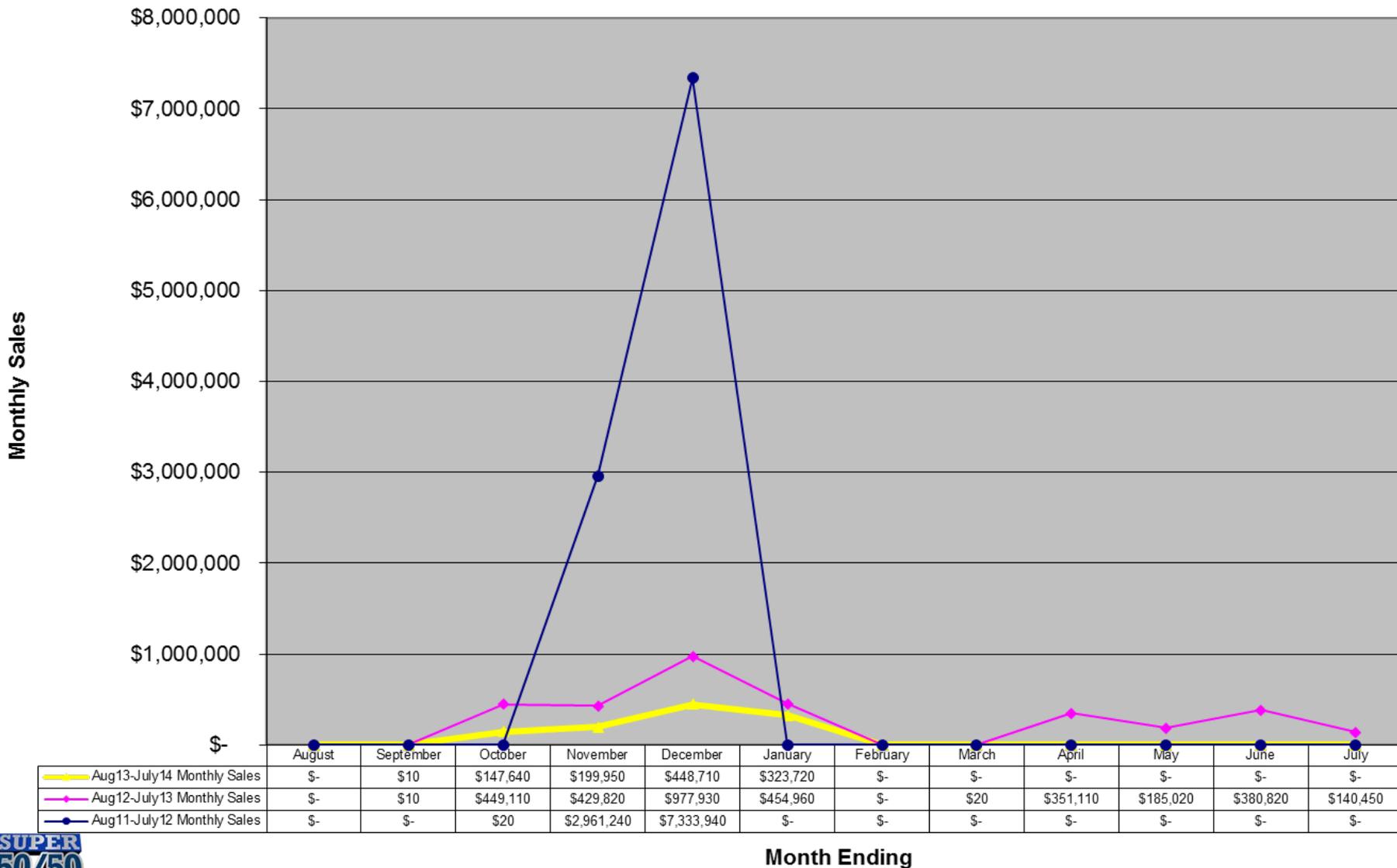


	August	September	October	November	December	January	February	March	April	May	June	July
Aug13-July14 Monthly Sales	\$6,804,235	\$5,419,261	\$5,464,350	\$6,730,787	\$5,492,858	\$6,884,188	\$5,637,428	\$5,879,562	\$5,968,141	\$7,323,467	\$5,782,628	\$5,698,694
Aug12-July13 Monthly Sales	\$6,578,888	\$5,246,274	\$5,354,883	\$6,585,156	\$5,598,851	\$6,768,918	\$5,326,593	\$5,469,026	\$5,546,389	\$6,830,126	\$5,565,559	\$5,451,722
Aug11-July12 Monthly Sales	\$6,861,992	\$5,461,313	\$5,491,049	\$6,829,977	\$5,588,976	\$6,820,344	\$5,835,398	\$5,665,639	\$5,644,277	\$6,913,184	\$5,330,344	\$5,240,615

