

Massachusetts State Lottery Commission Meeting

Executive Director's Report

Delivered by: Beth Bresnahan

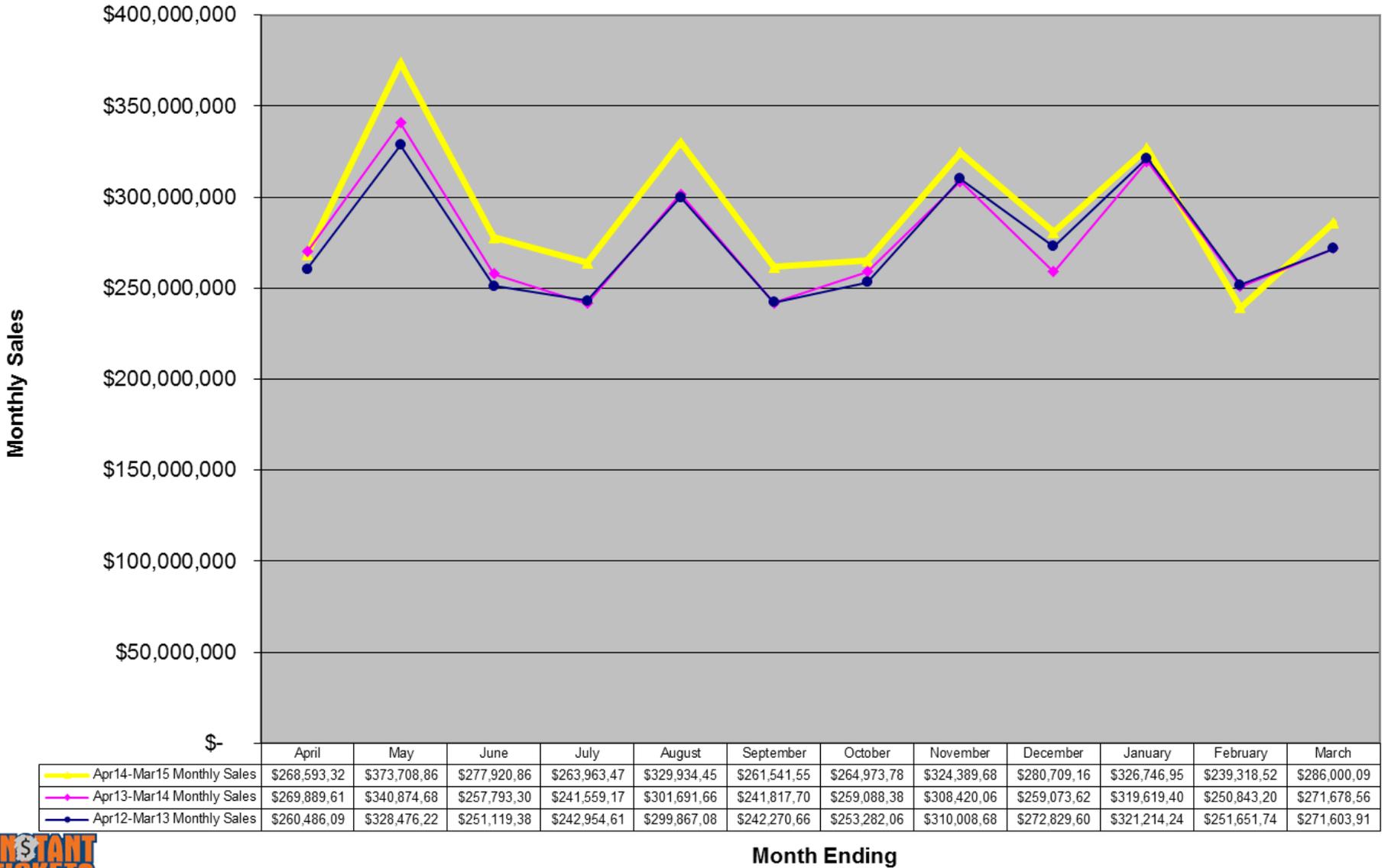
April 28, 2015



Lottery Sales Update

- Overall sales for March 2015 were \$11 million higher than the previous March. This increase was primarily due to a \$14 million sales surge in Instant Tickets; however, a \$4 million increase in KENO sales, along with a \$1 million jump in Powerball sales contributed to the year-over-year growth.
- Mega Millions saw a \$7 million sales decrease because of significantly smaller jackpot offerings this March as compared to March 2014 (\$59 million vs. \$414 million). The remaining draw games in the portfolio experienced slight declines for the month.
- An influx of Grand Prize claims (12 \$1 million prizes and one \$15 million prize) in March drove the estimated prize payout for the month to 74.95 percent, as compared to 73.07 percent in March 2014. This increase caused the estimated prize payout for the first nine months of FY15 to rise to 72.60 percent, as compared to 71.64 percent for the same time period in FY14, and has decreased the year-over-year net profit by an estimated \$15.8 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's FY15 budgeted prize payout is 72.7 percent.

Instant Game Monthly Sales April 12 thru March 15



March Instant Ticket Sales Update

10X The Cash

Price Point: \$1

8 Week Sales: \$4,668,956



20X The Cash

Price Point: \$2

8 Week Sales: \$16,068,992



40X The Cash

Price Point: \$5

8 Week Sales: \$38,498,575



100X The Cash

Price Point: \$10

8 Week Sales: \$63,751,600



Ultimate Garden Party Instant Ticket Sales Update

Ultimate Garden Party Instant Ticket

Price Point: \$5

4 Week Sales: \$9,793,935



- First \$250,000 “scratch & win” instant cash prize was claimed on: 4/21/15 by MaryAnn Jacques of Worcester, MA.
- Game’s first Second Chance Drawing took place on 4/24/15. The Grand Prize winner was Douglas Brown of Great Barrington, MA.
- Total Second Chance Entries received for the first drawing: 134,595
- Number of Retailers carrying game: 6,591
- Based on the current order rate, there is only approximately five weeks of UGP inventory remaining in the warehouse.

April Instant Ticket Release (April 28)

Loose Change

Price Point: \$1
Top Prize: \$10,000

\$100,000 Payout

Price Point: \$2
Top Prize: \$100,000

\$1,000,000 Players Club

Price Point: \$5
Top Prize: \$1 million

Supreme Millions

Price Point: \$30
Top Prize: \$15 million



April Instant Ticket POS Advertising

LED Frame

WIN UP TO \$15,000,000!
80 PRIZES FROM \$1,000,000 TO \$15,000,000!

TWO \$1,000,000 PRIZES IN EACH OF 5 SECOND CHANCE DRAWINGS! *and much more!*

SUPREME MILLIONS

THE LOTTERY'S HIGHEST PRIZES AND BEST CHANCES TO WIN!

Over \$732 Million in CASH PRIZES! 80.7% PAYOUT!

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.

Tear-off Info Pad

PLAY TODAY!

Over \$732 Million in CASH PRIZES!

SUPREME MILLIONS

THE LOTTERY'S HIGHEST PRIZES AND BEST CHANCES TO WIN!

WIN UP TO \$15,000,000!
80 PRIZES FROM \$1,000,000 TO \$15,000,000!

TWO \$1,000,000 PRIZES IN EACH OF 5 SECOND CHANCE DRAWINGS! *and much more!*

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.

