

# **Massachusetts State Lottery Commission Meeting**

*Executive Director's Report*

**Delivered by: Beth Bresnahan**

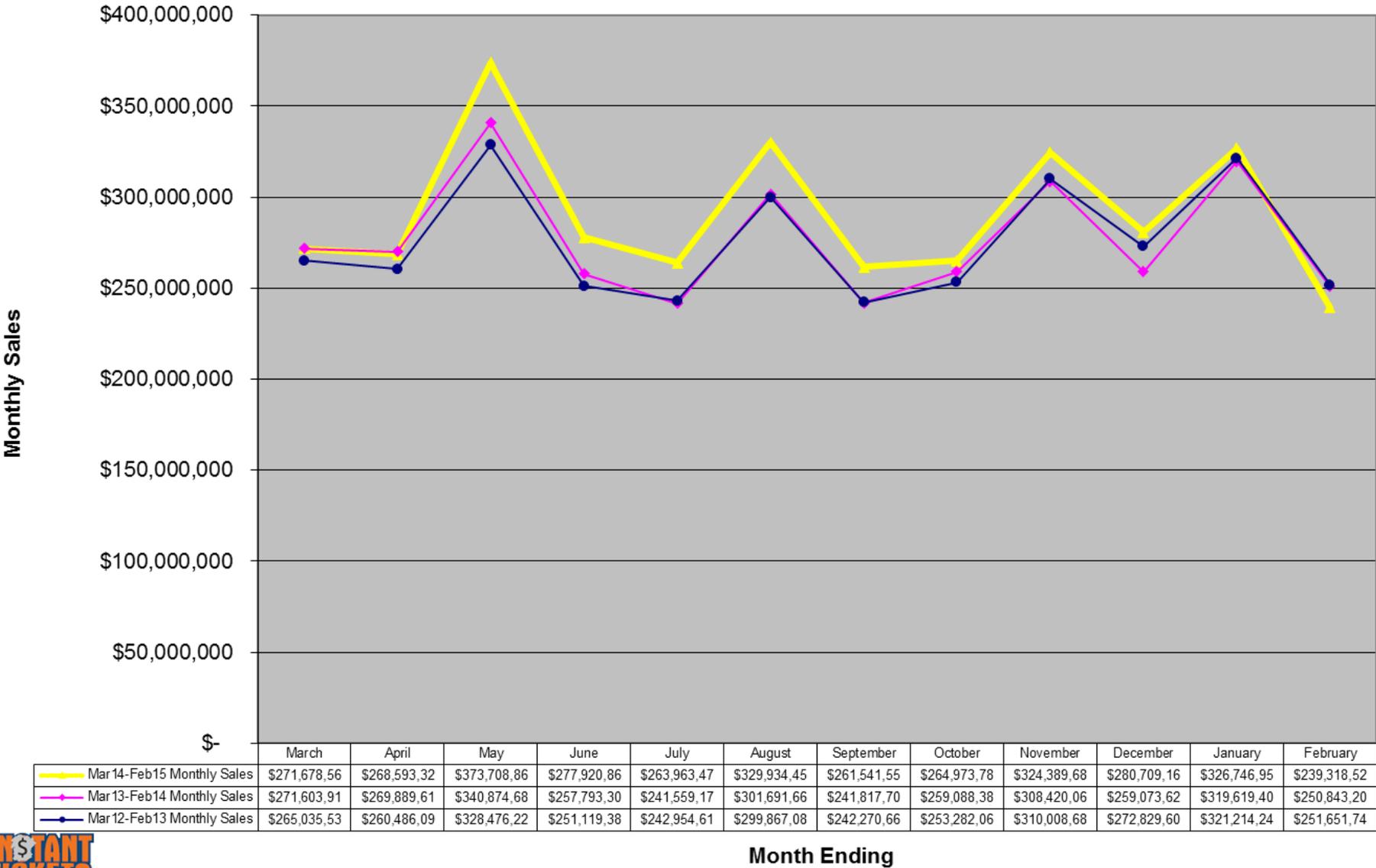
**March 31, 2015**



# Lottery Sales Update

- Lottery sales performance, like most products sold through brick and mortar retail locations, is substantially impacted by weather. The near-record amount of snow that fell during the month of February took its toll, with game sales for the month falling \$11 million as compared to February 2014.
- Instant Ticket sales for the month were down \$12 million; while Mega Millions, the NUMBERS Game and KENO each experienced a \$1 million sales decline. Mass Cash and Jackpot Poker both saw minimal sales declines.
- There were three games in the portfolio that had sales increases in February, including: Powerball, which increased by \$5 million thanks to a jackpot that grew to \$564.1 million mid-month; and, both Megabucks Doubler and Lucky for Life saw slight sales increases.
- The estimated prize payout for the month was 72.44 percent, as compared to 73.84 percent in February 2014. While there was a slight year-over-year decrease, the estimated FY15 prize payout through February is 72.32 percent as compared to 71.59 percent for the first eight months of FY14. This has decreased the year-over-year net profit by an estimated \$4.3 million.
- As previously explained, the payout percentage fluctuates based on the timing of when players cash in their prizes. Over the course of a fiscal year, the prize payout typically averages out to the budgeted rate. The Lottery budgeted a 72.7 percent prize payout for FY15.

# Instant Game Monthly Sales March 12 thru February 15



# March Instant Ticket Sales Update

## 10X The Cash

Price Point: \$1

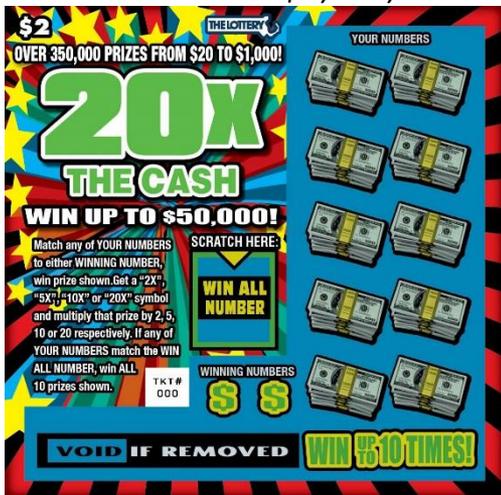
4 Week Sales: \$1,898,700



## 20X The Cash

Price Point: \$2

4 Week Sales: \$7,272,992



## 40X The Cash

Price Point: \$5

4 Week Sales: \$19,257,150



## 100X The Cash

Price Point: \$10

4 Week Sales: \$30,659,230



# Ultimate Garden Party Instant Ticket Release (March 31)

## Ultimate Garden Party Instant Ticket

Price Point: \$5

Top Instant Prize: \$250,000

Top Second Chance Prize: All Access Garden Party Pass + \$25,000 cash



- The Ultimate Garden Party Instant Ticket is a first-of-its-kind offering in the lottery industry. The concept was developed by Massachusetts Lottery staff. Only 8 million tickets have been printed in this limited edition game.
- New \$5 game offers over \$27.6 million in immediate “scratch and win” cash prizes, including 4 top prizes of \$250,000, and 1,872,416 prizes ranging from \$5 to \$10,000.
- The truly unique aspect of the game are the prizes awarded through its Second Chance Drawings, including:
  - All Access Garden Party Pass: 2 premium seats to all ticketed TD Garden events for 1 yr, parking pass & \$25,000.
  - Winner’s Circle Garden Party Event Pass: 2 premium seats to one of 10 ticketed events, a parking pass, private pre-event dinner, \$50 Garden Gold Card, an arena tour, & \$250 in cash.
  - Pick Your Tickets Pack (2 options): 4 premium seats to two select ticketed events & \$50. Or, 2 premium seats to one select ticketed event, a memory box, \$20 Garden Gold Card & \$100 cash.