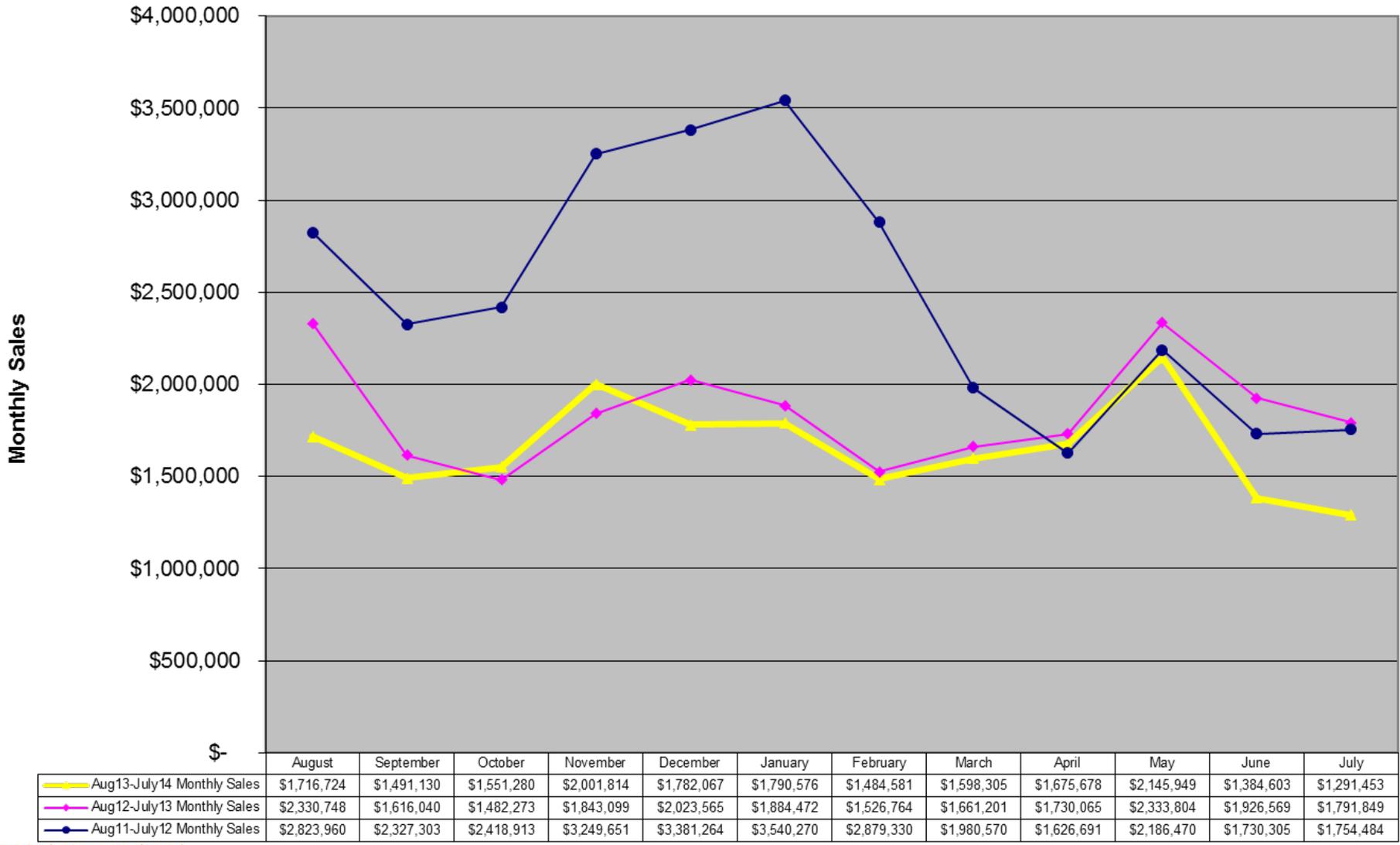
Month Ending



Online Raffle Game Monthly Sales