11x17 Poster

SUPREME MILLIONS ★ **\$1,000,000 PLAYERS CLUB** ★ **\$100,000 PAYOUT** ★ **LOOSE CHANGE**

The Massachusetts Lottery's

Supreme Sequel

SUPREME MILLIONS
The Most Anticipated Game of 2015!

- ★ Win Up To \$15,000,000!
- ★ Over \$732 Million in CASH PRIZES!
- ★ 80.7% PAYOUT!
- ★ THE LOTTERY'S HIGHEST PRIZES AND BEST CHANCES TO WIN!
- ★ 80 PRIZES from \$1,000,000 to \$15,000,000!
- ★ The ULTIMATE Second Chance Promotion!

PLUS

- The Premier of Three Hot Newcomers!
- ★ \$1,000,000 Players Club
- ★ \$100,000 Payout
- ★ Loose Change

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.

April 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)



April Instant Ticket Paid Advertising (April 28 – June 7)

The Lottery invested \$400,000 for the production and placement of a multi-media ad campaign supporting the April Instant Ticket launch. The campaign begins today and will run through June 7th. The combination of broadcast (radio), digital and out-of-home paid advertising focuses on the \$30 Supreme Millions Instant Ticket as the launch “hero.”

Campaign components include :15s and :30s produced radio spots that will air statewide for three weeks (April 28 – May 16) with the heaviest concentration on stations within the Boston media market, as well as a strong presence on stations in the Cape Cod, New Bedford, Springfield, Worcester, Greenfield/Pittsfield markets. A variety of high-impact digital units (billboard, companion banners, pencil/pushdown, and storyboard ads) will be running across multiple platforms (desktop, mobile, tablet) for a six week period on high-traffic/high-visibility sites (Newspaper & TV websites across Massachusetts; premium news sites such as AOL, MSN, and News Corp.-owned sites; and, other premium sites like Amazon, Men’s Health, Pandora, The Weather Channel, and Yahoo!).

A four week (April 28 – May 24) out-of-home strategy using at-the-pump gas station ads will provide visual, plus audio coverage (:15 unit + :05 action tags) at 136 gas pumps statewide (all of which are Lottery retailers). A paid social media strategy using a mix of promoted posts and graphic-rich ad units on Facebook rounds out the campaign.

Example of a pencil/pushdown unit

YOU WON'T BELIEVE IT UNTIL YOU EXPERIENCE IT YOURSELF!

SUPREME MILLIONS

THE LOTTERY

EXPAND

CLOSE

SUPREME MILLIONS
THE MOST ANTICIPATED GAME OF 2015!

WIN UP TO \$15,000,000!
80 PRIZES FROM \$1,000,000 TO \$15,000,000!

TWO \$1,000,000 PRIZES IN EACH OF 5 SECOND CHANCE DRAWINGS!

THE LOTTERY

You must be 18 years or older to play the Lottery. If you have a problem with gambling, help is available. Call 1-800-426-1234.

30 OVER \$722 MILLION IN CASH PRIZES! (PERCASH)
OVER 1,100,000 PRIZES FROM \$100 TO \$50,000!

The Lottery's Highest prizes and best chances to win!

WIN UP TO \$15,000,000!
80 PRIZES FROM \$1,000,000 TO \$15,000,000!

TWO \$1,000,000 PRIZES IN EACH OF 5 SECOND CHANCE DRAWINGS!

THE LOTTERY

Example of a storyboard unit

THE MOST ANTICIPATED GAME OF 2015 USING SUPREME MILLIONS

SUPREME MILLIONS

SUPREME MILLIONS

SUPREME MILLIONS

THE MOST ANTICIPATED GAME OF 2015!

THE LOTTERY

April Instant Ticket Paid Advertising (April 28 – June 7)