# Ultimate Garden Party Instant Ticket POS Advertising

Wobbler/Shelf Talker



11x17 Poster



# Ultimate Garden Party Instant Ticket Social Media Graphics



Facebook.com/MAStateLottery (Cover Photo)



YouTube.com/MassStateLottery (Cover Photo)



MassLottery.com (Homepage Sliding Banner)



Twitter.com/MAStateLottery (Background Skin)



Flickr.com/MAStateLottery (Cover Photo)



# Ultimate Garden Party Instant Ticket Digital Advertising (March 31 – April 27)

The Lottery invested a total of \$35,000 in a four week digital ad campaign buy that begins today and will run through April 27<sup>th</sup>. The components include a :30 animated spot that will be broadcast via desktop, mobile and tablet pre-roll video on high-traffic, high-visibility sites (e.g. CBS Boston, FOX Sports, NBA.com, Forbes, YouTube and Facebook) targeting 18+ year old Massachusetts residents, as well as five days of homepage ads on BostonHerald.com.

In addition to the Lottery’s paid buy, the TD Garden is contributing significant marketing support using their existing assets for UGP’s launch that includes an array of in-arena and outdoor advertising/promotion, in-game TV and radio drop-ins (NESN & Sports Hub), promotion digital, social media and e-mail marketing.

:30 UGP animated spot



BostonHerald.com

970x250 pencil pushdown & sliding billboard featuring :30 video



300x250 companion banners



# Ultimate Garden Party Instant Ticket “Ultimate Garden Dream” Contest

As part of the celebration around the launch of the Ultimate Garden Party Instant Ticket, the Lottery and the TD Garden are asking fans to share what their “Ultimate Garden Party Dream” entails for a chance to win an unforgettable experience at the TD Garden.

While we may not be able to completely fulfill the winner’s wildest dreams (prize value is limited at \$1,200), we can help get them closer to it.

There is no purchase necessary. To enter, contestants must submit a short essay between 25 – 250 words sharing an experience that answers the question, “What would your dream experience/ultimate party at the TD Garden in Boston be?”

The contest kicked off on March 25, 2015 at 8:45 a.m. and all entries must be submitted via e-mail at [ugpdream@masslottery.com](mailto:ugpdream@masslottery.com) by April 7, 2015 at 5:00 p.m. Limit one (1) entry per person/e-mail address. Contestants must be 18 years of age to enter.

The winner and his/her dream prize will be announced on [masslottery.com](http://masslottery.com) before April 17, 2015.



# Red Sox Double Play Second Chance Promotion (April 6 – May 4)

From **April 6** through **May 4, 2015** every non-winning ticket Internet entry made into the Second Chance Drawings for the Lottery's \$2 and \$5 Boston Red Sox Instant Tickets will be eligible for the Double Play Promotion.

During the promotional period only, for each \$2 Boston Red Sox Second Chance entry submitted, the player earns four (4) entries into the Double Play Promotion. For each \$5 Boston Red Sox entry submitted, the player earns 10 entries into the Double Play Promotion.

At the conclusion of the promotional period, the Lottery will randomly select 200 Finalists from among all qualified entries received. From the two hundred (200) Finalists selected, the Lottery will select:

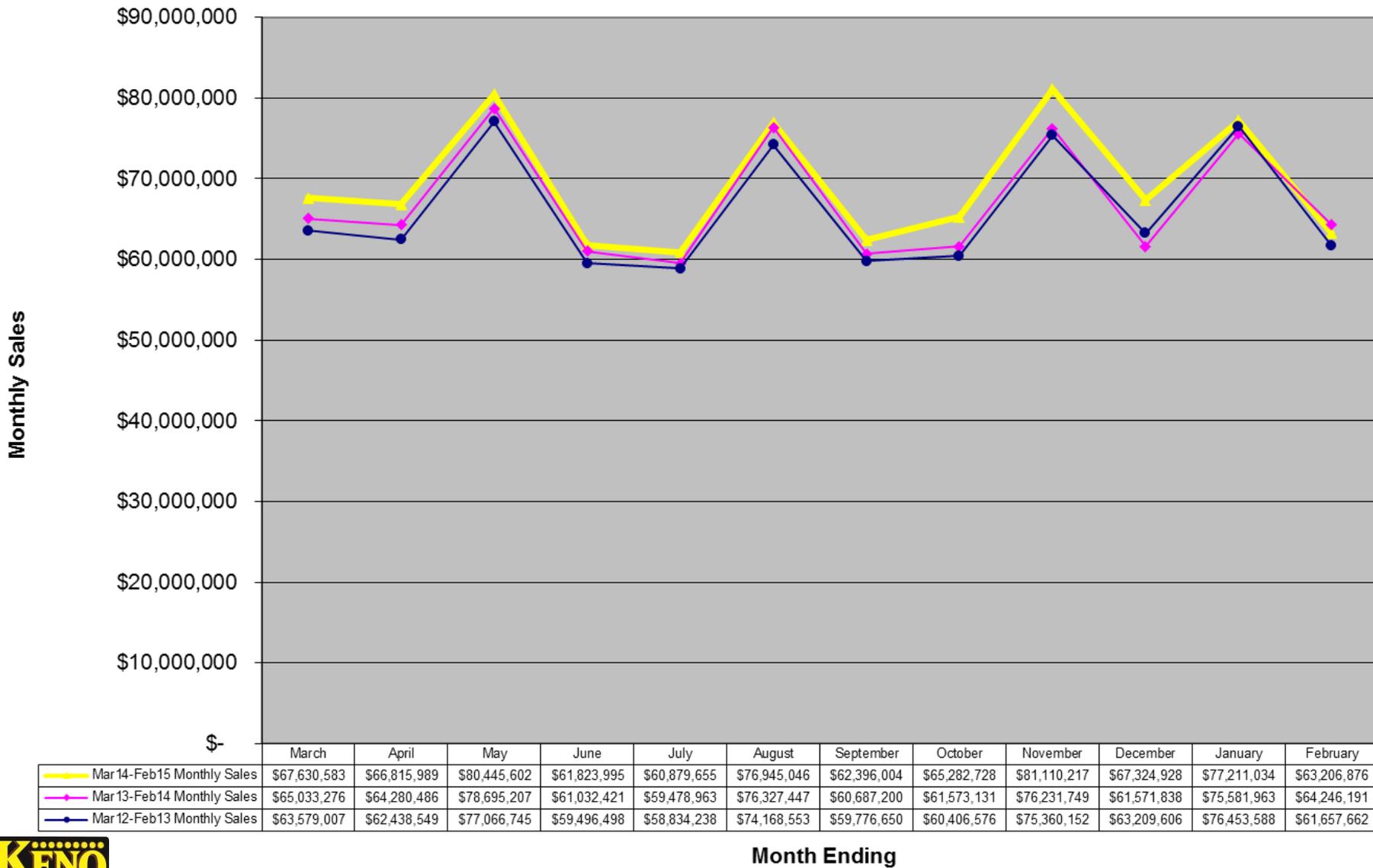
- One (1) Winner of a guaranteed cash prize of \$2,000.
- The remaining Finalists will each receive \$20.

