

# **Massachusetts State Lottery Commission Meeting**

*Executive Director's Report*

**Delivered by: Michael R. Sweeney**

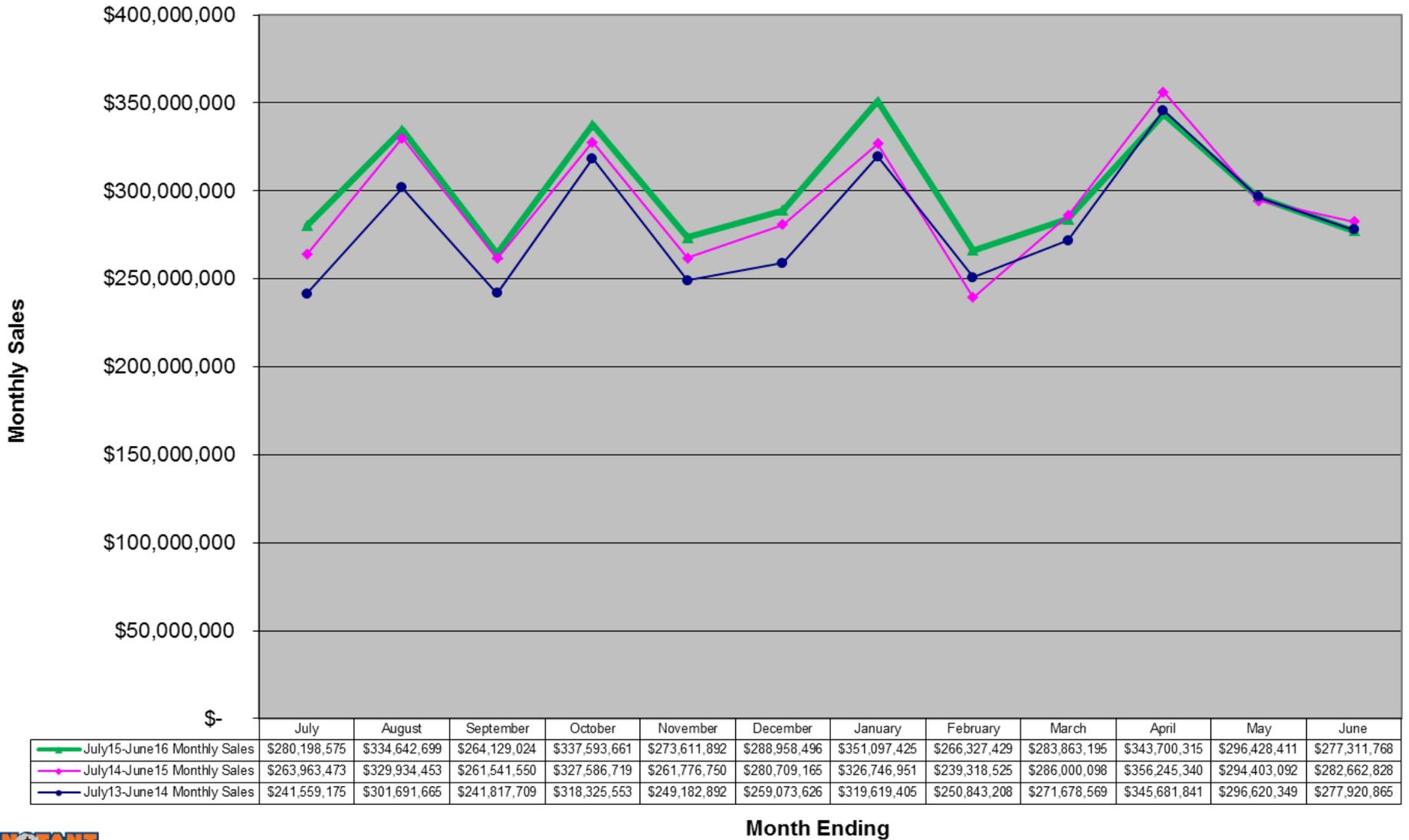
**July 18, 2016**



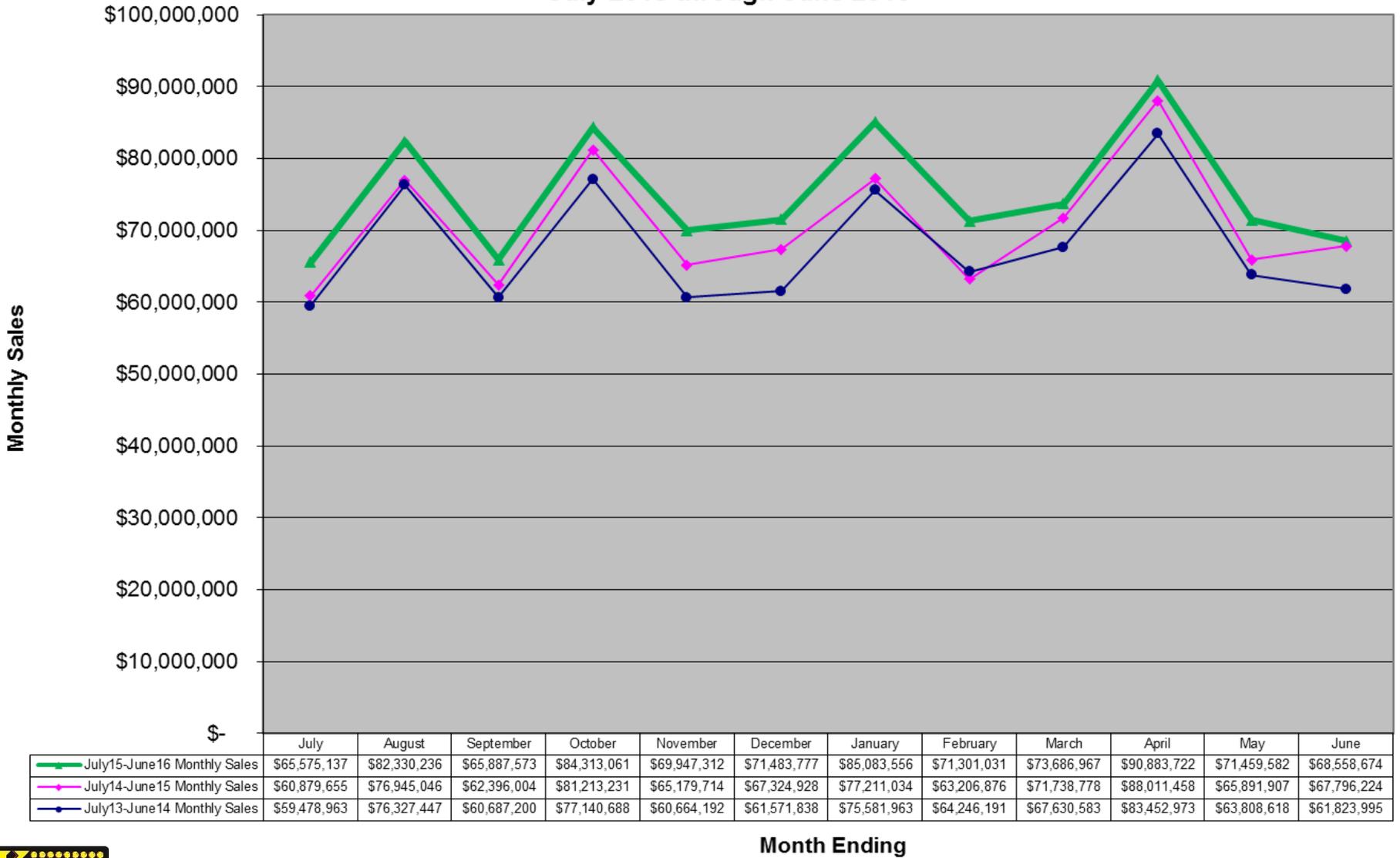
# Lottery Sales Update

- The Lottery's fiscal year commenced on July 1, 2015 and ended June 30, 2016. Estimated sales of \$5.231 billion topped the previous sales record of \$5.014 billion set last year by \$217 million, marking the fifth consecutive year of record-setting sales. We anticipate returning an estimated \$986.9 million in net profit to the Commonwealth, \$1 million higher than the record-setting FY15 net profit of \$985.9 million. The finalized financial statement of operations for FY16 is anticipated to be completed by mid-September.
- The Lottery spent an estimated \$103.3 million on administrative costs in FY16. These costs remained at approximately 2 percent of overall revenues, the lowest of any Lottery operating in the United States.
- Our estimated prize payout for June 2016 was 76.17 percent as compared to 75.73 percent in June 2015. This increase for the month drove the overall estimated prize payout for FY16 to 73.44 percent, as compared to 72.62 percent for FY15.