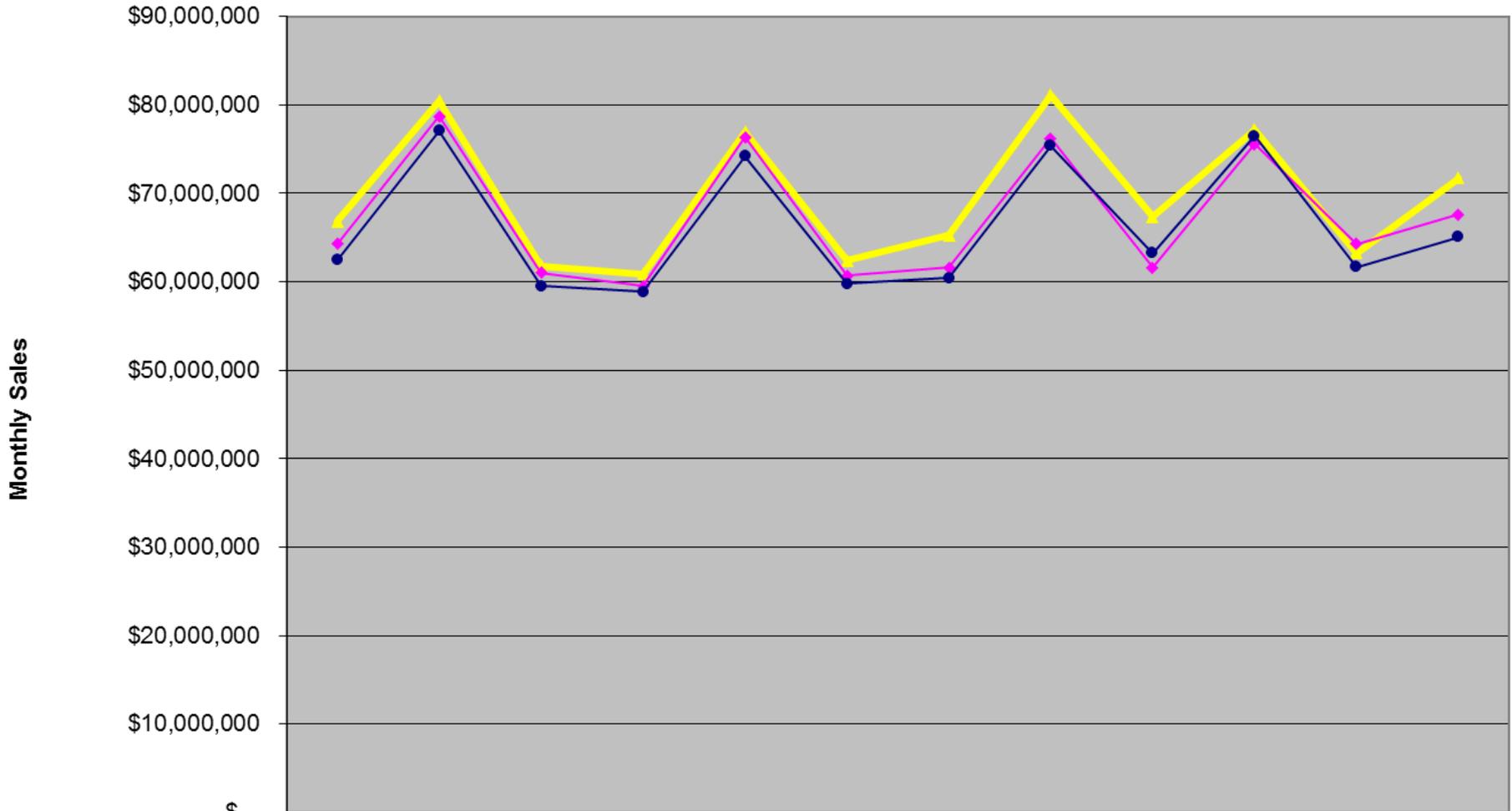
:30 Radio



:15 Gas Station TV



KENO Game Monthly Sales April 12 thru March 15

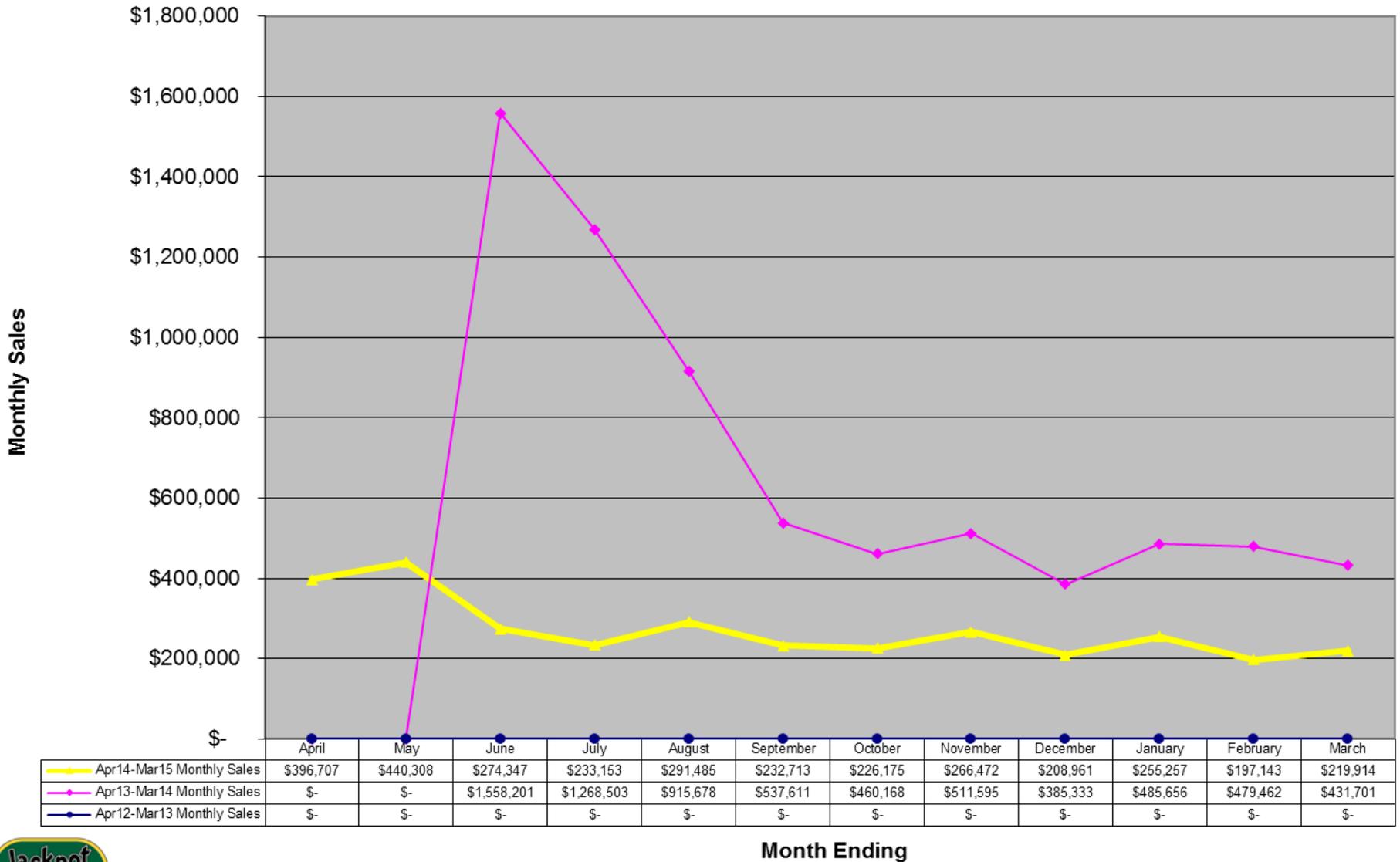


	April	May	June	July	August	September	October	November	December	January	February	March
Apr14-Mar15 Monthly Sales	\$66,815,989	\$80,445,602	\$61,823,995	\$60,879,655	\$76,945,046	\$62,396,004	\$65,282,728	\$81,110,217	\$67,324,928	\$77,211,034	\$63,206,876	\$71,738,778
Apr13-Mar14 Monthly Sales	\$64,280,486	\$78,695,207	\$61,032,421	\$59,478,963	\$76,327,447	\$60,687,200	\$61,573,131	\$76,231,749	\$61,571,838	\$75,581,963	\$64,246,191	\$67,630,583
Apr12-Mar13 Monthly Sales	\$62,438,549	\$77,066,745	\$59,496,498	\$58,834,238	\$74,168,553	\$59,776,650	\$60,406,576	\$75,360,152	\$63,209,606	\$76,453,588	\$61,657,662	\$65,033,276

