



# Massachusetts State Lottery Commission

STEVEN GROSSMAN  
*Treasurer and Receiver General*

BETH BRESNAHAN  
*Executive Director*

November 6, 2014

As part of the continuing effort to uphold State Treasurer Steve Grossman's commitment to transparent and open operations at the Lottery, enclosed are fiscal performance documents accounting for October 2014.

Sales for October were up \$11.4 million as compared to October 2013. There were an extraordinary high number of grand prize claims during the month, including three \$10 million and eight \$1 million Instant prizes as well as one \$2 million Powerball prize and five \$25,000 a year for life prizes in the Lucky for Life draw game. Accordingly, the prize payout for October 2014 was 73.85 percent, as compared to 71.74 percent in October 2013. This increase has driven the prize payout for the first four months of FY15 to 73.04 percent as compared to 70.72 percent in FY14, and has decreased net profit by \$25.9 million as compared to last year. As explained in previous correspondence, the payout percentage fluctuates based on the timing at which players cash in their prizes. We anticipate that the prize payout return to the budgeted average of 72.7 percent during the course of the fiscal year.

October's sales increase were primarily due to a \$5.8 million increase in Instant Ticket sales and a \$5.4 million increase in Mega Millions sales over last year. Additionally, KENO experienced an increase of \$3.7 million.

Powerball sales were down just over \$2.5 million due to a smaller jackpot offering as compared to last year, and Lucky for Life sales were down approximately \$528,000.

The holidays are traditionally a peak selling season for the Lottery and we expect 2014 to be live up to tradition with almost a third of our overall revenues generated during this 10-week period. If you visit any Lottery retailer across the state, you will see that our holiday sales campaign has commenced with freshly-hung posters and other point-of-sale advertising materials featuring the four (\$1, \$2, \$5 and \$10) new holiday-themed Instant Tickets which debuted on October 28<sup>th</sup>. In-store advertising will be refreshed in mid-November and we will also be launching a paid multi-media advertising campaign on November 28<sup>th</sup> that promotes Lottery tickets as gifts that people are "happy to give and happy to get." It includes statewide TV, radio, digital and out-of-home advertisements.

As always, I am happy to answer any questions you may have about the aforementioned figures or concerning the Lottery's fiscal performance. I can be reached directly at (781) 849-5500.