- Due in part to a shift in the calendar that resulted in 2 additional days being included in the estimated net profit figure for June 2016, the estimated net profit for the month was \$57.3 million compared to \$55.7 million in June 2015. After subtracting a 2-day average net profit figure of \$3.5 million, the adjusted change for June 2016 vs. June 2015 is an estimated \$1.9 million decrease in net profit.
- Due in part to a shift in the calendar that resulted in 2 additional days being included in the adjusted Fiscal Year sales figure for June 2016, sales for the month were up \$30.1 million over last June. June's adjusted Fiscal Year sales increase was driven by a \$12.4 million bump in the Instant Ticket portfolio, due in part to four new games that were released (\$1, \$2, \$5, \$10 tickets) and the late April launch of our third \$30 ticket, Ultimate Millions. On the strength of escalating jackpots in June, Mega Millions sales increased \$8.2 million. KENO sales increased \$5.3 million. Additionally, Powerball, the Numbers Game, Mass Cash and Megabucks Doubler all had increased sales compared to last June. Compared to June of 2015, Jackpot Poker sales were down approximately \$53,000 and Lucky for Life sales were down approximately \$28,000.

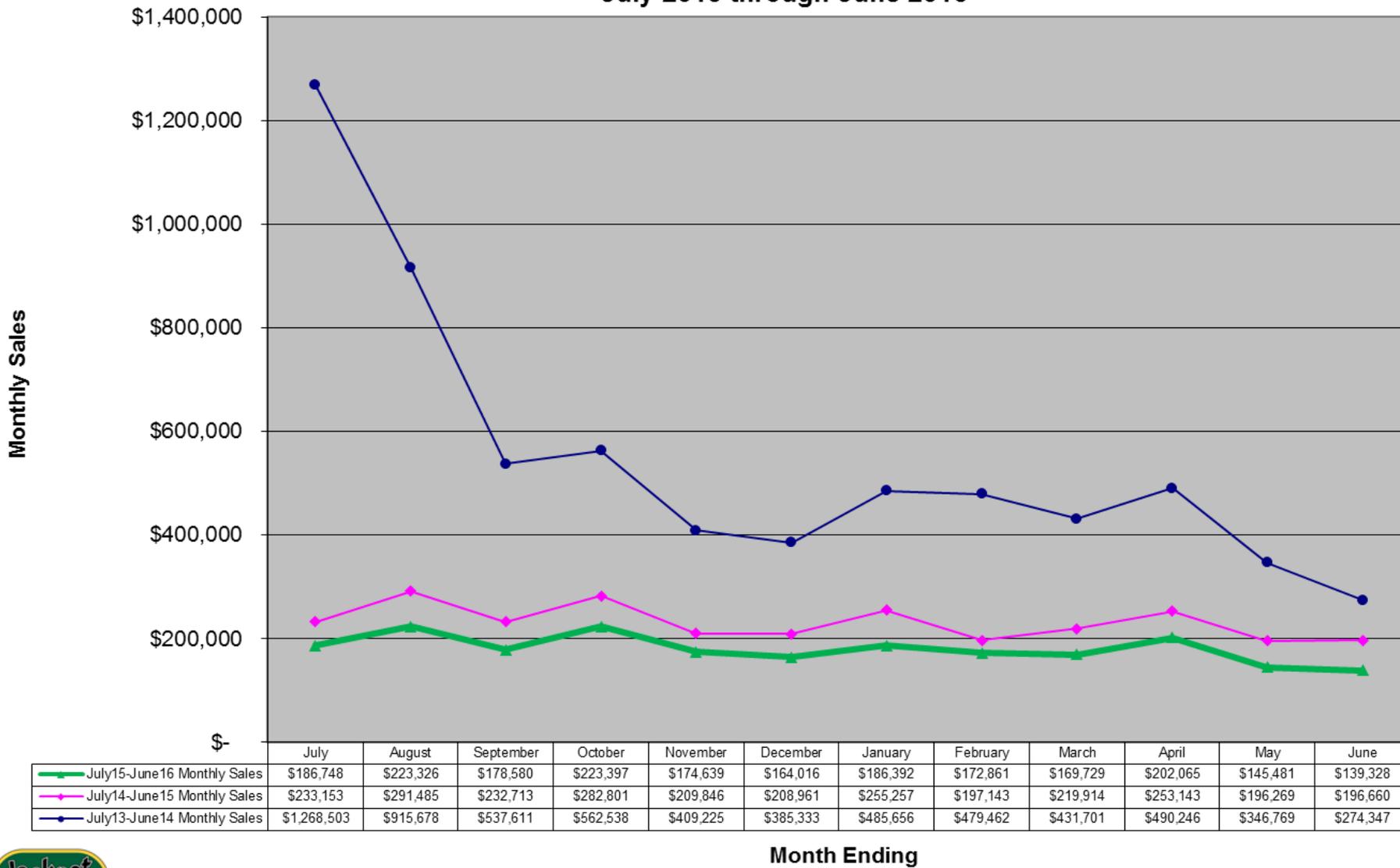
## Instant Ticket Games Monthly Sales Unadjusted Non Fiscal Year July 2013 through June 2016