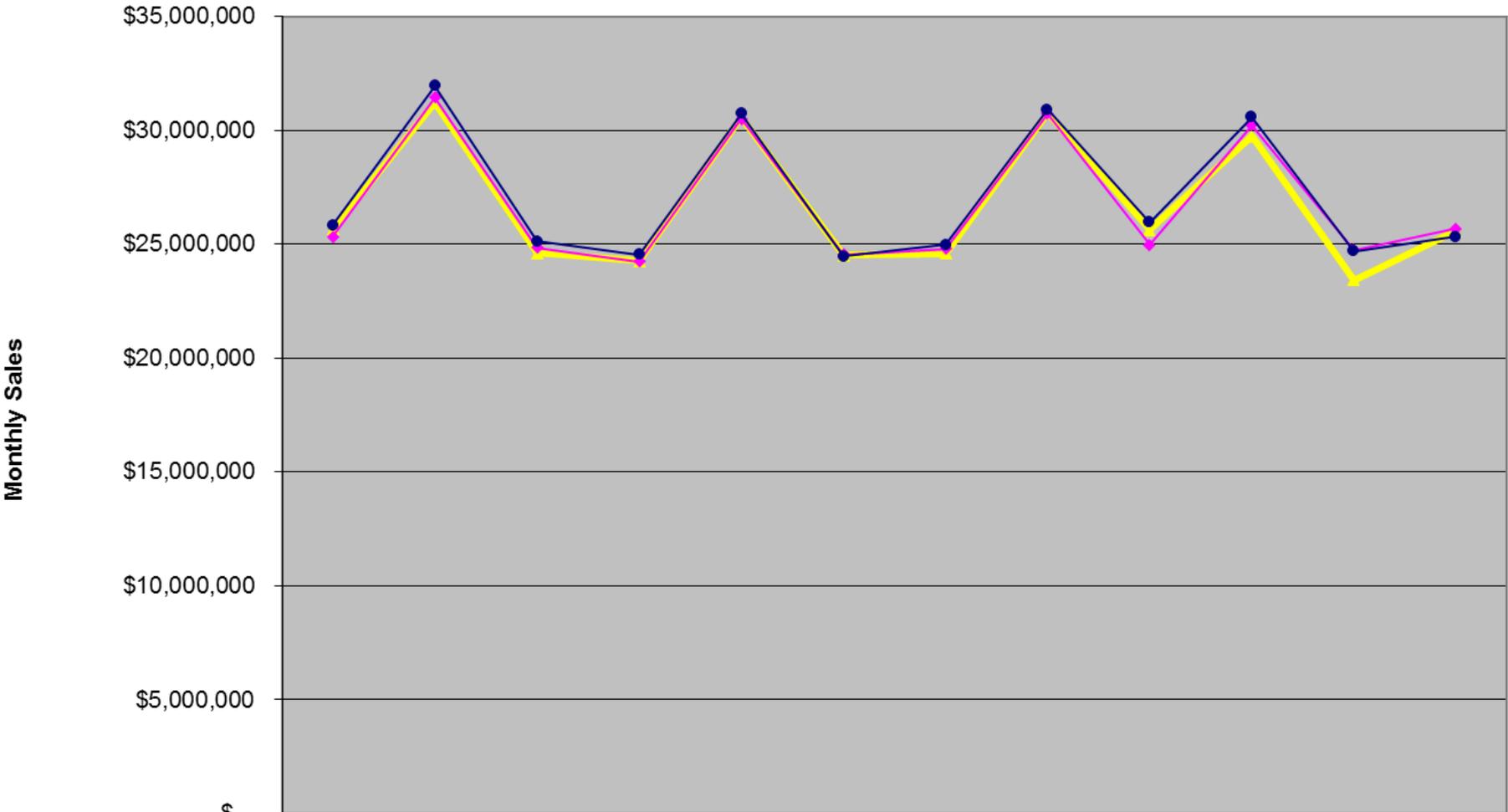
Month Ending



Poker Game Monthly Sales April 12 thru March 15



Numbers Game Monthly Sales April 12 thru March 15

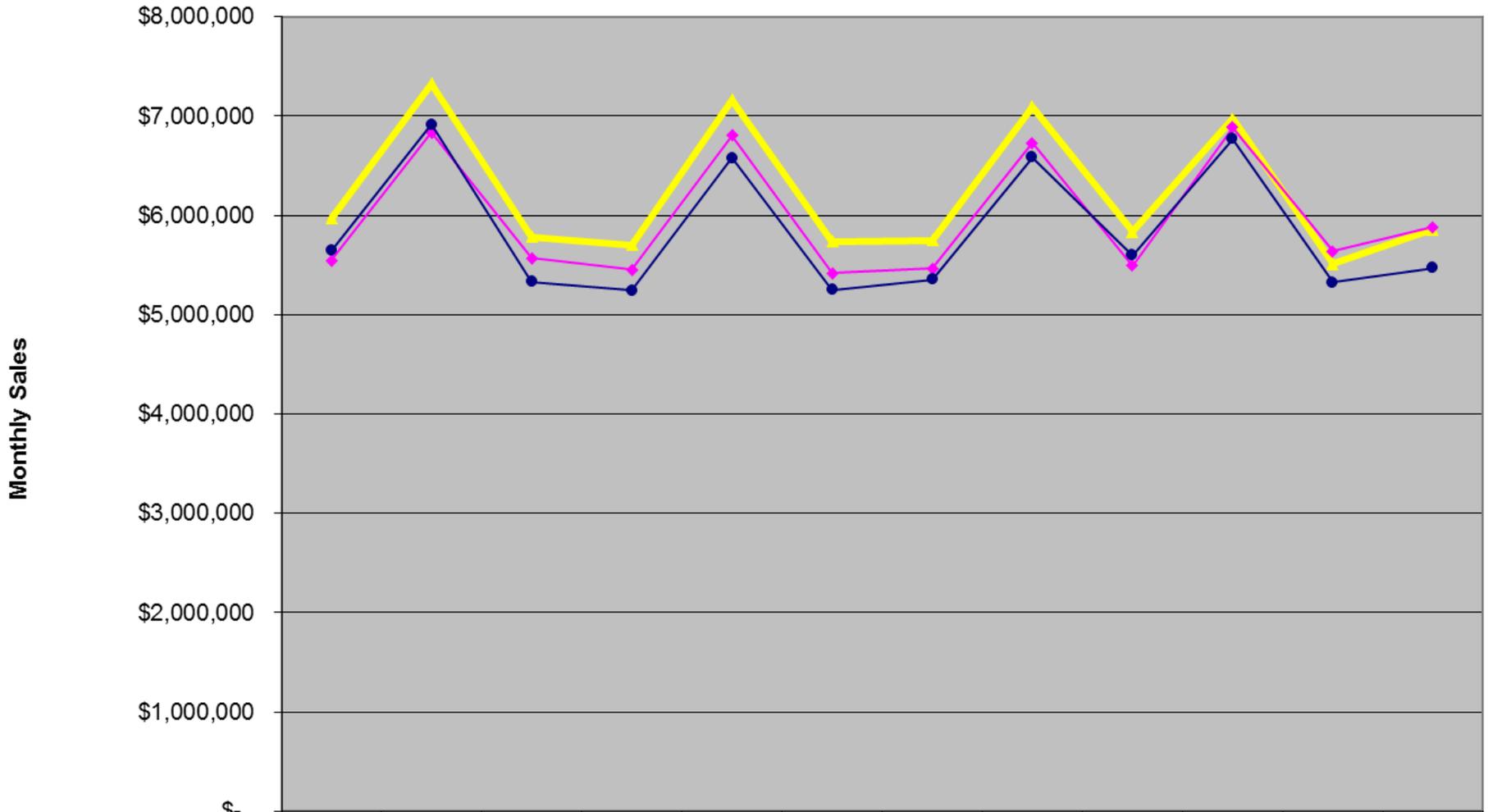


	April	May	June	July	August	September	October	November	December	January	February	March
Apr14-Mar15 Monthly Sales	\$25,664,242	\$31,217,928	\$24,601,667	\$24,259,263	\$30,569,836	\$24,503,952	\$24,596,921	\$30,759,862	\$25,641,315	\$29,750,716	\$23,414,906	\$25,567,801
Apr13-Mar14 Monthly Sales	\$25,327,459	\$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	\$25,670,025
Apr12-Mar13 Monthly Sales	\$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	\$25,313,511

