

TEXAS LOTTERY® RoundUp

News and Ideas for Texas Lottery Retailers

Retailers Help Boost Texas Lottery Sales, Receive \$195 Million for Their Efforts



State Fair Wrap-Up

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Summer Retailer Incentive a Success!

PAGE 8

Name	City	Name	City
Rudy's Stop & Shop	Rosenberg	Your C Store	La Grange
Town & Country C.S.	McAllen	Bowen's Grocery	Midland
StateLine Cigo	Texarkana	Yu Mi's	Alice
United Drive Inn #1	Mission	E Z Shop	Waco
Adrian's Drive In Grocery	Alice	Super K Food Store	Humble
Pittmans Quik Mart	Corpus Christi	Mid Valley Express	Weslaco
Mr T's Market	Midland	Pearland Food	Pearland
Hampton Food Mart	Dallas	A & I Food Store	Lancaster
7-Eleven #125	Odessa	Shop N Go	Dallas
Fiesta Mart #7	Houston	Times Market 2005	Bishop
Wes-To-Go #1	Arlene	Westchester Food Mart	Grand Prairie
Potrancos Food Mart	San Antonio	Sonny Food Mart #4	Dallas
E-Z Stop Convenience	Del Rio	I. Stop	El Campo
Shop & Go	Duncanville	Fina Food Mart	Waxahachie
Fiesta Mart #14	Houston	Fiesta Mart #11	Houston
Quick Shop #1	Dallas	Adams Food Mart	Temple
Mobil Mart	Converse	Handi Stop #19	Houston
Sundown Market	Midland	Fiesta Mart #29	Dallas
Hampton Texaco - 1st Term	Dallas	Super K-F Store	Houston
Zip 'N	Austin	Ace Mart #1	Corpus Christi
Chucks Grocery	Arlington	Mercury Drive-In Grocery	Jacinto City
Crestway Food Mart	San Antonio	Taylor Mini Mart	Taylor
A & B Corner Foodmart	Round Rock	Southland Market	Houston
Sk One Stop	Denton	Copperas Cove Food Mart	Copperas Cove
Fiesta Mart #18	Houston	Stan C-Store	Killeen

2010 Top 50 Retailers

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December 2010/
January 2011

RoundUp

December 2010/
January 2011

Email questions or comments about

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REMEMBER!

If you find your retailer ID number hidden in this issue of *RoundUp*, you can receive a prize package of Texas Lottery promotional items!

To claim your prize, call 1-800-37-LOTTO.
You must call by January 31, 2011.

State Fair of Texas

Good weather, strong attendance and a fresh selling approach made the 2010 State Fair of Texas another record-breaking event for the Texas Lottery. Sales reached an all-time high of \$719,850! That's \$2,499.48 per hour. In addition, we paid out more than \$433,000 in winnings to our players.

In a change from years past, the Texas Lottery operated from one consolidated location at East Park Plaza on Coliseum Drive. [229425] The friendly staff of Swift-T, a long-time Texas Lottery retailer in Dallas, conducted sales in two retail trailers from September 24 through October 17.

Beneath a brightly colored 90' x 45' tent, the new Texas Lottery Luck Zone featured exciting and popular promotions, including two Lone Star Spinning Wheels and the exciting Texas Lottery Money Machine. For every \$5 of lottery products that players purchased, they received a voucher. Players could redeem the vouchers for lottery merchandise, or exchange them for a spin on the Lone Star Spinning Wheel to win free scratch-off tickets, or for a trip into the Texas Lottery Money Machine. Players who purchased two \$500,000,000 *Blockbuster* tickets automatically won a trip into the Money Machine.

Additionally, two kiosks were on site that players were able to use to sign up for Texas Lottery winning numbers and game updates to be received via email or text message. [149127] During the 24 days of the fair, more than 10,000 players signed up for this information.

Retailers Help Boost Texas Lottery Sales, Receive \$195 Million for Their Efforts

The Texas Lottery finished Fiscal Year (FY) 2010 on August 31, and with the help of a retailer network almost 17,000 strong, the agency contributed nearly \$1.095 billion to the state of Texas, the highest total of transfers to the state since FY 1998. [494857] Total sales were the fourth highest ever at \$3.74 billion, resulting in more than \$195 million in commissions and bonuses for Texas Lottery retailers.