Using the same 200 Finalists, the Lottery will conduct a second drawing and randomly select one entrant. If the entrant selected in the second drawing matches the \$2,000 Winner from the initial drawing, that Winner will receive an additional \$200,000. If the Winner of the \$2,000 from the initial drawing is not drawn a second time, no one will receive the additional \$200,000.

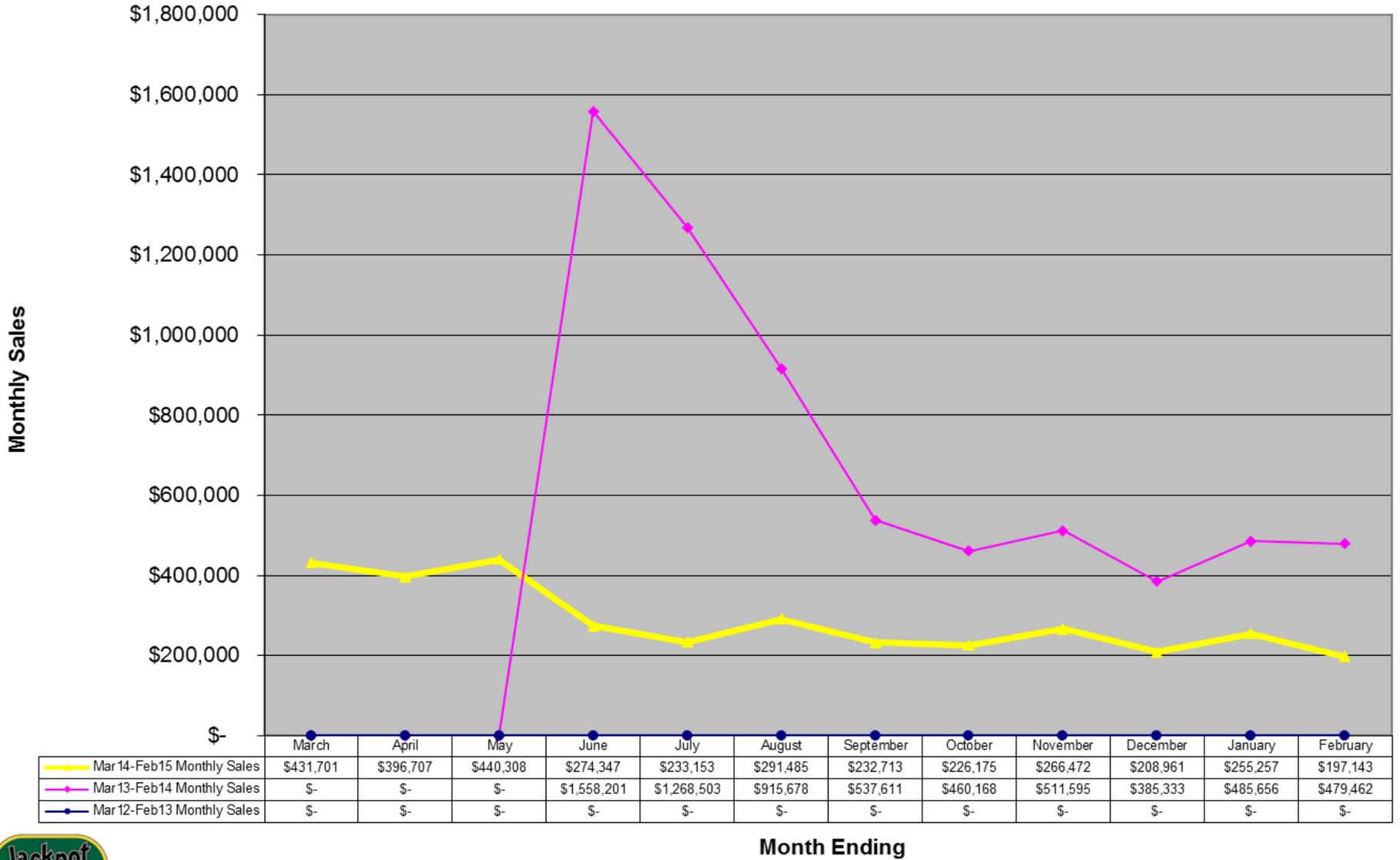
The odds of winning a prize will depend on the number of qualified entries. The total cash prize pool, less the \$200,000 top prize, is \$6,000.

The offer will be promoted via a poster and a banner ad on [masslottery.com](http://masslottery.com).

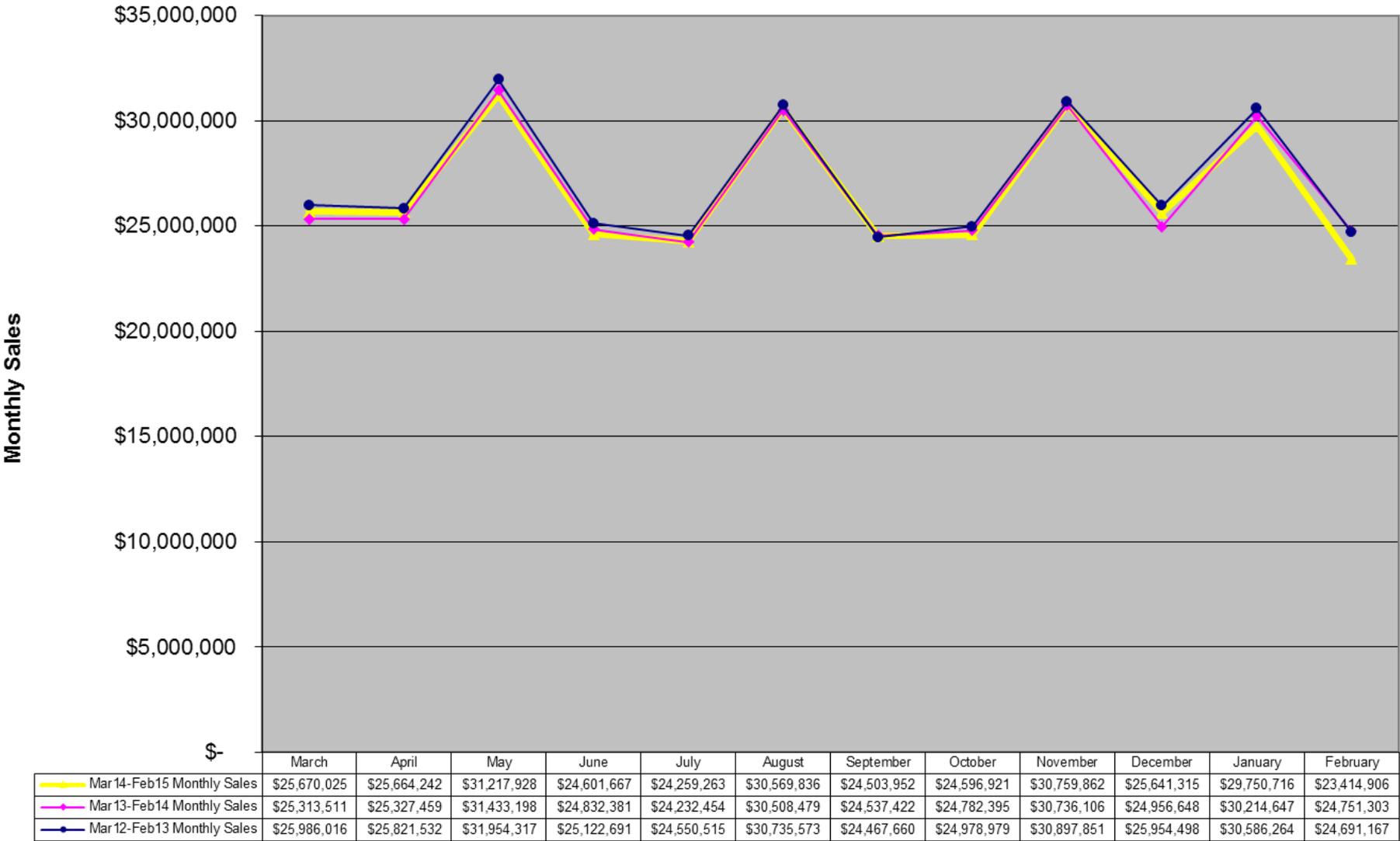
## KENO Game Monthly Sales March 12 thru February 15