Month Ending



Mass Cash Game Monthly Sales April 12 thru March 15

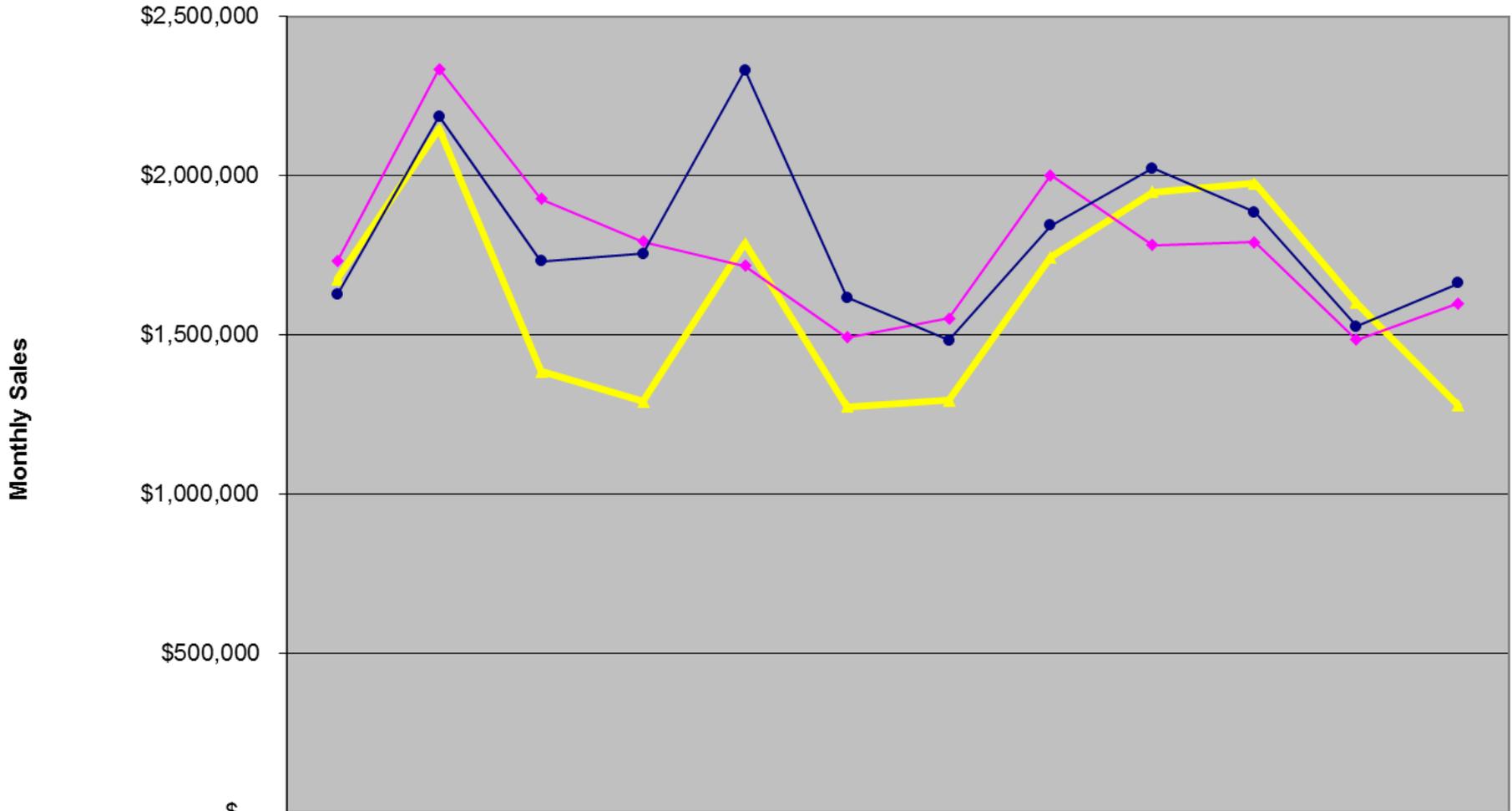


	April	May	June	July	August	September	October	November	December	January	February	March
Apr14-Mar15 Monthly Sales	\$5,968,141	\$7,323,467	\$5,782,628	\$5,698,694	\$7,164,838	\$5,733,920	\$5,745,826	\$7,091,786	\$5,834,369	\$6,971,800	\$5,511,057	\$5,858,290
Apr13-Mar14 Monthly Sales	\$5,546,389	\$6,830,126	\$5,565,559	\$5,451,722	\$6,804,235	\$5,419,261	\$5,464,350	\$6,730,787	\$5,492,858	\$6,884,188	\$5,637,428	\$5,879,562
Apr12-Mar13 Monthly Sales	\$5,644,277	\$6,913,184	\$5,330,344	\$5,240,615	\$6,578,888	\$5,246,274	\$5,354,883	\$6,585,156	\$5,598,851	\$6,768,918	\$5,326,593	\$5,469,026