“Our retailers played an important role in a successful Fiscal Year 2010. With their help, we were able to surpass last year’s sales by more than \$18 million,” said Texas Lottery Commission Executive Director Gary Grief. [130709] “We hope to improve on our performance this year by continuing to introduce exciting new game initiatives for our players.”

Sales highlights for FY 2010 include:

- \$2.76 billion in instant scratch-off ticket sales, the fifth-highest level of scratch-off sales in the Texas Lottery’s history;
- \$255.9 million in *Lotto Texas*® sales, an increase of \$55.4 million from the previous year and the best sales year for *Lotto Texas* since 2005;
- \$68.5 million in *Powerball*® and *Power Play*® sales since *Powerball* launched in Texas on January 31, 2010;

This year the Texas Lottery teamed with the Dallas Cowboys by featuring two visits from Rowdy, the Dallas Cowboy’s mascot, and by placing an Instant Ticket Vending Machine (ITVM) near the Cowboys’ trailer that dispensed only the \$10 *Dallas Cowboys* scratch-off ticket.

Fairgoers also played for the multi-million dollar *Powerball*®, *Mega Millions*® and *Lotto Texas*® jackpots, and tried for big money in our other drawing games—*Cash Five*®, *Texas Two Step*®, *Daily 4*™ and *Pick 3*™. Players also had an opportunity to participate in the Green Ball™ promotion that began on October 4. The Green Ball was drawn four times during the fair and *Pick 3* winning players were paid approximately 20 percent more on their prizes. Scratch-off players had

- \$53.3 million in *Daily 4*™ sales, the best year of sales for this game since its introduction in September 2007.

Of the \$1.095 billion in transfers to the state, slightly more than \$1 billion went directly to the Foundation School Fund, which supports public education in Texas. An additional \$7.3 million went to the Texas Veterans Commission from the sales of a new instant scratch-off game dedicated to veterans’ assistance, [203363] and other state programs benefitted from almost \$87 million in unclaimed lottery prizes.

Texas Lottery players won big in FY 2010. William Kiefer of Katy led the way with a *Mega Millions*® win worth \$144 million, but plenty of other Texans from around the state were made millionaires by the Texas Lottery this year. Prizes of \$1 million or more were awarded to 44 lucky Texas Lottery players. In all, the players received almost \$2.3 billion in prizes in FY 2010.

“Bottom line, 95 percent of the Texas Lottery’s \$3.74 billion in sales returned to the state and players in the form of prizes, contributions to the Foundation School Fund, retailer bonuses and commissions, and other state programs,” said Grief. [14565]



lots of chances to win, with more than 45 different instant games to choose from! [141084] As always, the Texas Lottery Luck Zone was a hot spot for fairgoers.

Thanks to all of the hard-working staff and the thousands of players who made this 2010 State Fair of Texas a big winner for themselves and for Texas education!

Retailer Spotlight

*It's always a Texas Lottery party at **Fiesta Mart!***

Originally conceived as a new retailer approach to reach the burgeoning Hispanic market in Houston, the first **Fiesta Mart** was opened by founders Donald Bonham and O.C. Mendenhall in 1972. Today, in keeping with Texas' changing demographics, Fiesta Mart has expanded its offerings to cater to customers with various backgrounds and tastes while blending a variety of product offerings with an authentic "Fiesta" atmosphere. [226173] Fiesta Mart currently operates 76 stores in Texas, located in Houston, Austin and the Dallas/Fort Worth areas, and has been a Texas Lottery retailer since 1992.

Fiesta Mart #7 (210518), located in west Houston, is an excellent example of how hard work, dedication, unsurpassed customer service and marketing products their customers want to buy always keeps them coming back! [483459] One of the first sights welcoming customers to Fiesta Mart #7 is a Texas Lottery booth illuminated by an impossible-to-miss neon lottery light. Two sales terminals at the counter stay busy with a friendly and fully-trained staff to keep their Texas Lottery lines mov-