August 11 thru July 14

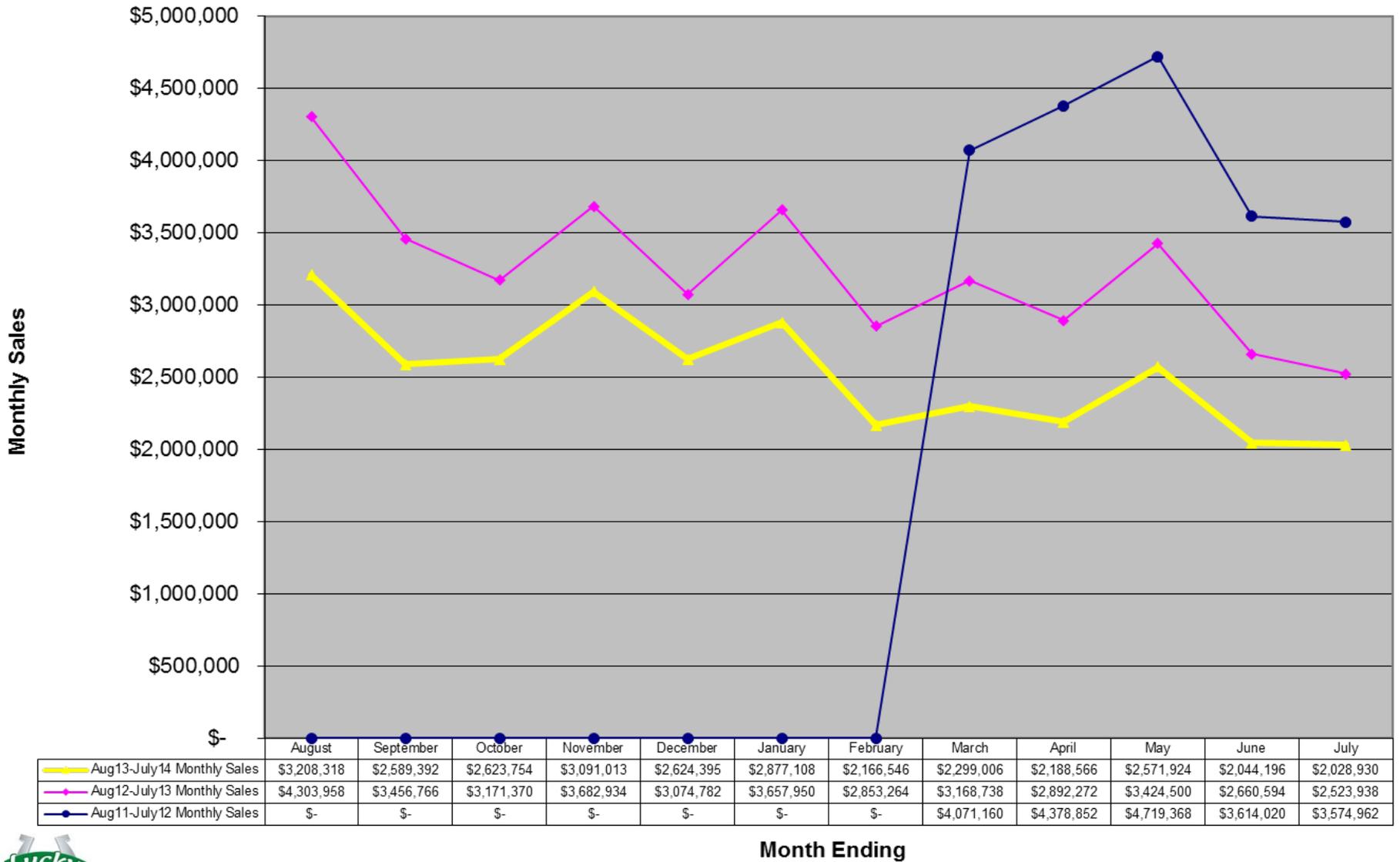


Megabucks Game Monthly Sales