Month Ending



Megabucks Game Monthly Sales April 12 thru March 15

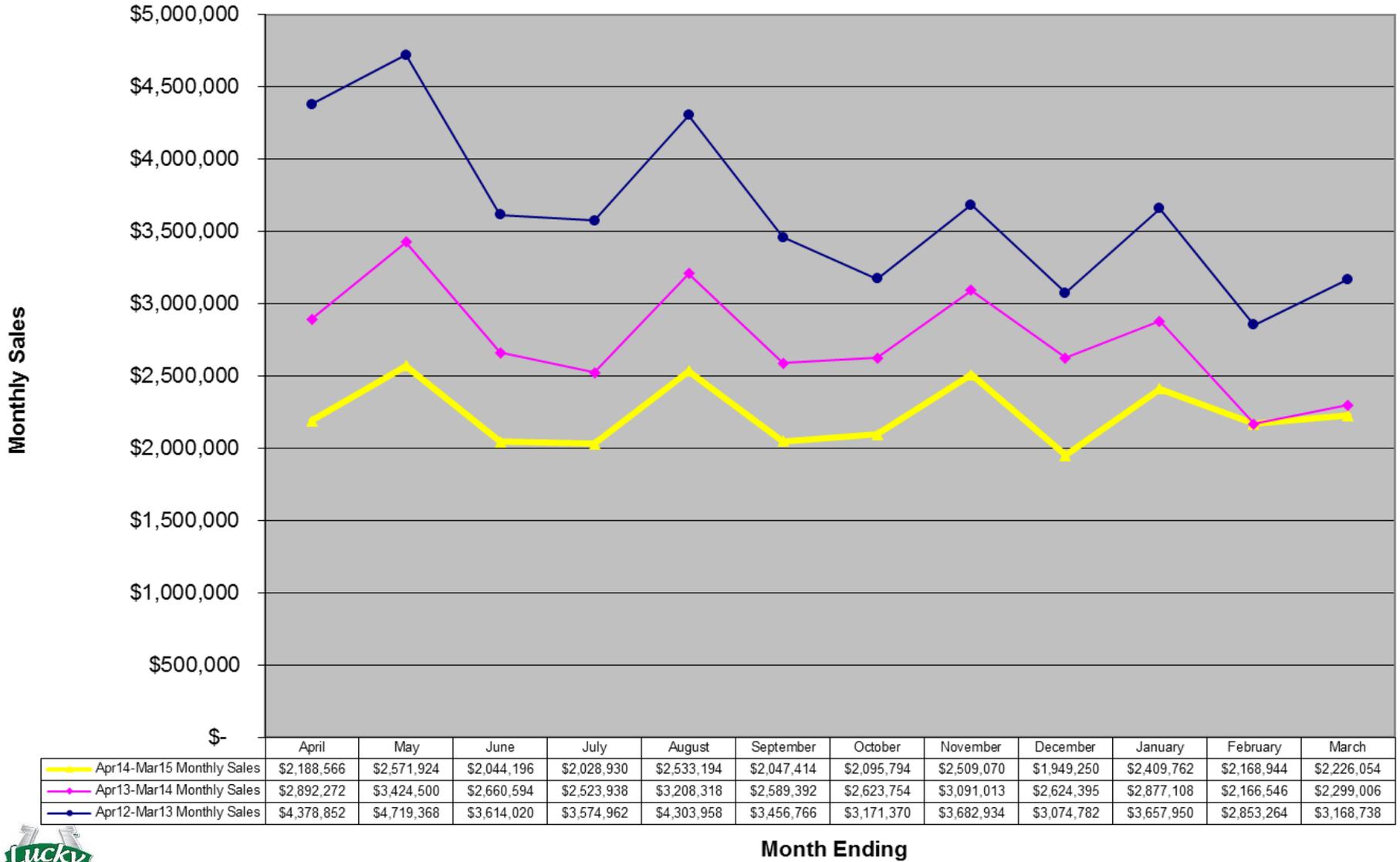


	April	May	June	July	August	September	October	November	December	January	February	March
Apr14-Mar15 Monthly Sales	\$1,675,678	\$2,145,949	\$1,384,603	\$1,291,453	\$1,787,759	\$1,273,417	\$1,294,965	\$1,743,707	\$1,947,585	\$1,974,830	\$1,600,818	\$1,278,623
Apr13-Mar14 Monthly Sales	\$1,730,065	\$2,333,804	\$1,926,569	\$1,791,849	\$1,716,724	\$1,491,130	\$1,551,280	\$2,001,814	\$1,782,067	\$1,790,576	\$1,484,581	\$1,598,305
Apr12-Mar13 Monthly Sales	\$1,626,691	\$2,186,470	\$1,730,305	\$1,754,484	\$2,330,748	\$1,616,040	\$1,482,273	\$1,843,099	\$2,023,565	\$1,884,472	\$1,526,764	\$1,661,201