## Poker Game Monthly Sales March 12 thru February 15

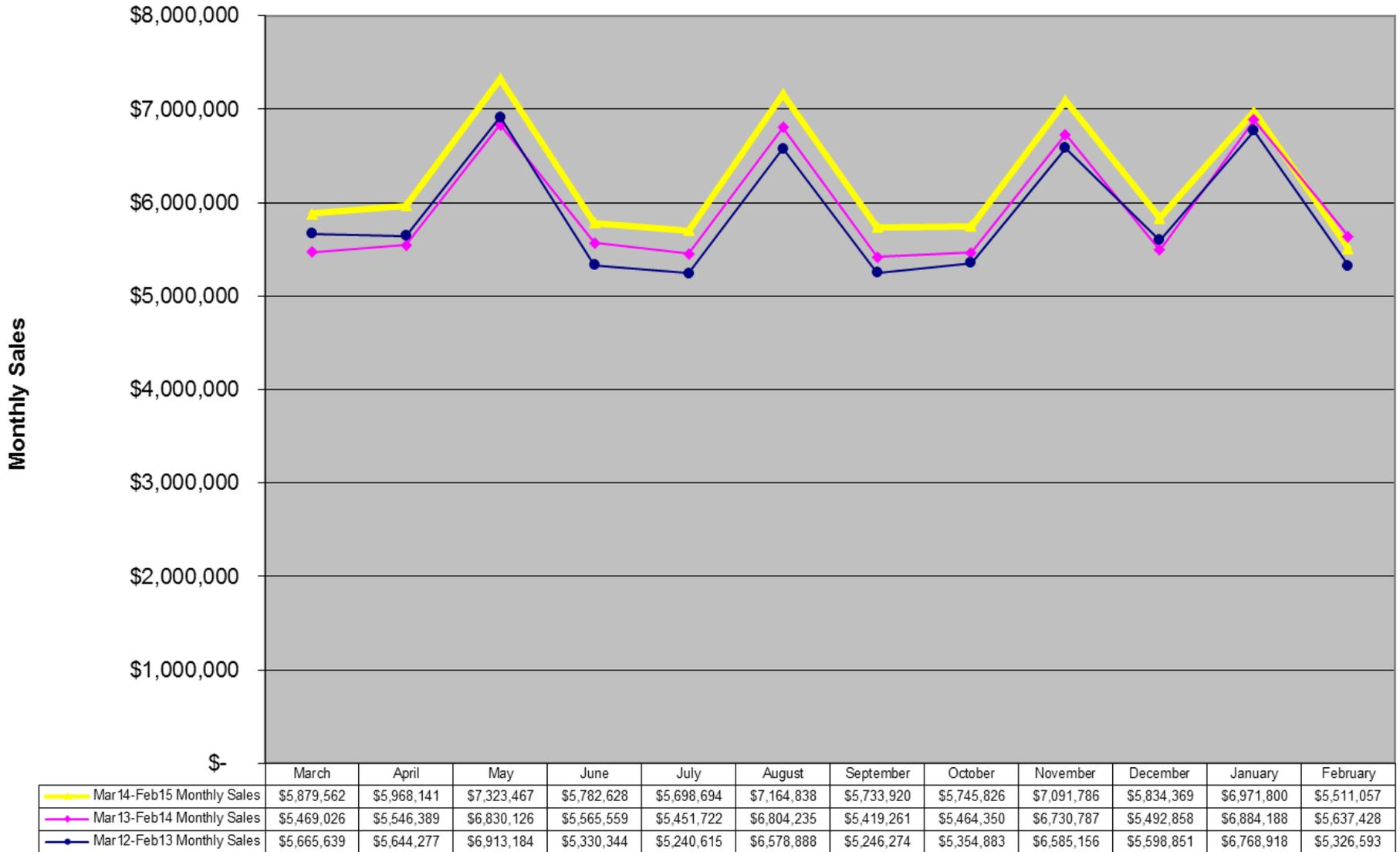


# Numbers Game Monthly Sales March 12 thru February 15



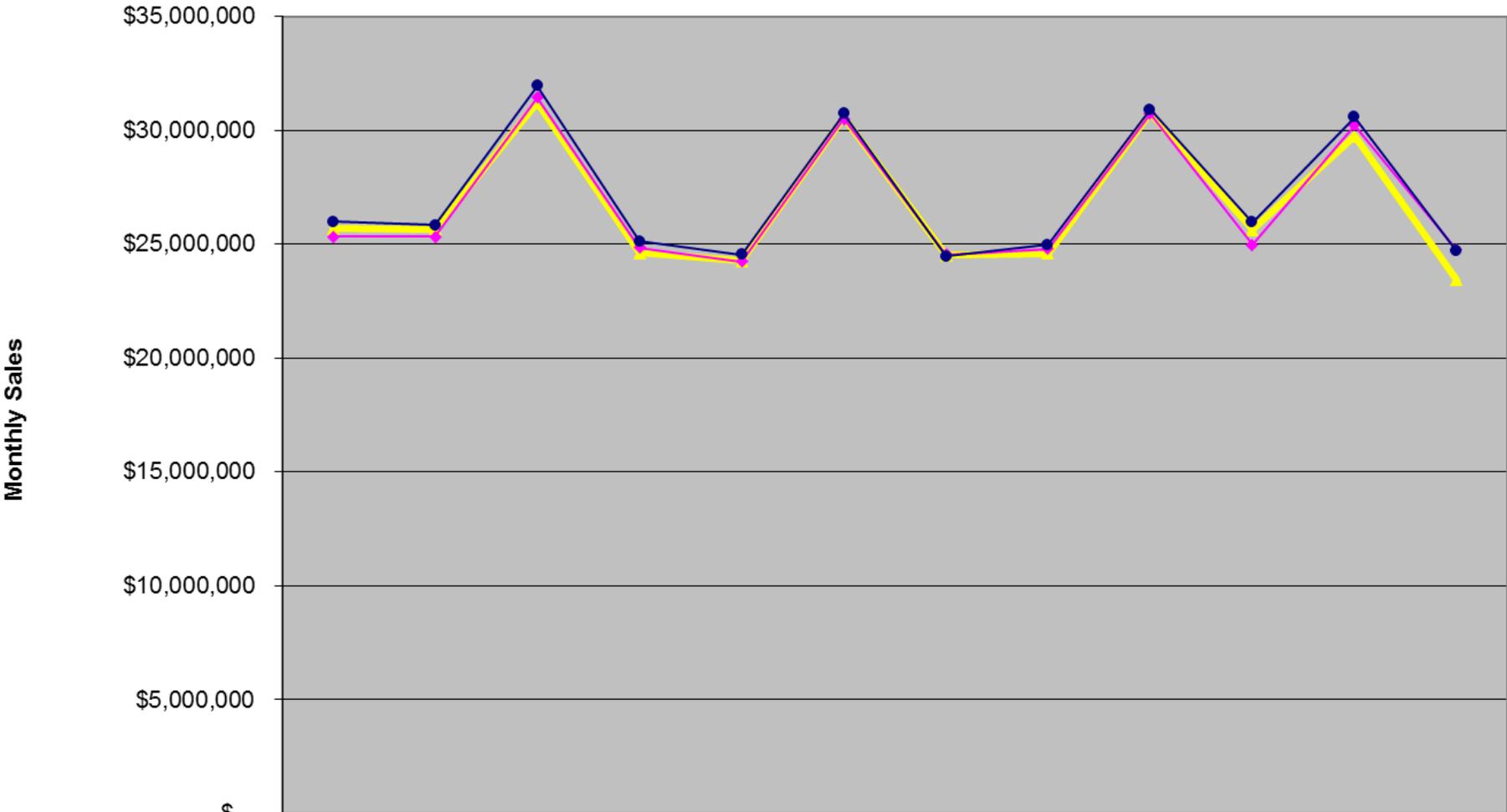
**Month Ending**

## Mass Cash Game Monthly Sales March 12 thru February 15



Month Ending

# Numbers Game Monthly Sales March 12 thru February 15

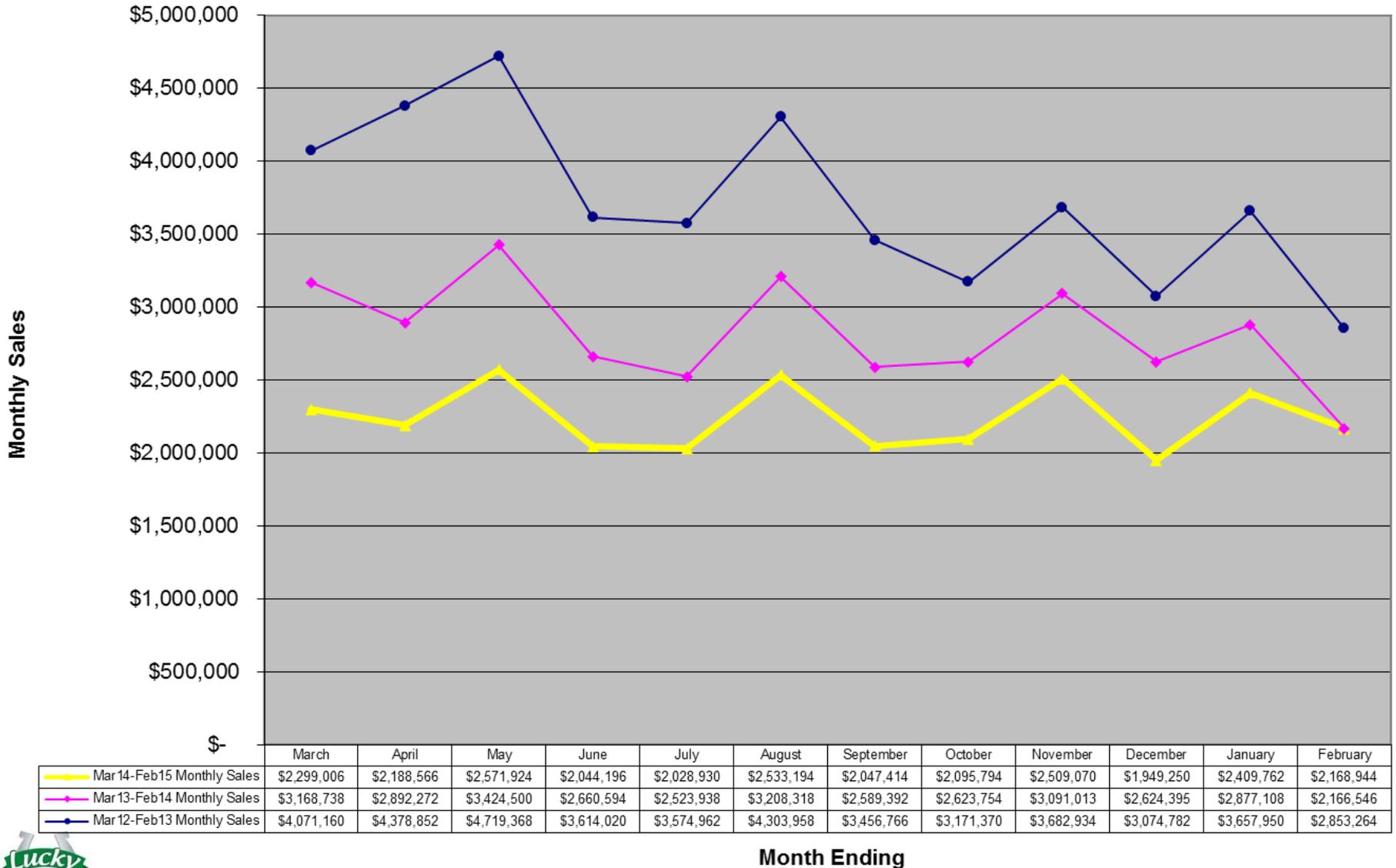


	March	April	May	June	July	August	September	October	November	December	January	February
Mar 14-Feb 15 Monthly Sales	\$25,670,025	\$25,664,242	\$31,217,928	\$24,601,667	\$24,259,263	\$30,569,836	\$24,503,952	\$24,596,921	\$30,759,862	\$25,641,315	\$29,750,716	\$23,414,906
Mar 13-Feb 14 Monthly Sales	\$25,313,511	\$25,327,459	\$31,433,198	\$24,832,381	\$24,232,454	\$30,508,479	\$24,537,422	\$24,782,395	\$30,736,106	\$24,956,648	\$30,214,647	\$24,751,303
Mar 12-Feb 13 Monthly Sales	\$25,986,016	\$25,821,532	\$31,954,317	\$25,122,691	\$24,550,515	\$30,735,573	\$24,467,660	\$24,978,979	\$30,897,851	\$25,954,498	\$30,586,264	\$24,691,167