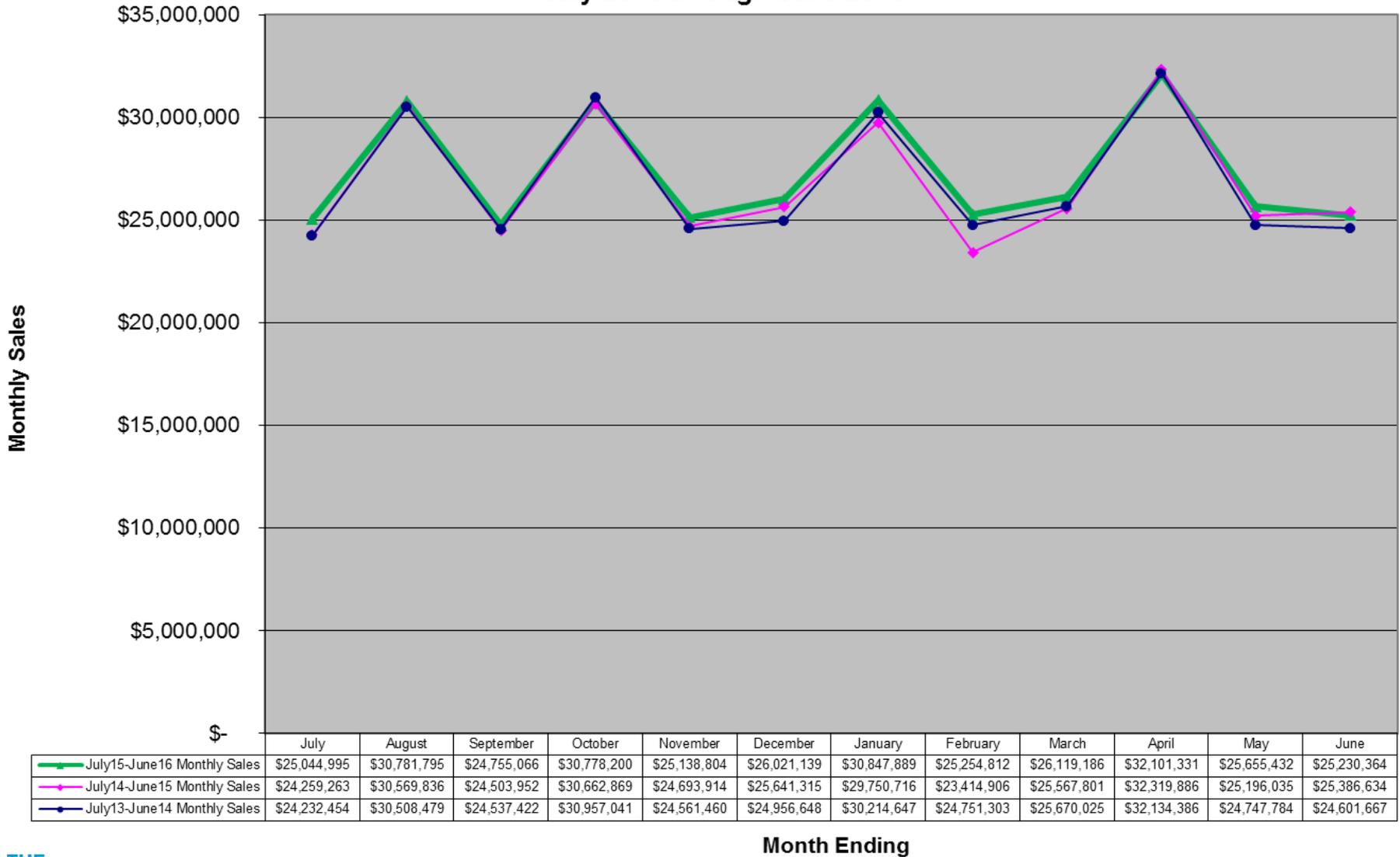
## KENO Game Monthly Sales Unadjusted Non Fiscal Year July 2013 through June 2016



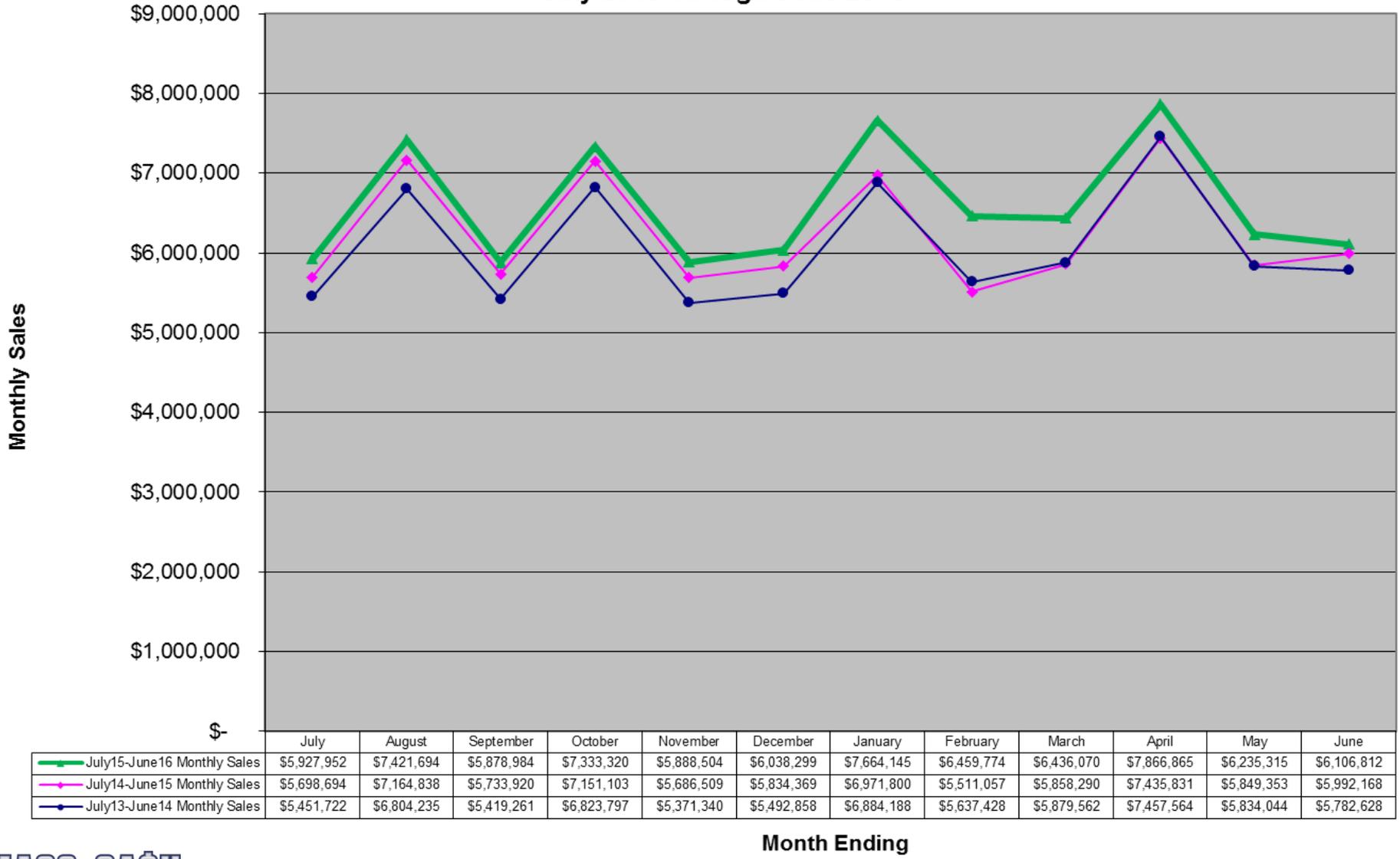
## Jackpot Poker Game Monthly Sales Unadjusted Non Fiscal Year July 2013 through June 2016