August 11 thru July 14

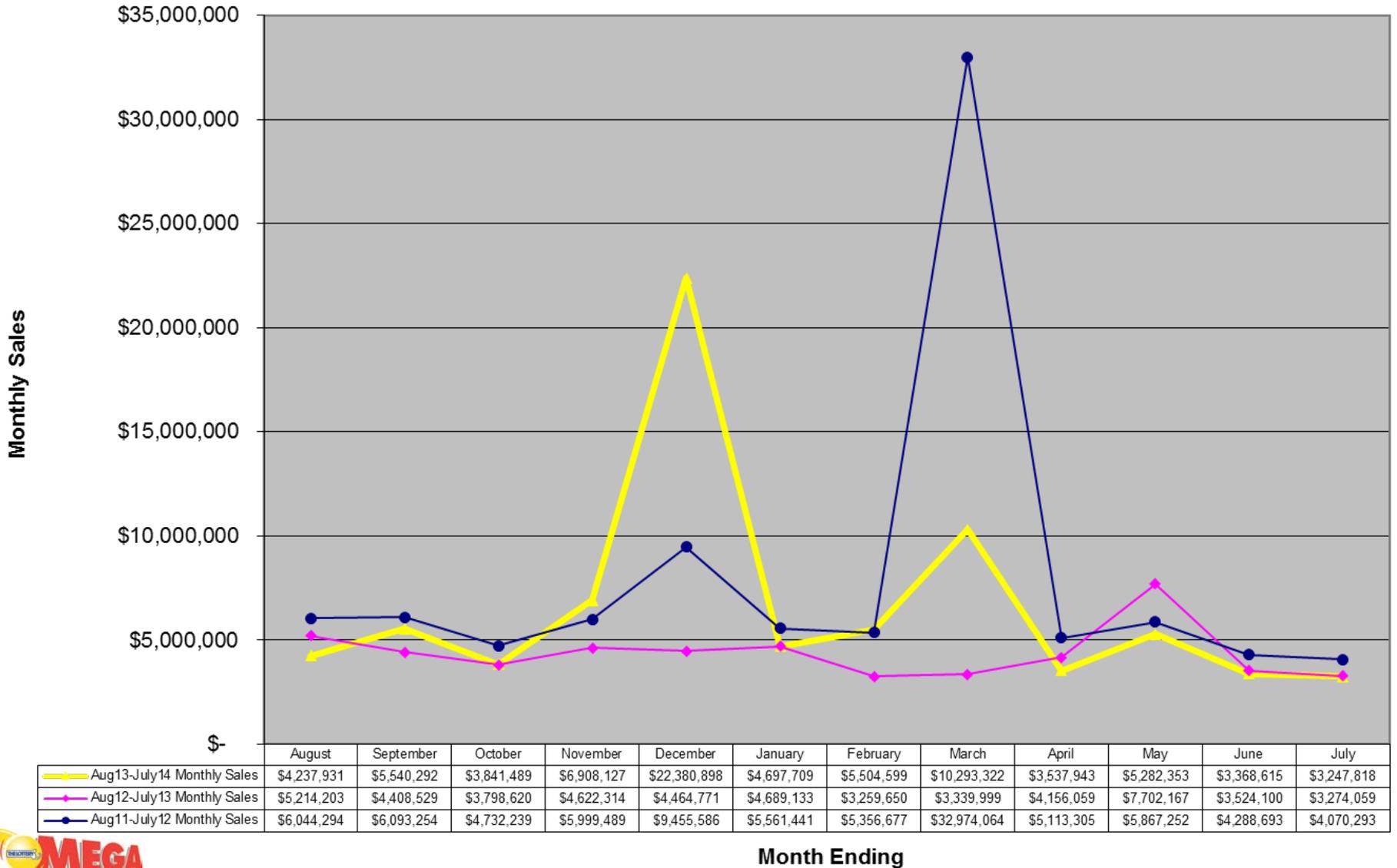


Month Ending