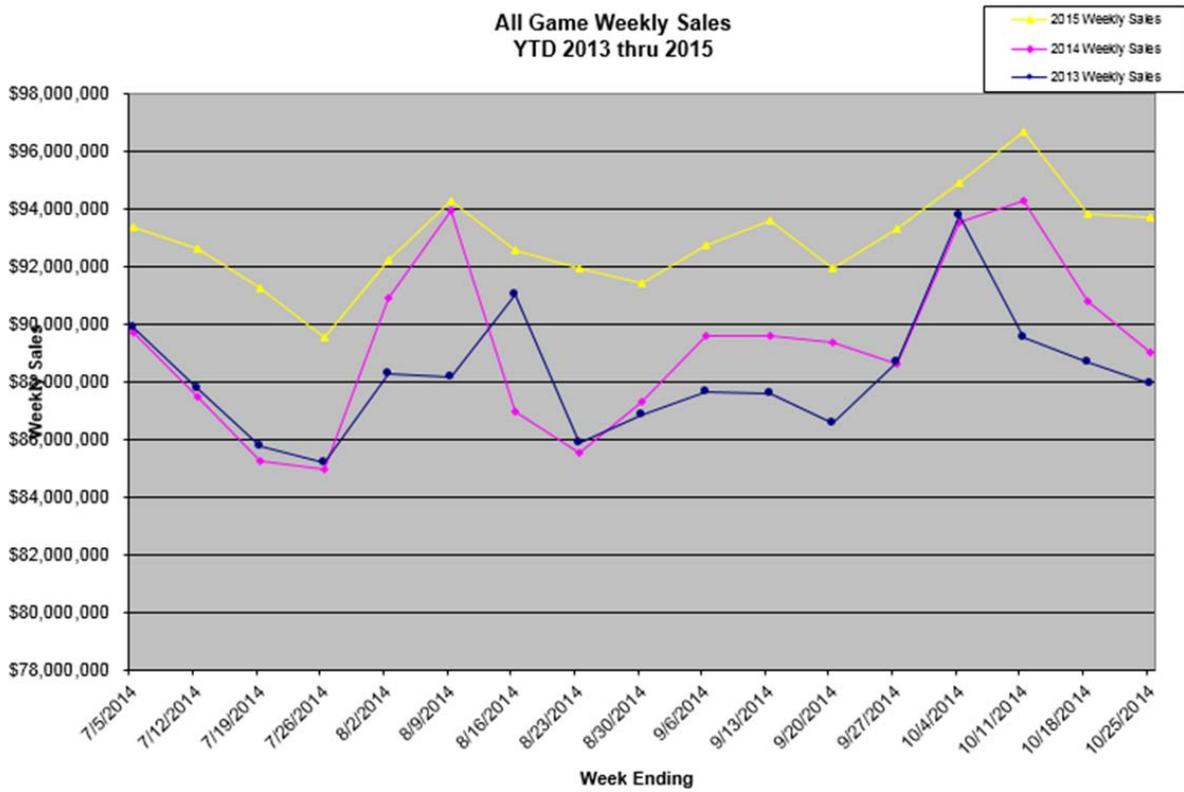
Sincerely,

Beth Bresnahan  
Executive Director



*Supporting the 351 Cities and Towns of Massachusetts*

**All Game Weekly Sales  
YTD 2013 thru 2015**



*Supporting the 351 Cities and Towns of Massachusetts*

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<b>MSLC Revenue Results</b>							
<b>October FY15 vs. FY14</b>							
(\$ millions)							
Through October 25, 2014							
	<b>FY15</b>	<b>% of Total</b>	<b>FY14</b>	<b>% of Total</b>	<b>\$ Change</b>	<b>% Change</b>	
<b>Instant Tickets</b>	\$265	69.9%	\$259	70.5%	\$6	2.3%	
<b>MegaMillions</b>	9	2.5%	4	1.0%	5	142.2%	
<b>Powerball</b>	6	1.5%	8	2.2%	-3	-30.9%	
<b>Keno</b>	65	17.2%	62	16.7%	4	6.0%	
<b>Mass Cash</b>	6	1.5%	5	1.5%	0	5.1%	
<b>Race Game</b>	0	0.0%	0	0.0%	0	0.0%	
<b>Lucky For Life</b>	2	0.6%	3	0.7%	-1	-20.1%	
<b>Numbers Game</b>	25	6.5%	25	6.7%	0	-0.8%	
<b>Super 50-50 Raffle</b>	0	0.0%	0	0.0%	0	-100.0%	
<b>Megabucks</b>	1	0.3%	2	0.4%	0	-16.6%	
<b>Jackpot Poker</b>	0	0.1%	0	0.1%	0	-50.9%	
<b>Total</b>	<b>\$379</b>	<b>100.0%</b>	<b>\$368</b>	<b>100.0%</b>	<b>\$11</b>	<b>3.1%</b>	
<b>Instant Tickets</b>	\$265	69.9%	\$259	70.5%	\$6	2.3%	
<b>Online Games</b>	114	30.1%	109	29.5%	6	5.2%	
<b>Total</b>	<b>\$379</b>	<b>100.0%</b>	<b>\$368</b>	<b>100.0%</b>	<b>\$11</b>	<b>3.1%</b>	



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<b>MSLC Revenue Results</b>							
<b>Year-to-Date FY15 vs. FY14</b>							
(\$ millions)							
Through October 25, 2014							
	<b>FY15</b>	<b>% of Total</b>	<b>FY14</b>	<b>% of Total</b>	<b>\$ Change</b>	<b>% Change</b>	
<b>Instant Tickets</b>	\$1,120	70.9%	\$1,044	68.8%	\$76	7.3%	
<b>MegaMillions</b>	24	1.5%	17	1.1%	7	41.2%	
<b>Powerball</b>	27	1.7%	50	3.3%	-23	-46.5%	
<b>Keno</b>	266	16.8%	258	17.0%	7	2.9%	
<b>Mass Cash</b>	24	1.5%	23	1.5%	1	5.2%	
<b>Race Game</b>	0	0.0%	0	0.0%	0	0.0%	
<b>Lucky For Life</b>	9	0.6%	11	0.7%	-2	-20.5%	
<b>Numbers Game</b>	104	6.6%	104	6.9%	0	-0.1%	
<b>Super 50-50 Raffle</b>	0	0.0%	0	0.0%	0	-100.0%	
<b>Megabucks</b>	6	0.4%	7	0.4%	-1	-13.8%	
<b>Jackpot Poker</b>	1	0.1%	3	0.2%	-2	-69.1%	
<b>Total</b>	<b>\$1,580</b>	<b>100.0%</b>	<b>\$1,517</b>	<b>100.0%</b>	<b>\$63</b>	<b>4.2%</b>	
<b>Instant Tickets</b>	\$1,120	70.9%	\$1,044	68.8%	\$76	7.3%	
<b>Online Games</b>	460	29.1%	473	31.2%	-13	-2.8%	
<b>Total</b>	<b>\$1,580</b>	<b>100.0%</b>	<b>\$1,517</b>	<b>100.0%</b>	<b>\$63</b>	<b>4.2%</b>	



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