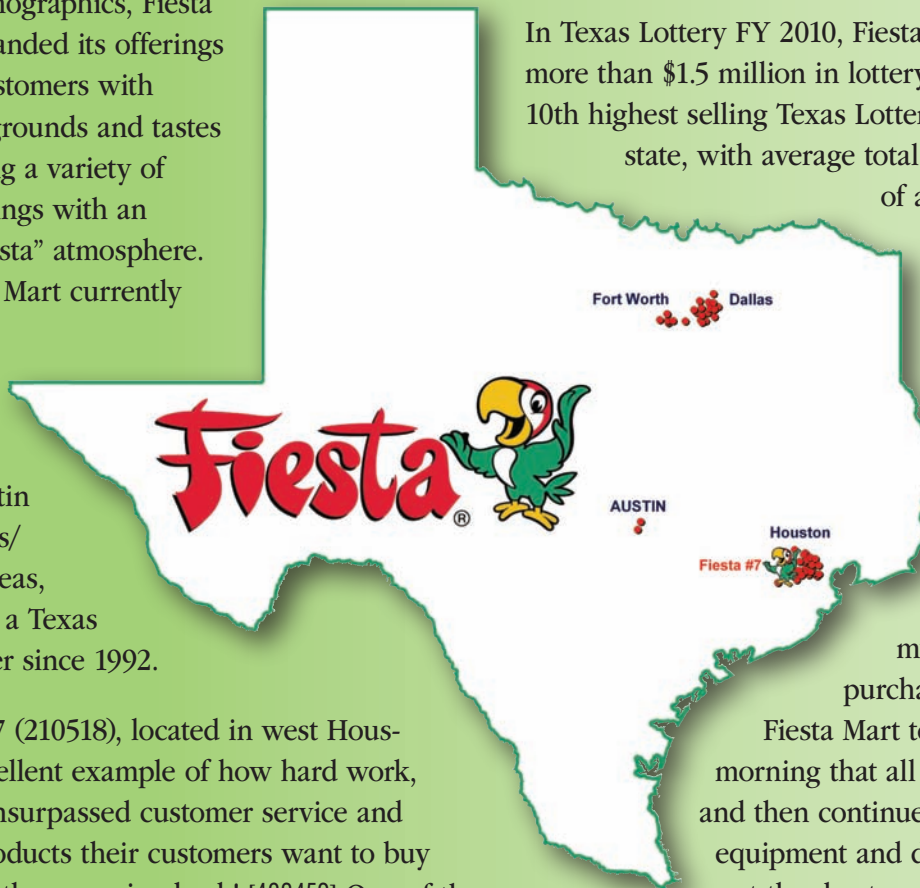
ing. They also feature multiple self-service terminals and two playstations conveniently located for their players' ticket preparation and purchase needs, creating a player-friendly environment for their Texas Lottery customers.

In Texas Lottery FY 2010, Fiesta Mart #7 realized more than \$1.5 million in lottery sales and was the 10th highest selling Texas Lottery retailer in the state, with average total weekly lottery sales of approximately

\$30,200, while the chain's store average was \$7,500 a week. Instant ticket sales account for approximately 80 percent of the store's total lottery sales and are offered at multiple points of purchase within the store.

Fiesta Mart teams ensure each morning that all of their slots are full and then continue to monitor the equipment and dispensers throughout the day to make certain that there's never an empty slot. Fiesta

Mart #7 staff also has created their own loading procedure by organizing their surplus ticket inventory by denomination and variety within the machine to make the loading process more efficient.





With a proven record of strong instant ticket sales, Fiesta Mart is now focused on driving on-line game sales. [151885] To support that goal, they funded an internal contest this fall to drive on-line sales by educating their players and actively promoting *Powerball*.

Company-wide, Fiesta Mart does an excellent job of marketing Texas Lottery products by featuring an advertisement in their weekly circular. They also print and post signs welcoming Texas Lottery players and winners by promoting the fact that they cash winning lottery tickets up to \$599. All of these key pieces drive new and existing players into their stores.

As a testament to their customer loyalty, Fiesta Mart paid over \$24.8 million to winners in FY 2010, which contributed to increases in both Texas Lottery sales and other market-basket sales overall—a win-win scenario for all. Way to keep the party going, Fiesta Mart!



Retailer Spotlight

When it comes to Texas Lottery sales, **Rudy's Stop & Shop** *is right on top!*

Rudy's Stop & Shop, a convenience store in Rosenberg, was the number one seller of Texas Lottery products for fiscal year 2010. Owners Mahendi and Samir Prasla take pride in this accomplishment and the brothers' store sign lets everyone know. In addition to the eye-catching sign, the outside of the store acts as a billboard for all Texas Lottery products. Each on-line game has its own plaque on the roof in addition to Texas Lottery game signs bordering the rooftop and the side of the building.