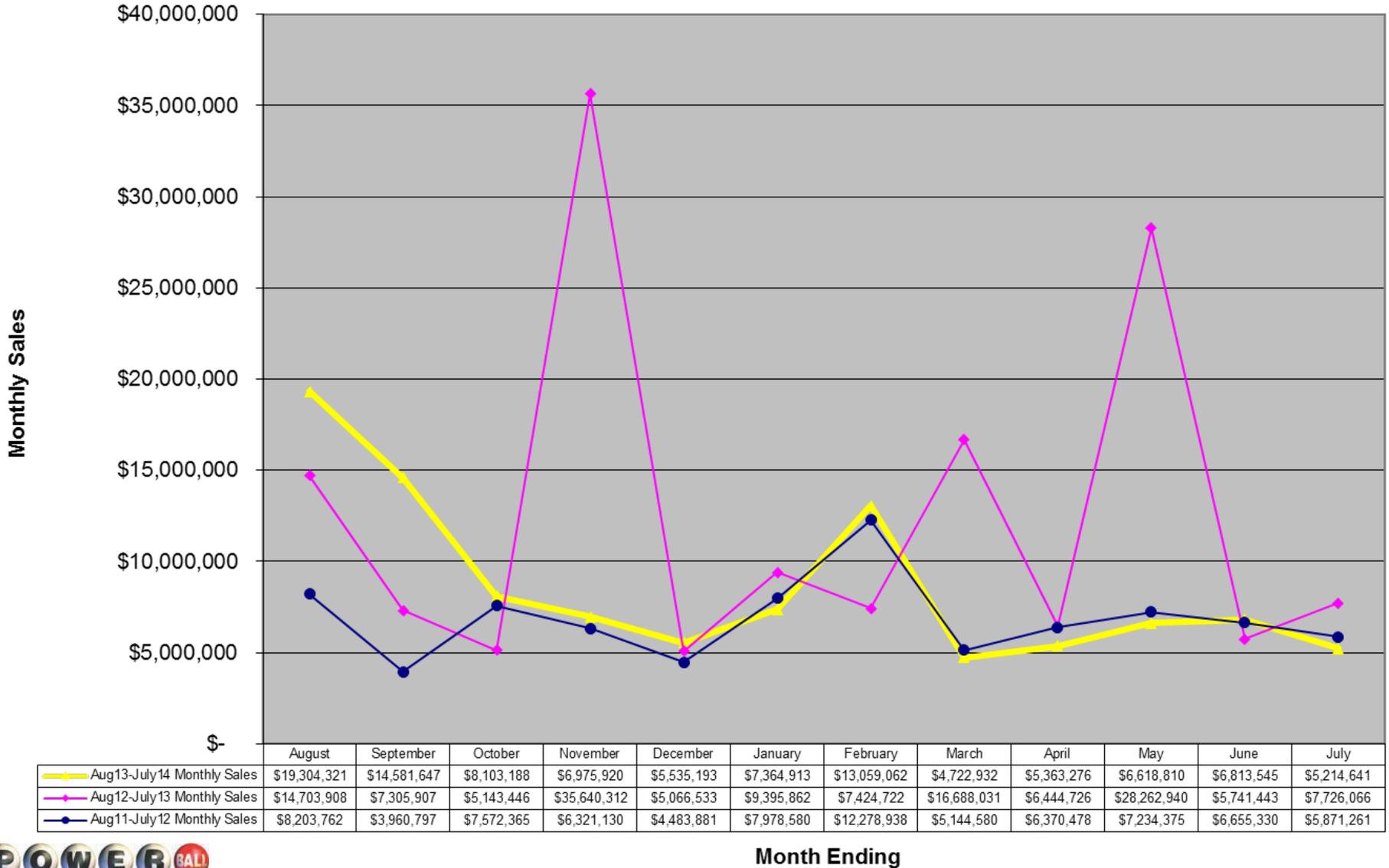
Lucky For Life Game Monthly Sales August 11 thru July 14