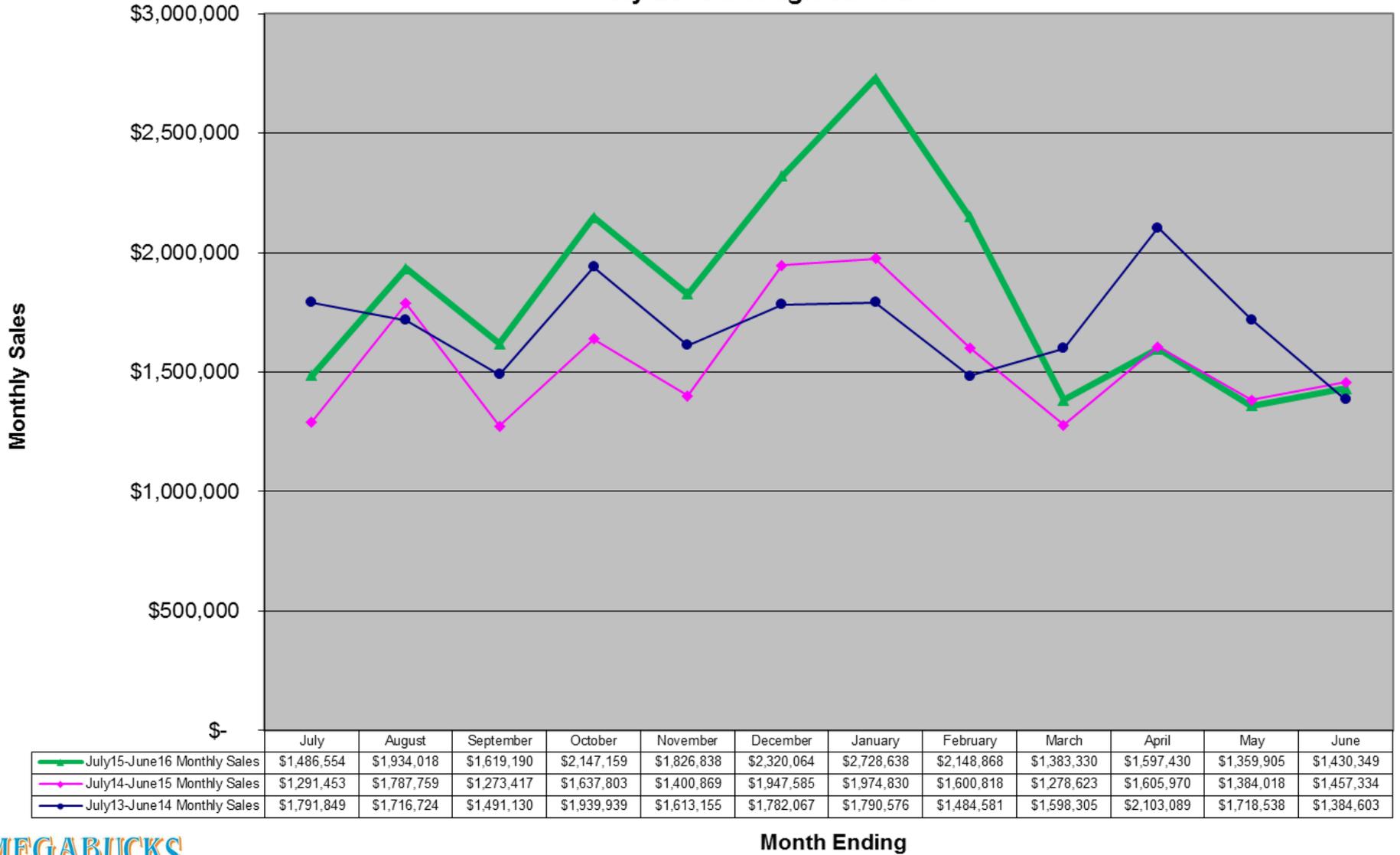
## Numbers Game Monthly Sales Unadjusted Non Fiscal Year July 2013 through June 2016



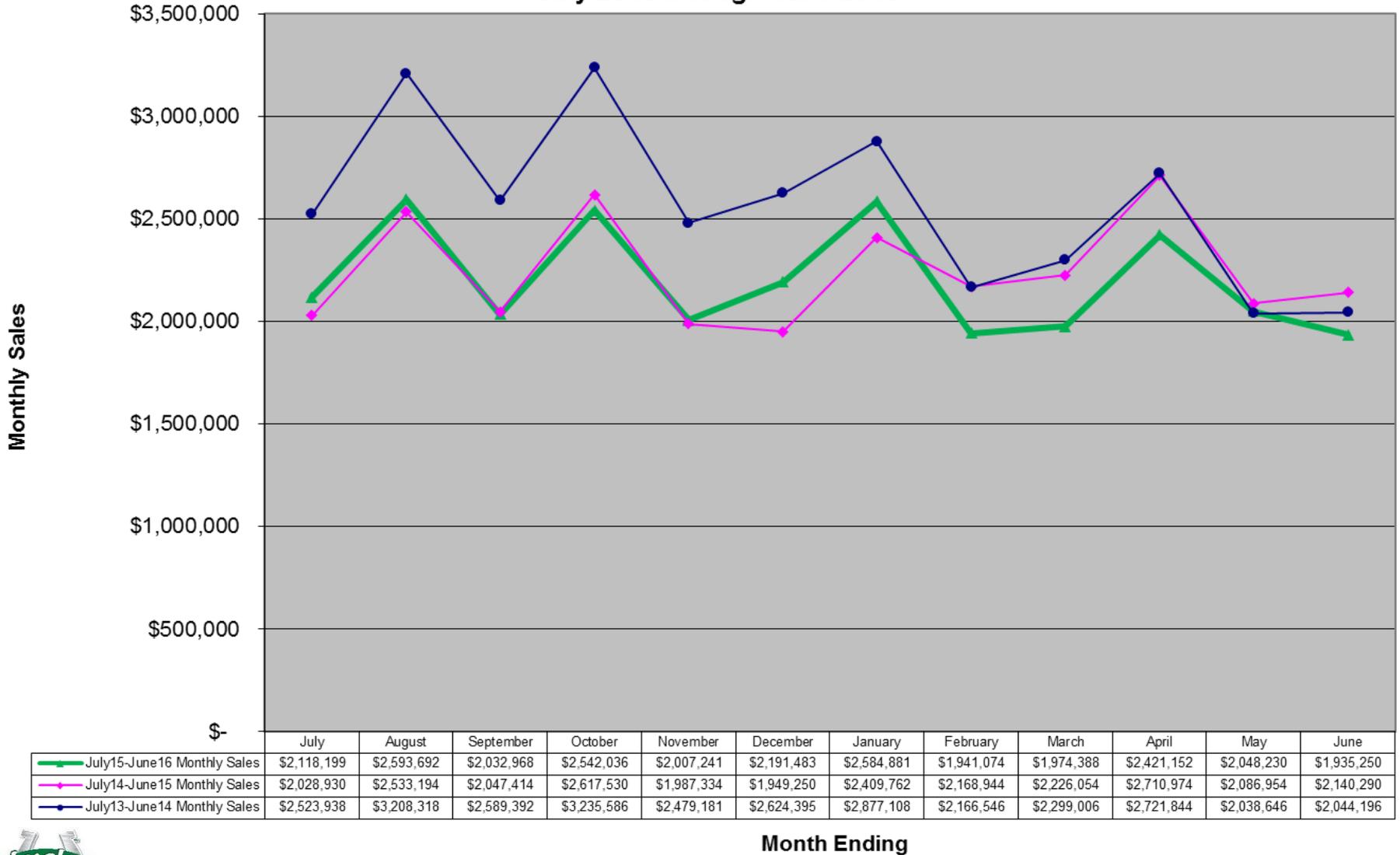
### Mass Cash Game Monthly Sales Unadjusted Non Fiscal Year July 2013 through June 2016