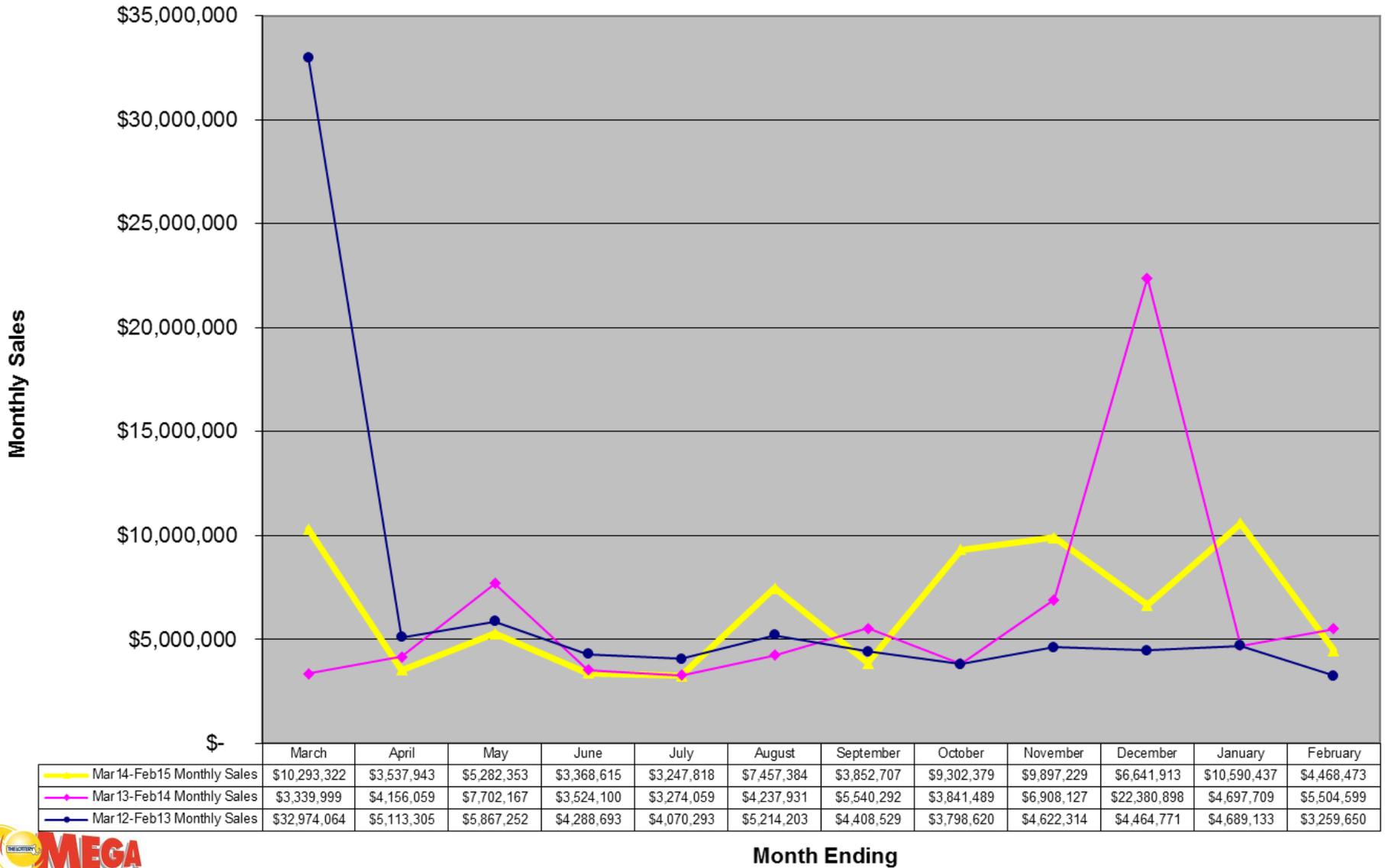
**Month Ending**



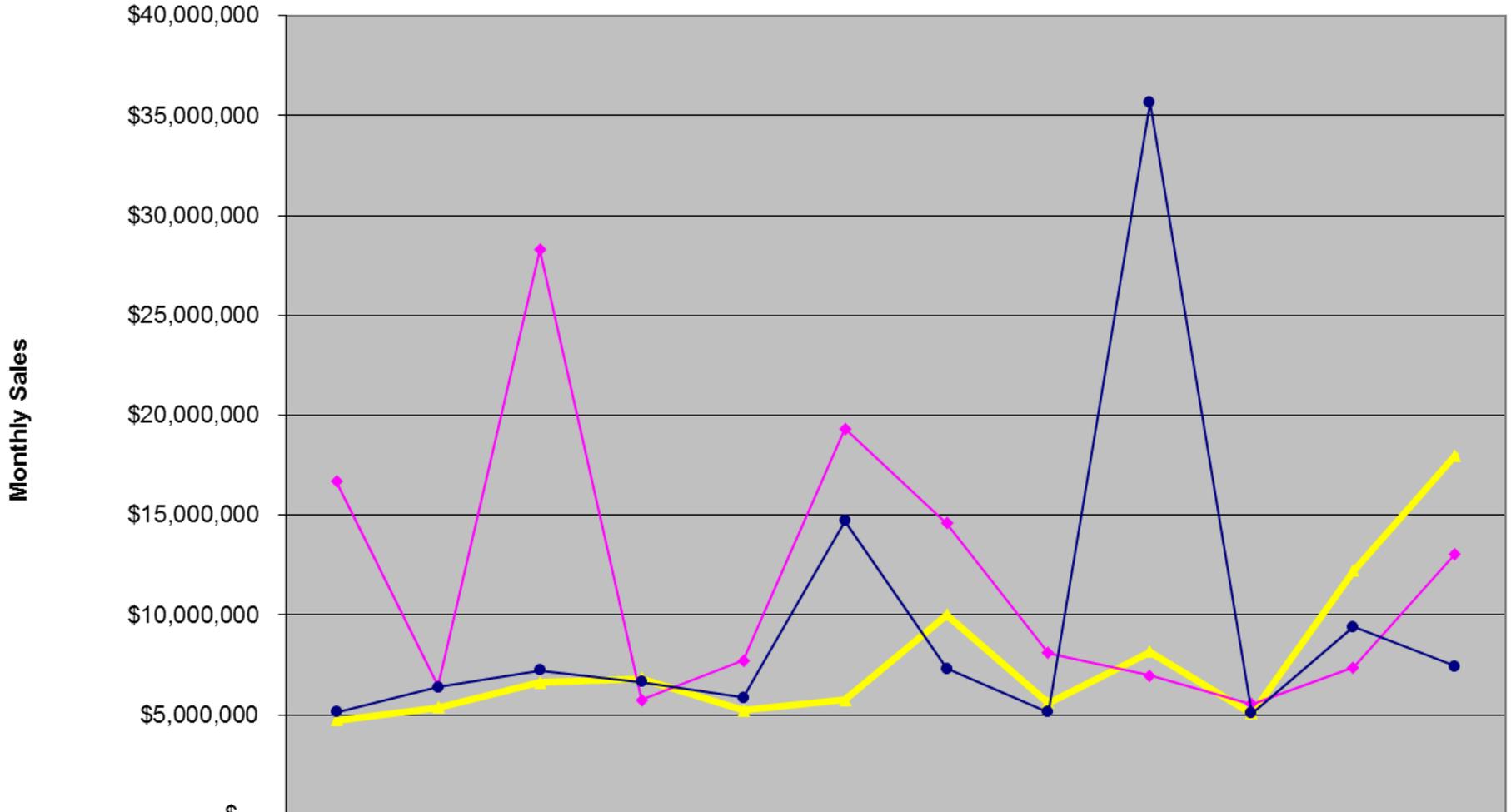
## Lucky For Life Game Monthly Sales March 12 thru February 15