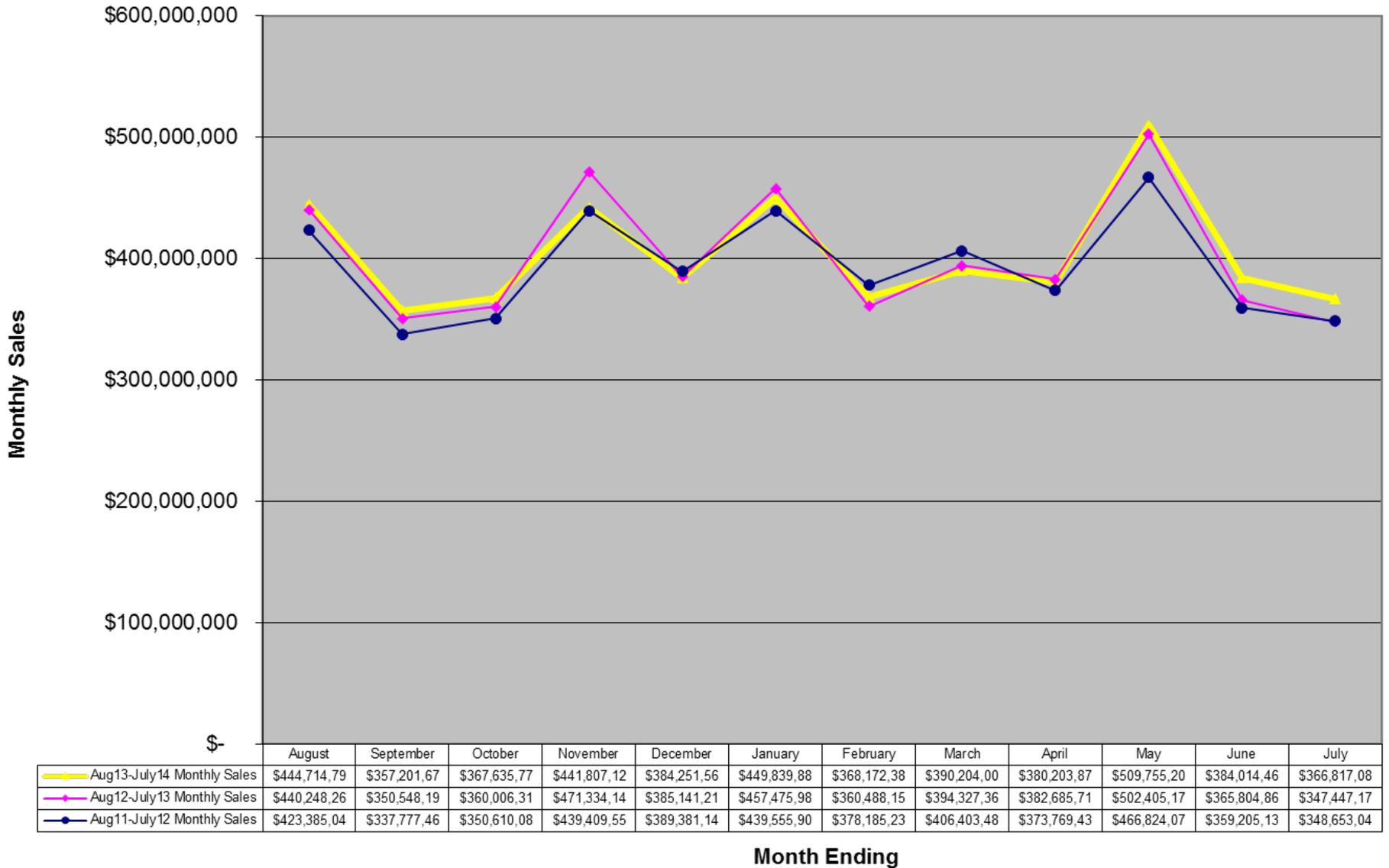
Mega Millions Game Monthly Sales August 11 thru July 14