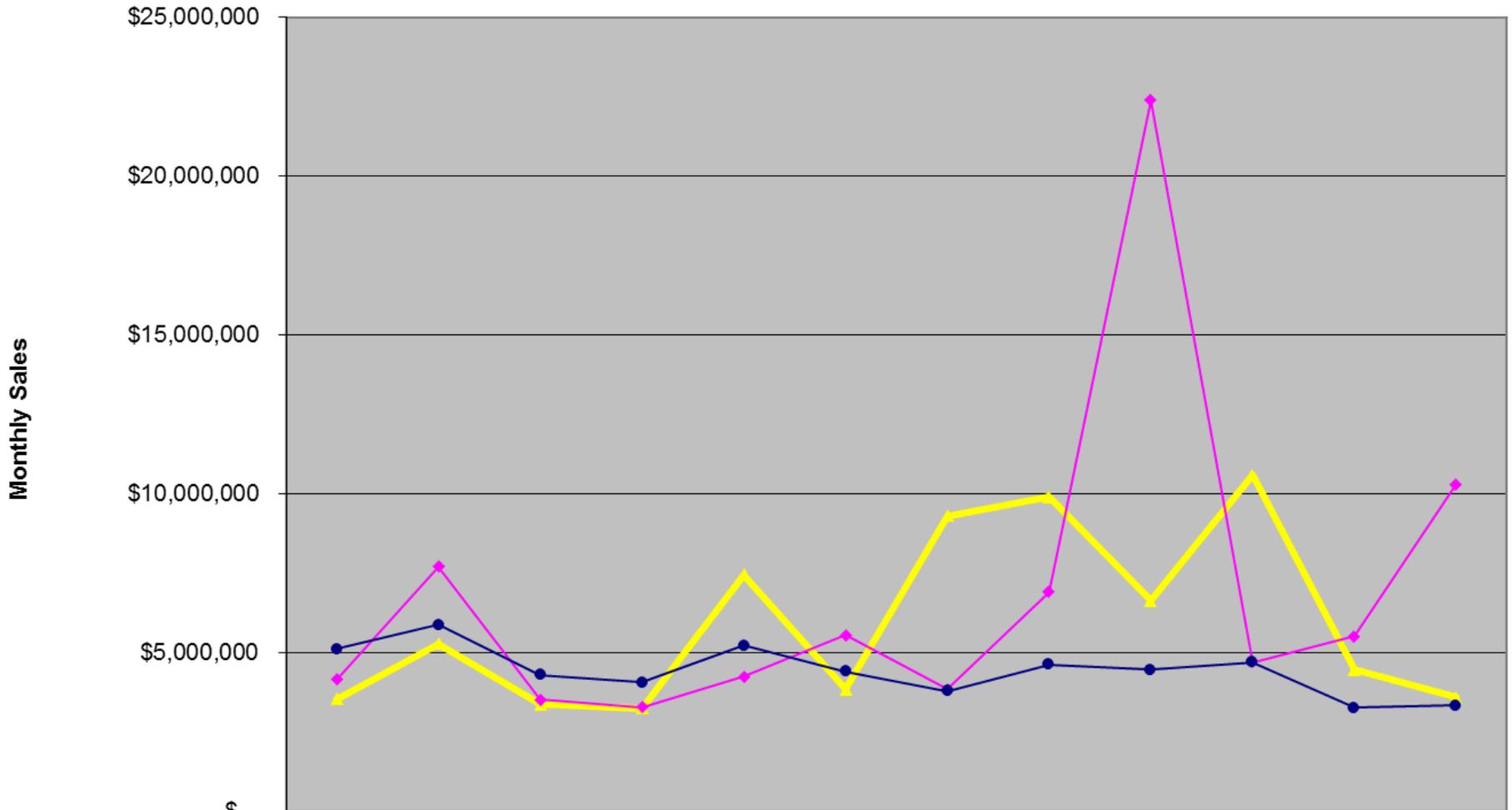
Month Ending



Lucky For Life Game Monthly Sales April 12 thru March 15



Mega Millions Game Monthly Sales April 12 thru March 15

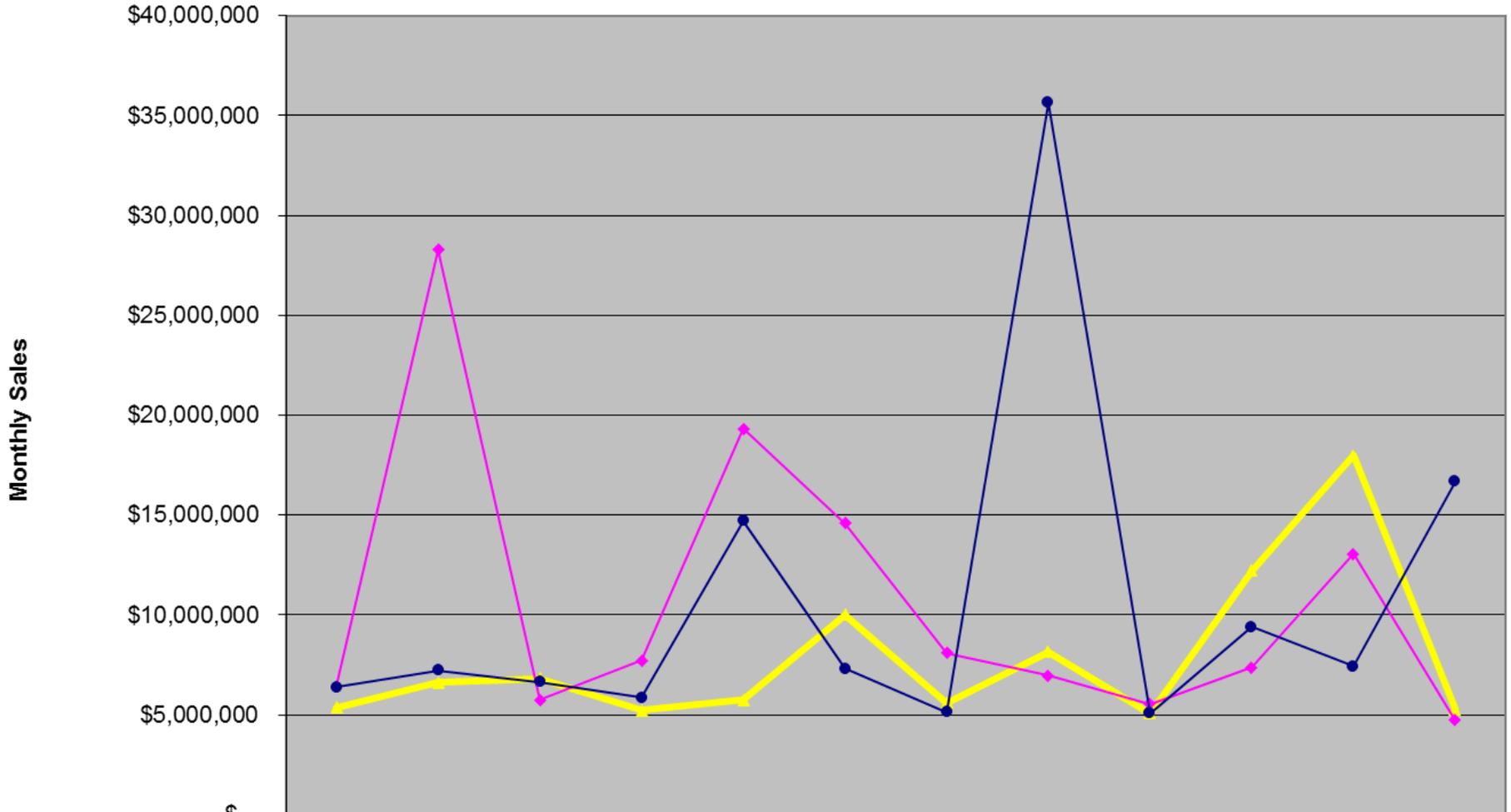


	April	May	June	July	August	September	October	November	December	January	February	March
Apr14-Mar15 Monthly Sales	\$3,537,943	\$5,282,353	\$3,368,615	\$3,247,818	\$7,457,384	\$3,852,707	\$9,302,379	\$9,897,229	\$6,641,913	\$10,590,437	\$4,468,473	\$3,596,015
Apr13-Mar14 Monthly Sales	\$4,156,059	\$7,702,167	\$3,524,100	\$3,274,059	\$4,237,931	\$5,540,292	\$3,841,489	\$6,908,127	\$22,380,898	\$4,697,709	\$5,504,599	\$10,293,322
Apr12-Mar13 Monthly Sales	\$5,113,305	\$5,867,252	\$4,288,693	\$4,070,293	\$5,214,203	\$4,408,529	\$3,798,620	\$4,622,314	\$4,464,771	\$4,689,133	\$3,259,650	\$3,339,999

Month Ending



Powerball Game Monthly Sales April 12 thru March 15

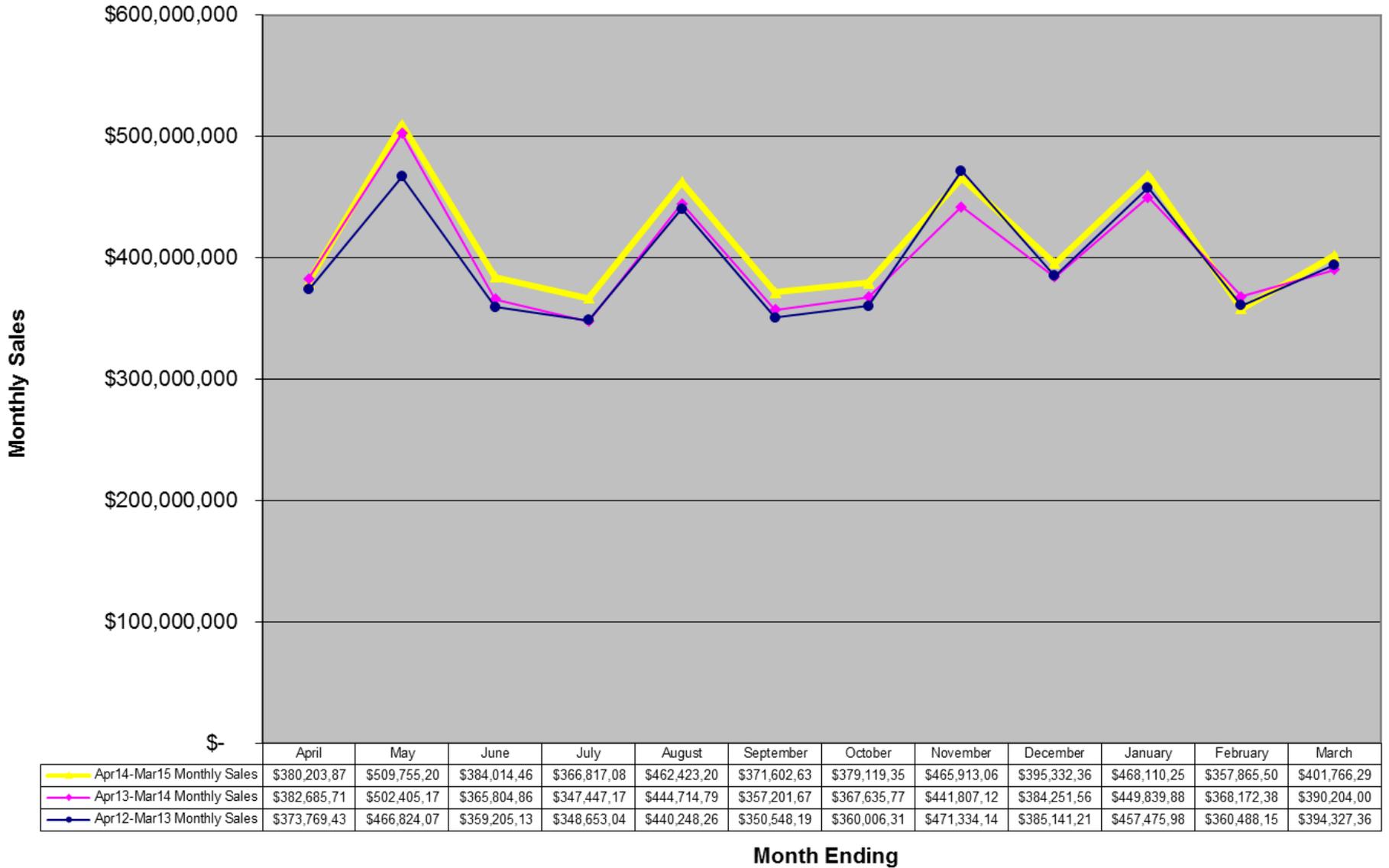


	April	May	June	July	August	September	October	November	December	January	February	March
Apr14-Mar15 Monthly Sales	\$5,363,276	\$6,618,810	\$6,813,545	\$5,214,641	\$5,739,212	\$10,020,958	\$5,600,787	\$8,145,031	\$5,074,881	\$12,199,470	\$17,978,767	\$5,280,722
Apr13-Mar14 Monthly Sales	\$6,444,726	\$28,262,940	\$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	\$4,722,932
Apr12-Mar13 Monthly Sales	\$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	\$16,688,031