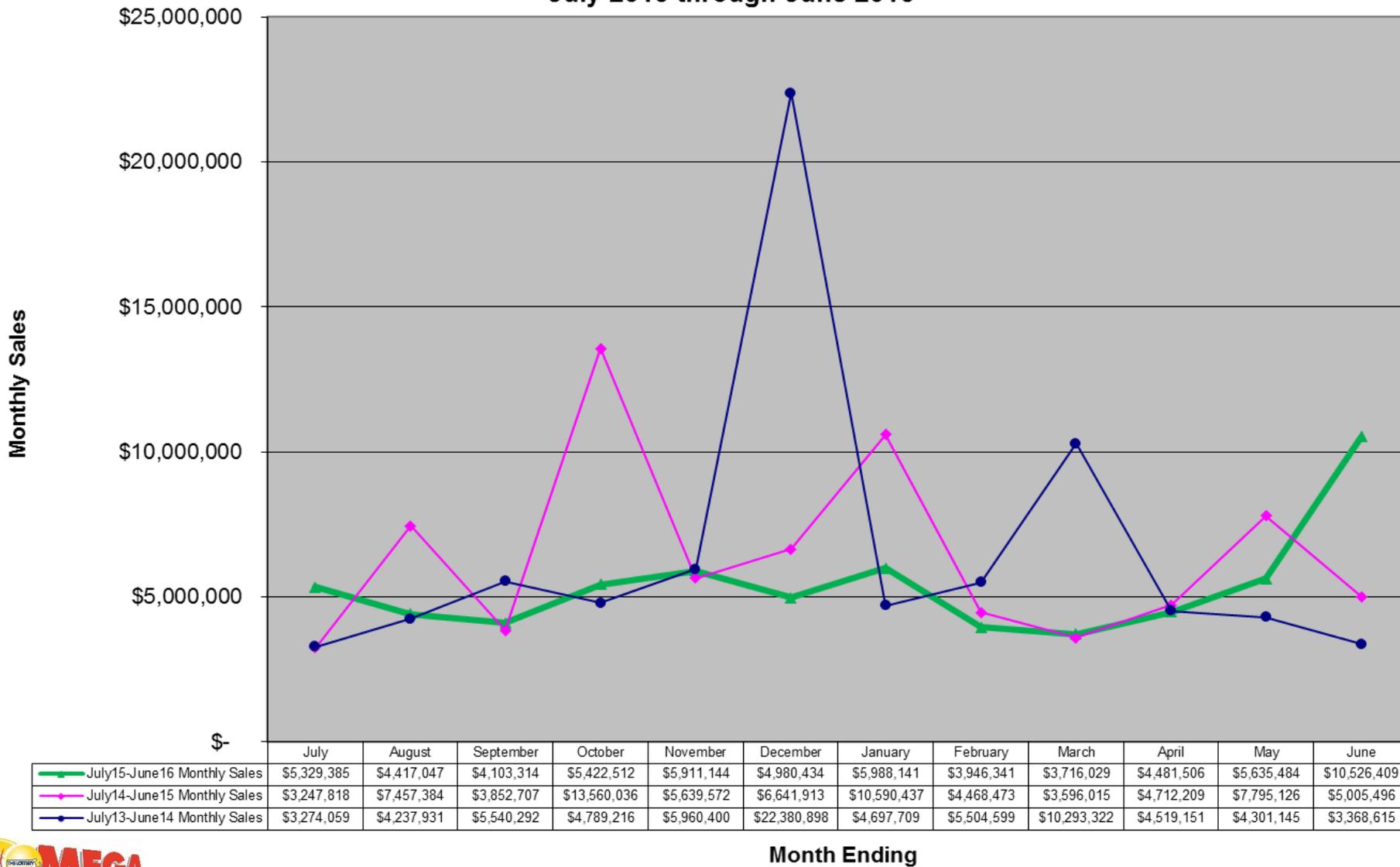
## Megabucks Doubler Game Monthly Sales Unadjusted Non Fiscal Year July 2013 through June 2016



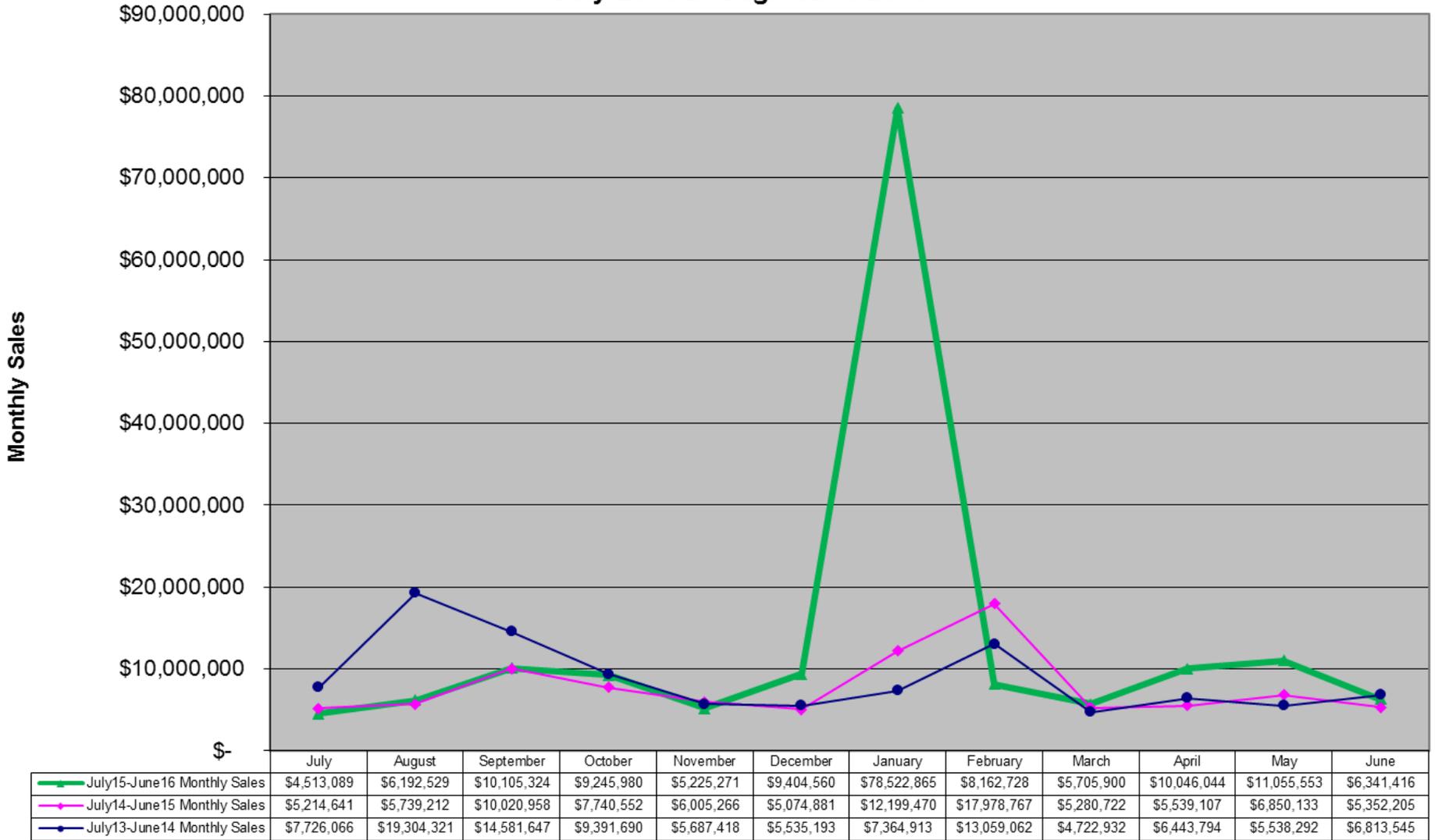
## Lucky for Life Game Monthly Sales Unadjusted Non Fiscal Year July 2013 through June 2016