## Mega Millions Game Monthly Sales March 12 thru February 15



## Powerball Game Monthly Sales March 12 thru February 15

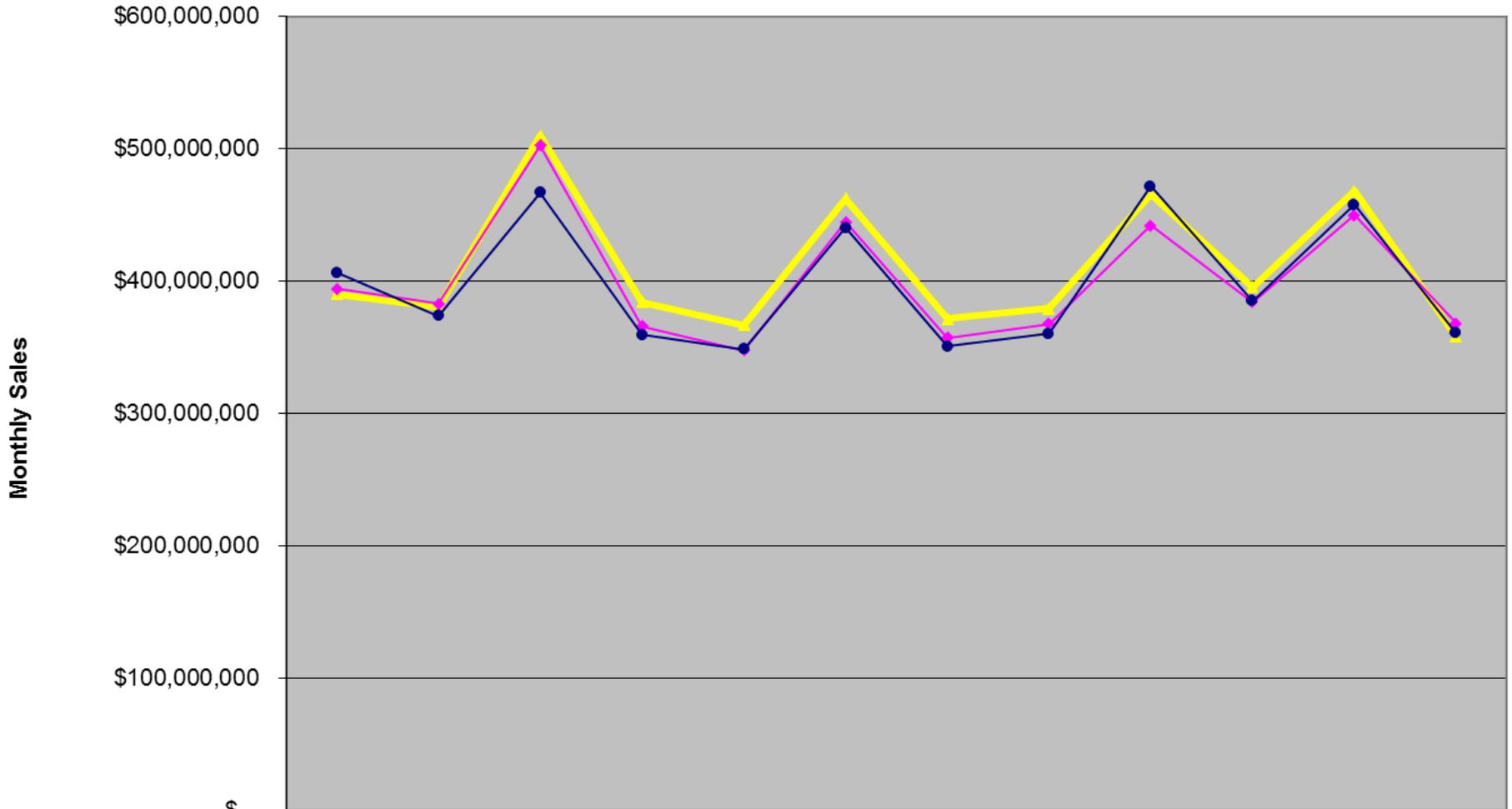


	March	April	May	June	July	August	September	October	November	December	January	February
Mar 14-Feb 15 Monthly Sales	\$4,722,932	\$5,363,276	\$6,618,810	\$6,813,545	\$5,214,641	\$5,739,212	\$10,020,958	\$5,600,787	\$8,145,031	\$5,074,881	\$12,199,470	\$17,978,767
Mar 13-Feb 14 Monthly Sales	\$16,688,031	\$6,444,726	\$28,262,940	\$5,741,443	\$7,726,066	\$19,304,321	\$14,581,647	\$8,103,188	\$6,975,920	\$5,535,193	\$7,364,913	\$13,059,062
Mar 12-Feb 13 Monthly Sales	\$5,144,580	\$6,370,478	\$7,234,375	\$6,655,330	\$5,871,261	\$14,703,908	\$7,305,907	\$5,143,446	\$35,640,312	\$5,066,533	\$9,395,862	\$7,424,722

Month Ending



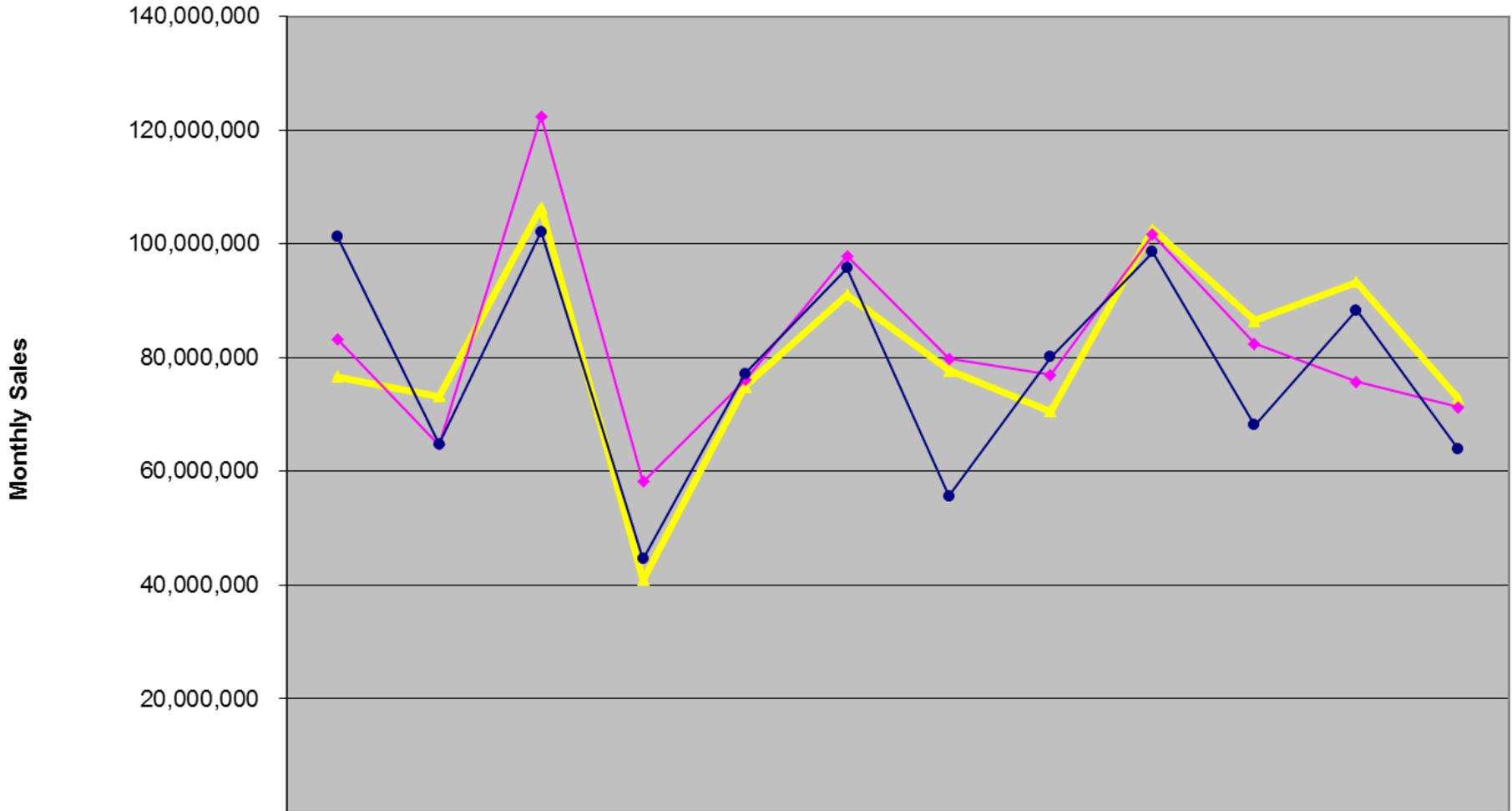
## All Game Monthly Sales March 12 thru February 15