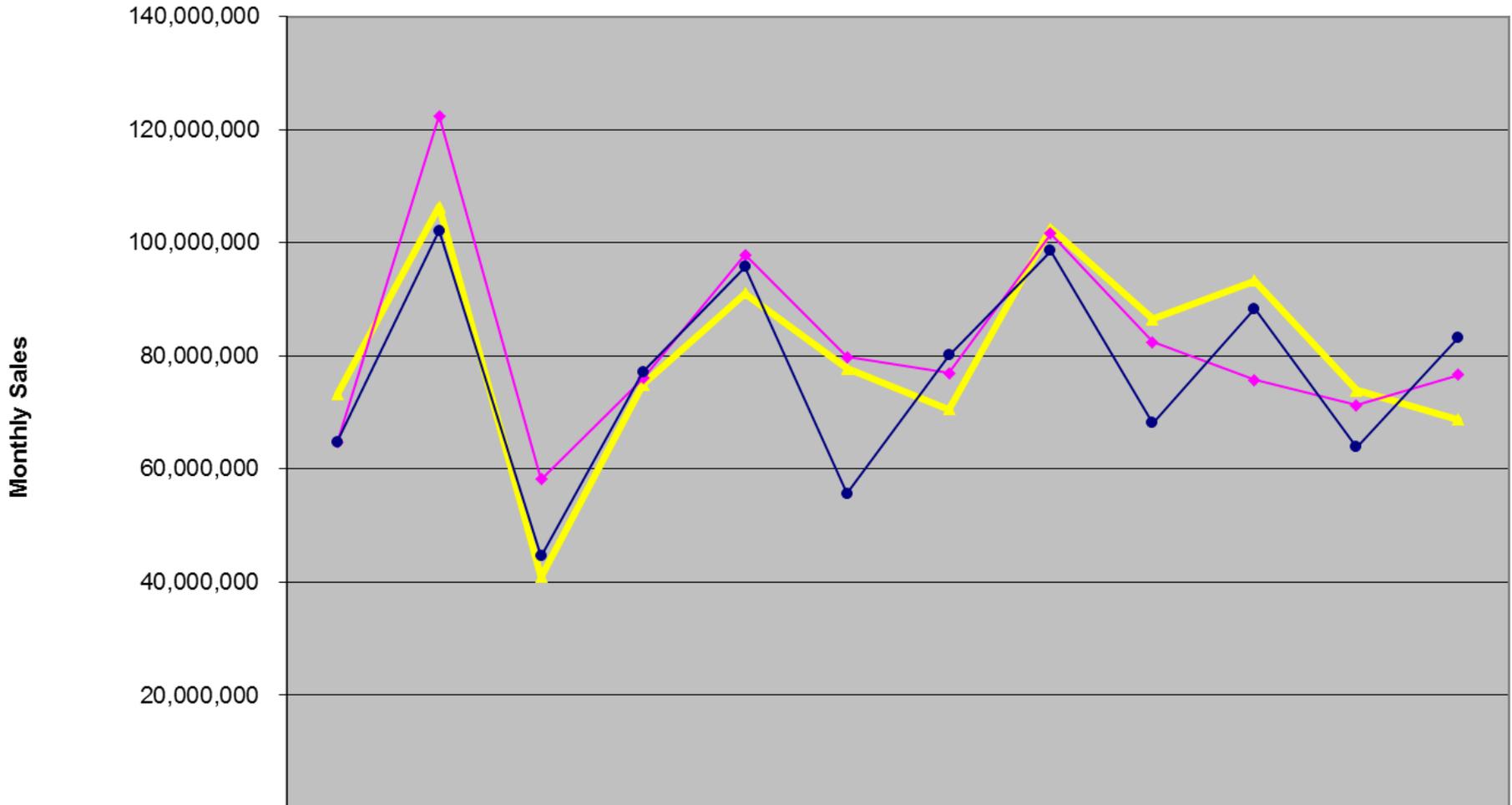
Month Ending



All Game Monthly Sales April 12 thru March 15



Net Profit Monthly Sales April 12 thru March 15



	April	May	June	July	August	September	October	November	December	January	February	March
Apr14-Mar15 Monthly Sales	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	73,869,496	68,728,487
Apr13-Mar14 Monthly Sales	\$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	76,599,793
Apr12-Mar13 Monthly Sales	\$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	\$83,247,700

Month Ending

MSLC Revenue Results								
March FY15 vs. FY14								
(\$ millions)								
Through March 28, 2015								
	FY15	% of Total	FY14	% of Total	\$ Change	% Change		
Instant Tickets	\$286	71.2%	\$272	69.6%	\$14	5.3%		
MegaMillions	4	0.9%	10	2.6%	-7	-65.1%		
Powerball	5	1.3%	5	1.2%	1	11.8%		
Keno	72	17.9%	68	17.3%	4	6.1%		
Mass Cash	6	1.5%	6	1.5%	0	-0.4%		
Race Game	0	0.0%	0	0.0%	0	0.0%		
Lucky For Life	2	0.6%	2	0.6%	0	-3.2%		
Numbers Game	26	6.4%	26	6.6%	0	-0.4%		
Super 50-50 Raffle	0	0.0%	0	0.1%	0	-100.0%		
Megabucks	1	0.3%	2	0.4%	0	-20.0%		
Jackpot Poker	0	0.1%	0	0.1%	0	-49.2%		
Total	\$402	100.0%	\$391	100.0%	\$11	2.9%		
Instant Tickets	\$286	71.2%	\$272	69.6%	\$14	5.3%		
Online Games	116	28.8%	119	30.4%	-3	-2.6%		
Total	\$402	100.0%	\$391	100.0%	\$11	2.9%		

MSLC Revenue Results

Year-to-Date FY15 vs. FY14

(\$ millions)

Through March 28, 2015

	FY15	% of Total	FY14	% of Total	\$ Change	% Change
Instant Tickets	\$2,578	70.3%	\$2,454	69.1%	\$124	5.0%
MegaMillions	59	1.6%	67	1.9%	-8	-11.4%
Powerball	75	2.1%	87	2.5%	-12	-13.9%
Keno	626	17.1%	603	17.0%	23	3.8%
Mass Cash	56	1.5%	54	1.5%	2	3.4%
Race Game	0	0.0%	0	0.0%	0	0.0%
Lucky For Life	20	0.5%	24	0.7%	-4	-16.8%
Numbers Game	239	6.5%	240	6.8%	-1	-0.6%
Super 50-50 Raffle	0	0.0%	1	0.0%	-1	-100.0%
Megabucks	14	0.4%	15	0.4%	-1	-6.7%
Jackpot Poker	2	0.1%	5	0.2%	-3	-61.1%
Total	\$3,669	100.0%	\$3,551	100.0%	\$118	3.3%
Instant Tickets	\$2,578	70.3%	\$2,454	69.1%	\$124	5.0%
Online Games	1,091	29.7%	1,097	30.9%	-6	-0.6%
Total	\$3,669	100.0%	\$3,551	100.0%	\$118	3.3%

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.