## Mega Millions Game Monthly Sales Unadjusted Non Fiscal Year July 2013 through June 2016



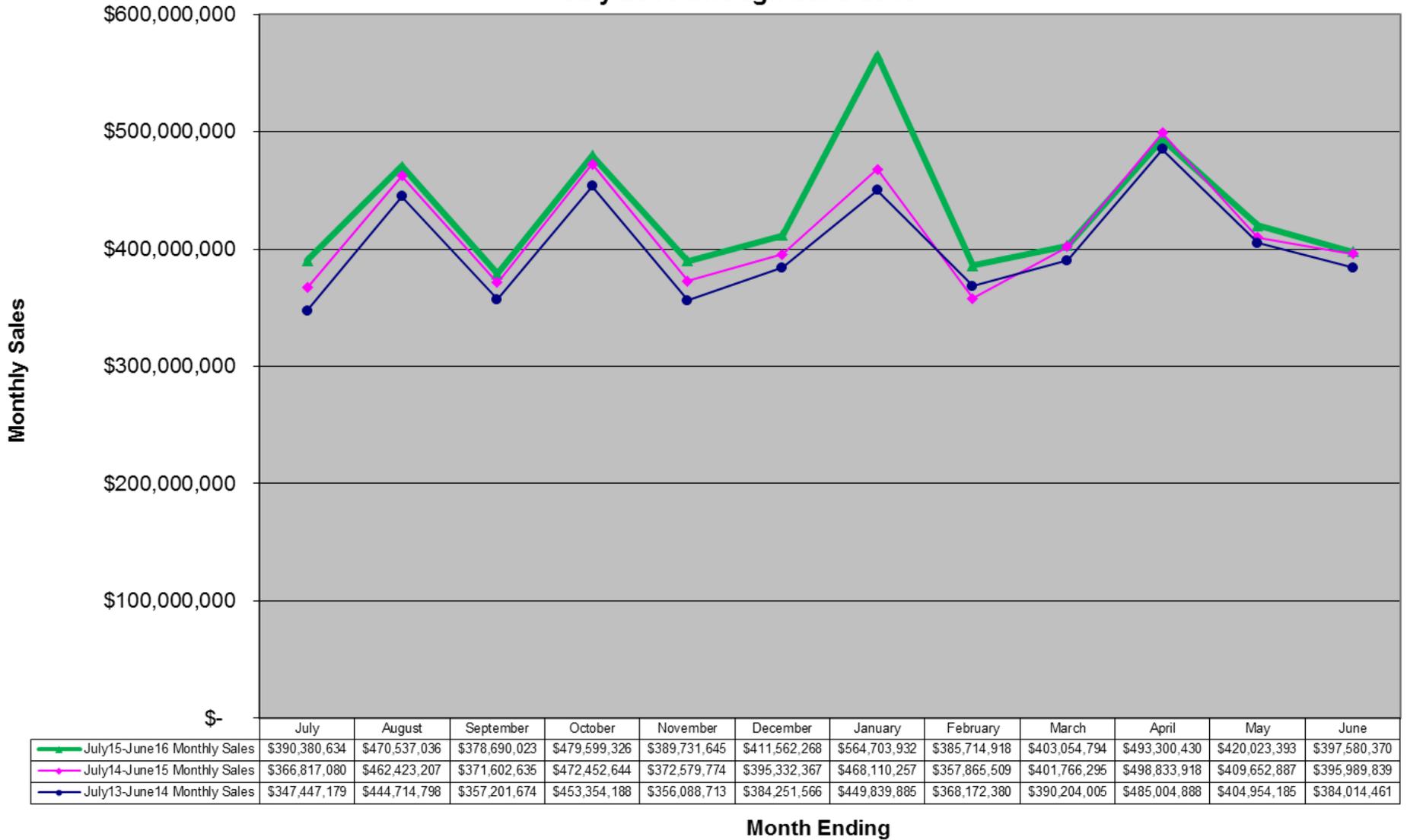
## Powerball Game Monthly Sales Unadjusted Non Fiscal Year July 2013 through June 2016