	March	April	May	June	July	August	September	October	November	December	January	February
Mar 14-Feb 15 Monthly Sales	\$390,204,00	\$380,203,87	\$509,755,20	\$384,014,46	\$366,817,08	\$462,423,20	\$371,602,63	\$379,119,35	\$465,913,06	\$395,332,36	\$468,110,25	\$357,865,50
Mar 13-Feb 14 Monthly Sales	\$394,327,36	\$382,685,71	\$502,405,17	\$365,804,86	\$347,447,17	\$444,714,79	\$357,201,67	\$367,635,77	\$441,807,12	\$384,251,56	\$449,839,88	\$368,172,38
Mar 12-Feb 13 Monthly Sales	\$406,403,48	\$373,769,43	\$466,824,07	\$359,205,13	\$348,653,04	\$440,248,26	\$350,548,19	\$360,006,31	\$471,334,14	\$385,141,21	\$457,475,98	\$360,488,15

**Month Ending**

## Net Profit Monthly Sales March 12 thru February 15



	March	April	May	June	July	August	September	October	November	December	January	February
Mar 14-Feb15 Monthly Sales	76,599,793	73,170,556	106,376,343	40,953,139	74,919,209	\$91,036,624	77,741,209	70,506,564	102,546,571	86,453,655	93,321,505	72,781,582
Mar 13-Feb14 Monthly Sales	\$83,247,700	\$64,700,836	\$122,384,34	\$58,210,530	\$75,993,683	\$97,853,188	\$79,772,328	\$76,974,196	\$101,587,31	82,457,002	75,728,080	71,256,116
Mar 12-Feb13 Monthly Sales	\$101,260,15	\$64,761,884	\$102,125,17	\$44,615,500	\$77,166,925	\$95,717,106	\$55,661,146	\$80,090,803	\$98,530,009	\$68,098,157	\$88,350,612	\$63,831,385

**Month Ending**

<b>MSLC Revenue Results</b>								
<b>February FY15 vs. FY14</b>								
(\$ millions)								
Through February 28, 2015								
	<b>FY15</b>	<b>% of Total</b>		<b>FY14</b>	<b>% of Total</b>	<b>\$ Change</b>	<b>% Change</b>	
<b>Instant Tickets</b>	\$239	66.9%		\$251	68.1%	-\$12	-4.6%	
<b>MegaMillions</b>	4	1.2%		6	1.5%	-1	-18.8%	
<b>Powerball</b>	18	5.0%		13	3.5%	5	37.7%	
<b>Keno</b>	63	17.7%		64	17.4%	-1	-1.6%	
<b>Mass Cash</b>	6	1.5%		6	1.5%	0	-2.2%	
<b>Race Game</b>	0	0.0%		0	0.0%	0	0.0%	
<b>Lucky For Life</b>	2	0.6%		2	0.6%	0	0.1%	
<b>Numbers Game</b>	23	6.5%		25	6.7%	-1	-5.4%	
<b>Super 50-50 Raffle</b>	0	0.0%		0	0.1%	0	-100.0%	
<b>Megabucks</b>	2	0.4%		1	0.4%	0	7.8%	
<b>Jackpot Poker</b>	0	0.1%		0	0.1%	0	-58.9%	
<b>Total</b>	<b>\$358</b>	<b>100.0%</b>		<b>\$368</b>	<b>100.0%</b>	<b>-\$11</b>	<b>-2.9%</b>	
<b>Instant Tickets</b>	\$239	66.9%		\$251	68.1%	-\$12	-4.6%	
<b>Online Games</b>	119	33.1%		118	31.9%	1	0.8%	
<b>Total</b>	<b>\$358</b>	<b>100.0%</b>		<b>\$368</b>	<b>100.0%</b>	<b>-\$11</b>	<b>-2.9%</b>	

<b>MSLC Revenue Results</b>								
<b>Year-to-Date FY15 vs. FY14</b>								
(\$ millions)								
Through February 28, 2015								
	<b>FY15</b>	<b>% of Total</b>		<b>FY14</b>	<b>% of Total</b>	<b>\$ Change</b>	<b>% Change</b>	
<b>Instant Tickets</b>	\$2,292	70.1%		\$2,182	69.0%	\$109	5.0%	
<b>MegaMillions</b>	55	1.7%		56	1.8%	-1	-1.6%	
<b>Powerball</b>	70	2.1%		83	2.6%	-13	-15.3%	
<b>Keno</b>	554	17.0%		536	16.9%	19	3.5%	
<b>Mass Cash</b>	50	1.5%		48	1.5%	2	3.9%	
<b>Race Game</b>	0	0.0%		0	0.0%	0	0.0%	
<b>Lucky For Life</b>	18	0.5%		22	0.7%	-4	-18.3%	
<b>Numbers Game</b>	213	6.5%		215	6.8%	-1	-0.6%	
<b>Super 50-50 Raffle</b>	0	0.0%		1	0.0%	-1	-100.0%	
<b>Megabucks</b>	13	0.4%		14	0.4%	-1	-5.1%	
<b>Jackpot Poker</b>	2	0.1%		5	0.2%	-3	-62.1%	
<b>Total</b>	<b>\$3,267</b>	<b>100.0%</b>		<b>\$3,161</b>	<b>100.0%</b>	<b>\$106</b>	<b>3.4%</b>	
<b>Instant Tickets</b>	\$2,292	70.1%		\$2,182	69.0%	\$109	5.0%	
<b>Online Games</b>	976	29.9%		979	31.0%	-3	-0.3%	
<b>Total</b>	<b>\$3,267</b>	<b>100.0%</b>		<b>\$3,161</b>	<b>100.0%</b>	<b>\$106</b>	<b>3.4%</b>	

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.