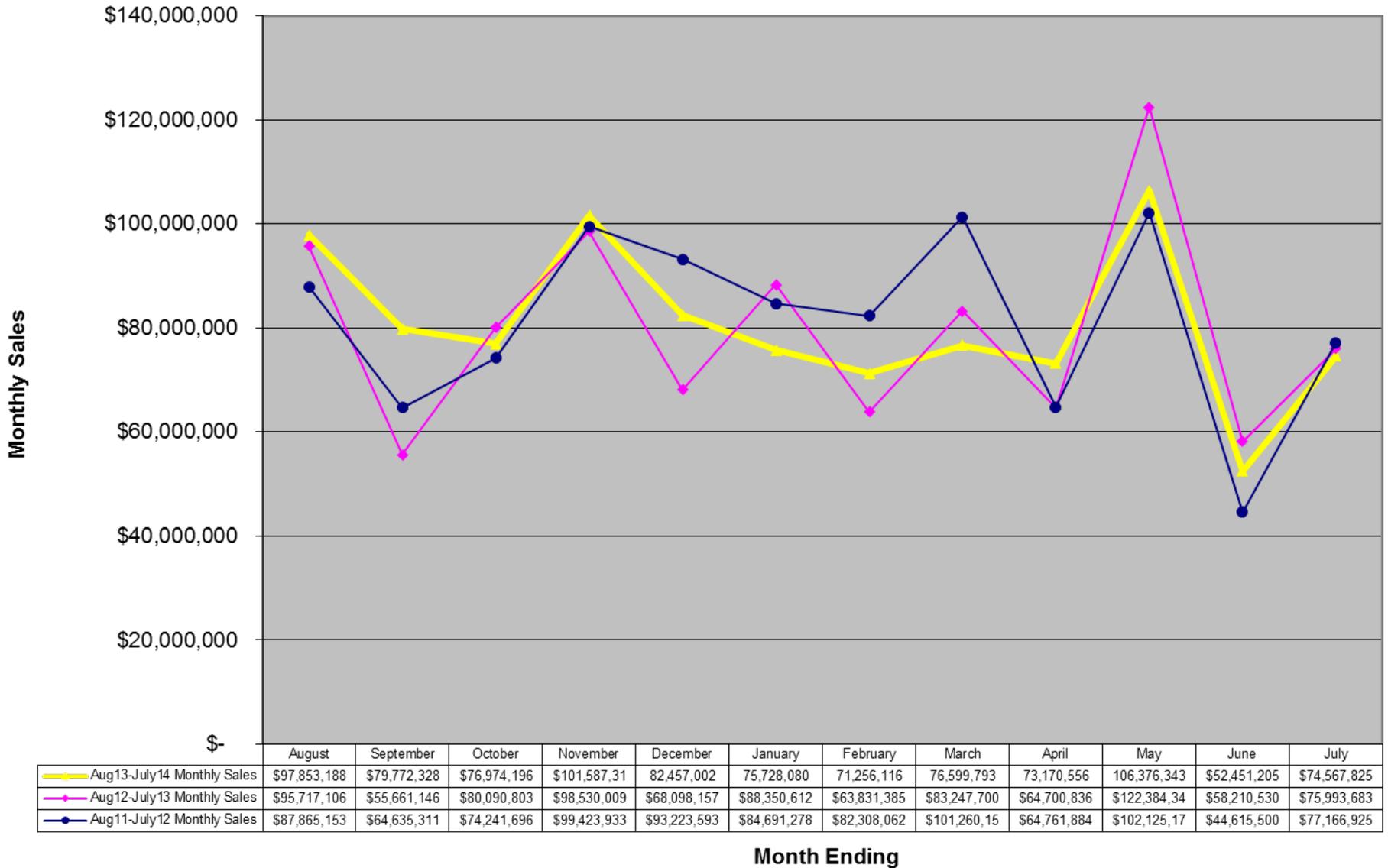
Powerball Game Monthly Sales August 11 thru July 14



All Game Monthly Sales August 11 thru July 14



Net Profit Monthly Sales August 11 thru July 14



MSLC Revenue Results

July FY15 vs. FY14

(\$ millions)

Through July 26, 2014

	FY15	% of Total	FY14	% of Total	\$ Change	% Change
Instant Tickets	\$264	72.0%	\$242	69.5%	\$22	9.3%
MegaMillions	3	0.9%	3	0.9%	0	-0.8%
Powerball	5	1.4%	8	2.2%	-3	-32.5%
Keno	61	16.6%	59	17.1%	1	2.4%
Mass Cash	6	1.6%	5	1.6%	0	4.5%
Race Game	0	0.0%	0	0.0%	0	0.0%
Lucky For Life	2	0.6%	3	0.7%	0	-19.6%
Numbers Game	24	6.6%	24	7.0%	0	0.1%
Super 50-50 Raffle	0	0.0%	0	0.0%	0	0.0%
Megabucks	1	0.4%	2	0.5%	-1	-27.9%
Jackpot Poker	0	0.1%	1	0.4%	-1	-81.6%
Total	\$367	100.0%	\$347	100.0%	\$19	5.6%
Instant Tickets	\$264	72.0%	\$242	69.5%	\$22	9.3%
Online Games	103	28.0%	106	30.5%	-3	-2.9%
Total	\$367	100.0%	\$347	100.0%	\$19	5.6%

Thank you for the opportunity to share this information. We look forward to your feedback and to further discussion on these figures, as well as other Lottery initiatives.