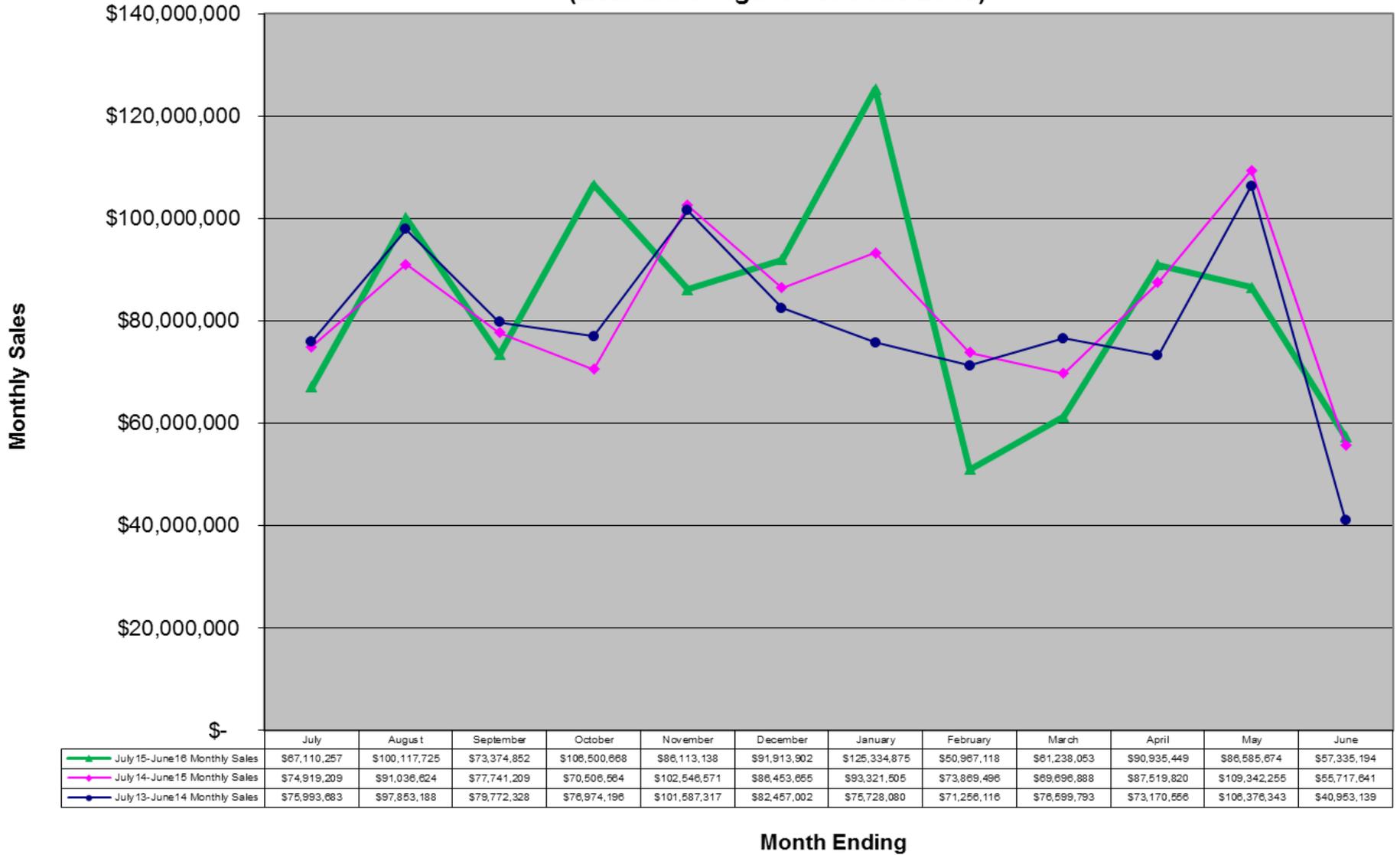
**Month Ending**



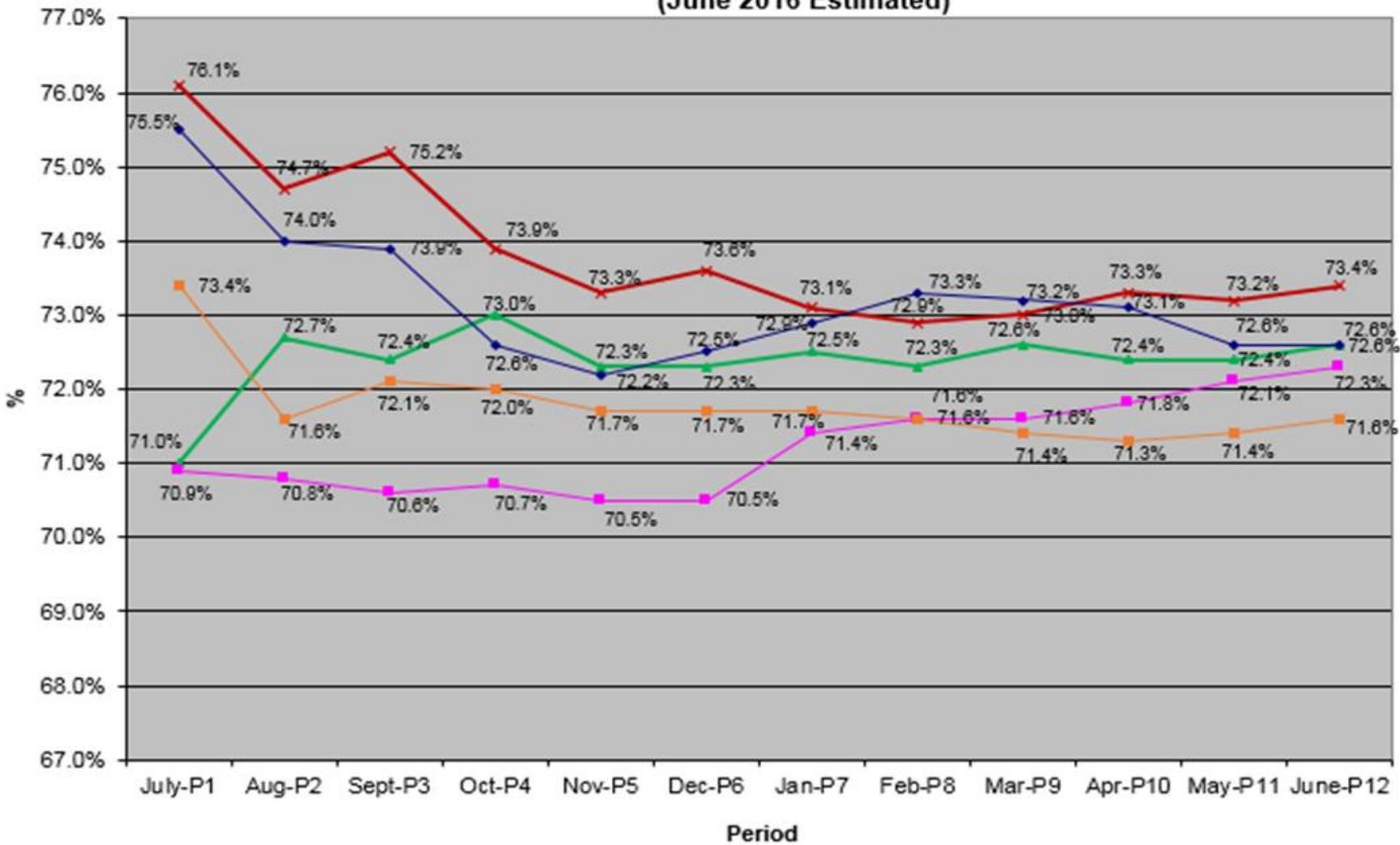
## All Games Monthly Sales Unadjusted Non Fiscal Year July 2013 through June 2016



**Monthly Net Profit**  
**July 2013 through June 2016**  
**(Estimated Figure For June 2016)**



**5 Year Comparison  
Prize Payout as a % of Sales  
Through June 2016  
(June 2016 Estimated)**



## MSLC Gross Sales Results

### JUNE FY16 vs. FY15 Unadjusted Non Fiscal Year

(\$ millions)

Through June 25, 2016

	FY16	% of Total	FY15	% of Total	\$ Change	% Change
<b>Instant Tickets</b>	\$277.3	69.8%	\$282.7	71.4%	-\$5.4	-1.9%
<b>Mega Millions</b>	\$10.5	2.6%	\$5.0	1.3%	\$5.5	110.3%
<b>Powerball</b>	\$6.3	1.6%	\$5.4	1.4%	\$1.0	18.5%
<b>KENO</b>	\$68.6	17.2%	\$67.8	17.1%	\$0.8	1.1%
<b>Mass Cash</b>	\$6.1	1.5%	\$6.0	1.5%	\$0.1	1.9%
<b>Lucky for Life</b>	\$1.9	0.5%	\$2.1	0.5%	-\$0.2	-9.6%
<b>Numbers Game</b>	\$25.2	6.3%	\$25.4	6.4%	-\$0.2	-0.6%
<b>Megabucks Doubler</b>	\$1.4	0.4%	\$1.5	0.4%	\$0.0	-1.9%
<b>Jackpot Poker</b>	\$0.1	0.0%	\$0.2	0.0%	-\$0.1	-29.1%
<b>Total</b>	\$397.6	100.0%	\$396.0	100.0%	\$1.6	0.4%
<b>Instant Tickets</b>	\$277.3	69.8%	\$282.7	71.4%	-\$5.4	-1.9%
<b>Draw Games + KENO</b>	\$120.3	30.2%	\$113.3	28.6%	\$6.9	6.1%
<b>Total</b>	\$397.6	100.0%	\$396.0	100.0%	\$1.6	0.4%
Unadjusted	Month	5/29/16-6/25/16	Month	5/31/15-6/27/15		
		4 weeks		4 weeks		
		28 days		28 days		

## MSLC Gross Sales Results

### YEAR-TO-DATE FY16 vs. FY15 Unadjusted Non Fiscal Year

(\$ millions)		FY16		FY15		\$ Change		
Through June 25, 2016			% of Total		% of Total		% Change	
<b>Instant Tickets</b>		\$3,597.9	69.4%	\$3,510.9	70.6%	\$87.0	2.5%	
<b>Mega Millions</b>		\$64.5	1.2%	\$76.6	1.5%	-\$12.1	-15.8%	
<b>Powerball</b>		\$164.5	3.2%	\$93.0	1.9%	\$71.5	76.9%	
<b>KENO</b>		\$900.5	17.4%	\$847.8	17.0%	\$52.7	6.2%	
<b>Mass Cash</b>		\$79.3	1.5%	\$74.9	1.5%	\$4.4	5.8%	
<b>Lucky for Life</b>		\$26.4	0.5%	\$26.9	0.5%	-\$0.5	-1.9%	
<b>Numbers Game</b>		\$327.7	6.3%	\$322.0	6.5%	\$5.8	1.8%	
<b>Megabucks Doubler</b>		\$22.0	0.4%	\$18.6	0.4%	\$3.3	17.9%	
<b>Jackpot Poker</b>		\$2.2	0.0%	\$2.8	0.1%	-\$0.6	-22.0%	
<b>Total</b>		\$5,184.9	100.0%	\$4,973.4	100.0%	\$211.5	4.3%	
<b>Instant Tickets</b>		\$3,597.9	69.4%	\$3,510.9	70.6%	\$87.0	2.5%	
<b>Draw Games + KENO</b>		\$1,587.0	30.6%	\$1,462.5	29.4%	\$124.5	8.5%	
<b>Total</b>		\$5,184.9	100.0%	\$4,973.4	100.0%	\$211.5	4.3%	
Unadjusted	Year	6/28/15-6/25/16	52 weeks	364 days	Year	6/29/14-6/27/15	52 weeks	364 days

# ALL OR NOTHING Launch (July 18)



- To play ALL OR NOTHING, players must pick 12 numbers from 1 to 24, or they may choose the “Quic Pic” option by checking off the appropriate box on the bet slip. Minimum cost of \$1 per play.
- Win \$100,000 by matching ALL 12 winning numbers drawn, or win \$100,000 by matching NONE of the winning numbers drawn. In all, there are ten ways to win a prize (see chart).
- For double the cost of the wager, players may choose to play the ALL OR NOTHING BONUS option, which offers a chance to increase their ALL OR NOTHING prize amounts by 3, 4, 5 or 10 times.

Prizes paid for a \$1 per Game Wager:

Match	Prize	Odds
12	100,000*	1 in 2,704,156
11	\$400	1 in 18,779
10	\$25	1 in 621
9	\$4	1 in 56
8	\$2	1 in 11
7-5	no prize	-----
4	\$2	1 in 11
3	\$4	1 in 56
2	\$25	1 in 621
1	\$400	1 in 18,779
0	100,000*	1 in 2,704,156

The overall odds of winning a prize are approximately 1 in 4.54. The prize payout is 70.27%.

\*Under unusual circumstances, prizes on winning tickets, with or without the BONUS option, may be reduced. Resulting prize amounts will be based upon a formula detailed in the Administrative Bulletin issued for ALL OR NOTHING.

# ALL OR NOTHING 2X Bonus Promotion

To support the launch of ALL OR NOTHING, The Lottery will be offering a 2X Bonus Promotion on the game.

From July 18 through August 6, the Lottery will add an additional multiplier of 2X to ALL OR NOTHING BONUS.



July 18 - August 6, 2016

When you play ALL OR NOTHING or ALL OR NOTHING to-go, try ALL OR NOTHING BONUS\* for a chance to multiply your prize 3, 4, 5, or 10 times.

For a limited time (July 18 — August 6) the Lottery will add an additional multiplier of **2X** to ALL OR NOTHING BONUS. Play ALL OR NOTHING BONUS for a chance to double your prize.

Playing ALL OR NOTHING BONUS will double the price of your wager.  
\*Additional information about ALL OR NOTHING BONUS can be found on the back of the ALL OR NOTHING bet slip.

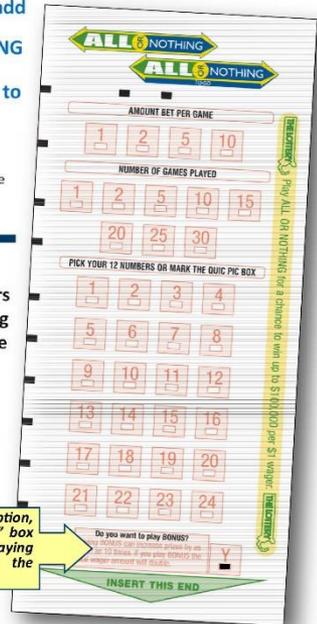
### Prize Structure

(based on a \$1 per game wager)

Win \$100,000 by matching ALL twelve (12) winning numbers drawn, or win \$100,000 by matching NONE of the winning numbers drawn! In all, there are ten ways to win a prize. The overall odds of winning a prize are approximately 1 in 4.54.

Match	Prize	2X Prizes
12	\$100,000**	\$200,000**
11	\$400	\$800
10	\$25	\$50
9	\$4	\$8
8	\$2	\$4
7-5	no prize	—
4	\$2	\$4
3	\$4	\$8
2	\$25	\$50
1	\$400	\$800
0	\$100,000**	\$200,000**

To play the BONUS option, simply check the "Y" box on your bet slip. Playing BONUS will double the cost of your wager.



The prize payout is 70.27%

\*\*Under unusual conditions, prizes on winning tickets, with or without BONUS, may be reduced according to the Rules and Regs. or the Admin Bulletin issued thereunder.



8 x 11 Poster



# June Instant Tickets Sales Update

## Hit \$100

Price Point: \$1

3 Week Sales: \$1,076,710



## Hit \$200!

Price Point: \$2

3 Week Sales: \$3,696,065



## Hit \$500

Price Point: \$5

3 Week Sales: \$11,453,165



## Hit 1,000!

Price Point: \$10

3 Week Sales: \$14,583,050



# August Instant Tickets Release (August 9)

## Fast Bucks

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



## Red Hot \$100,000!

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



## Win It All

Price Point: \$5  
Top Prize: \$1,000,000



## Monopoly Jackpot

Price Point: \$10  
Top Instant Prize: \$4,000,000



# August Instant Tickets POS Advertising

**THE LOTTERY**

**INTRODUCES a MONOPOLY of INSTANT EXCITEMENT!**

**4 unique, exciting games with OVER \$346,000,000 IN PRIZES!**

**WIN UP TO \$1,000,000!**

**WIN UP TO \$5,000,000!**

**WIN UP TO \$100,000!**

**WIN UP TO \$10,000!**

**OVER 22,000,000 WINNERS!**

**THE LOTTERY**

masslottery.com

11 x 17 Poster



3.5 x 4 "Lug"

**MONOPOLY**

**JACKPOT**

**\$5,000,000**

**IN GRAND PRIZE DRAWING!**

**SECOND CHANCE DRAWINGS**

**PLUS 1 GRAND PRIZE DRAWING! OVER 14,500 PRIZES!**

**WIN TRIPS, MERCHANDISE OR CASH UP TO \$5,000,000!**

**OVER \$200,000,000 IN TOTAL PRIZES! WIN UP TO 15 TIMES!**

**THE LOTTERY**

masslottery.com

LED Frame

# Social Media Messaging



**Zip Trip in Brockton (Instagram)**

Mass. State Lottery  
@MAStateLottery

A #MegaMillions ticket sold at @cumberlandfarms, 433 South Main St. in Sharon, won \$1 million in last night's drawing.

**Mega Millions winner (Twitter)**



mastatelottery

12 likes 5d

mastatelottery Thanks to Brockton Mayor Bill Carpenter for visiting us at today's @fox25news #ZipTrip. Brockton is receiving over \$20 million in local aid from Lottery revenues this year. #CityOfChampions

**Greatest Instant Hits Sweepstakes (Facebook)**

Massachusetts State Lottery  
Published by Christian Teja [?] · June 27 at 9:00am · \*

The Lottery's new "Hit" series of Instant Tickets is loaded with instant prizes of \$100, \$200, \$500 and \$1,000! To enter our #GreatestInstantHits sweepstakes for a chance to win a \$100 cash prize, comment on this post with your answer to this question: What is your favorite disco hit? For more information on the sweepstakes, including official rules, visit <http://www.masslottery.com/about/news.html>



9,006 people reached

Boost Post

# Social Media Messaging

## Mega Millions jackpot run (Facebook)



Massachusetts State Lottery at Massachusetts State Lottery.

Published by Paul W Petroski [?] · July 6 at 5:28pm · ✨

Do you play #MegaMillions with a group of people? If so, what's the jackpot amount that gives you Mega Millions fever? Who do you play with? Let us know in the comments below! Good luck, Massachusetts!



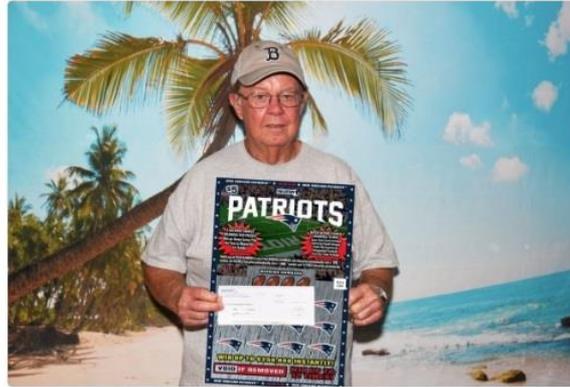
846 people reached

Boost Post



Mass. State Lottery @MAStateLottery · Jul 11

Congratulations to James Kelley, the 6th \$250,000 instant prize winner in our @Patriots Instant Ticket game!



4 9

**Patriots Instant Ticket  
\$250,000 winner  
(Twitter)**



mastatoltery

13 likes

2w

mastatoltery @MassCouncilCG Executive Director Marlene Warner is conducting a training session for new employees today at our Braintree HQ.

**MCCG training  
for Lottery  
employees  
(Instagram)**

Add a comment...

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.