The Prasla brothers [513813] have generated millions of dollars in Texas Lottery sales and have been recognized many times with awards for their sales accomplishments resulting in contributions to the Foundation School Fund. Mahendi and Samir are extremely competitive in regards to lottery sales.

They strive to be the number one retailer by requesting the Top 20 Retailers sales report and by constantly looking for new ways to improve their sales. Their determination pays off as they average \$42,700 a week in scratch-off sales alone. Rudy's Stop & Shop also successfully met its first retailer incentive goal and earned payments in the first two programs as well as \$10,000 in the first retailer drawing.

Rudy's has 140 dispensers fully stocked with scratch-off tickets. They often dedicate a minimum of 40 bins just for \$500,000,000 *Blockbuster* alone. Core scratch-off games are emphasized with triple and quadruple facings. Store employees are aware of retailer contest games and highlight these to players. Their efforts for the retailer contest which featured \$500,000,000 *Blockbuster* and the *Jumbo Bucks* suite resulted in 52 free packs of instant tickets! On-line jackpots are advertised on top of the dispensers and on a scrolling display board on the front wall. Drawing results are posted for all games and updated daily. Rudy's even has a dedicated phone line that customers may call to hear a recording of the recent drawing numbers and payouts.

Winner awareness is very important to Rudy's. The store is decorated with pictures of Texas Lottery customers who have won at the store. [151844] Regardless of how much they won, pictures are taken of any customer who wants to be on Rudy's Wall of Winners. Winning tickets that have been defaced are proudly displayed on the wall indicating that it pays to play at Rudy's.

Rudy's co-owner Samir Prasla with a lucky second-chance drawing winner.





Rudy's Stop and Shop recently bought a 32" television that displays pictures of winners, as well as drawing results. [109672] They also post winning information in the local paper.

Rudy's priorities are customer service and pleasing their Texas Lottery players. Their employees know what games each customer plays and usually have their *Pick 3*[™] or instant ticket ready for players as soon as they reach the counter. The Prasla brothers know that their success is based on keeping their customers happy and well informed. They repay their customer's loyalty by conducting second-chance drawings. Every month, three cash prizes are given to players who enter their non-winning tickets in the drawing. They also host an annual Customer Appreciation Day for their patrons where they conduct hourly second-chance drawings. Past hourly drawing prizes have included televisions and DVD players. They send special invitations to their best customers to let them know of upcoming events. Flyers are posted over their doors, windows and walls

advertising the event. They even run ads in the local paper thanking loyal customers and inviting new players to the store.

Rudy's Stop & Shop further promotes Texas Lottery products by selling t-shirts with their store logo on the front and "I Support Texas Education" logo on the back. Samir and his brother recognize that selling Texas Lottery products is vital to their store's success, but they also realize that their sales are contributing to the Foundation School Fund. [507376] The brothers take pride in knowing that their little store in Rosenberg is making a big difference in Texas.



OVER \$3 MILLION AWARDED IN SUMMER SALES INCENTIVE PROGRAM



Everyone can use a little extra cash these days and for many Texas

Lottery retailers the long, hot summer ended with cool cash payments totaling \$3,085,800. The third retailer sales incentive program resulted in 4,158 retailers across the state successfully meeting their goal in the May 9 through August 7 program.

[225]63 Their efforts to promote Texas Lottery games generated an additional \$28.3 million in sales in just 13 weeks and more than \$4.4 million in added transfers to the Foundation School Fund.

Those successful retailers earned incentive payments on top of their regular 5 percent sales commission and 307 of them also received payments after being selected during the special drawing held August 26. The owners of Citgo Food Mart in San Antonio and Super Trac 103 in Bryan were awarded the top prizes of \$50,000 each. The remaining drawing prize winners included: 5 - \$10,000 winners, 20 - \$5,000 winners, 30 - \$2,500 winners, 100 - \$1,000 winners and 150 - \$500 winners.

Since the Texas Lottery introduced the sales performance-based incentive program in September 2009, participating retailers have earned a total of \$6.03 million and contributed over \$18 million in additional transfers to the Foundation School Fund. [152592] All of these efforts are on top of the day-to-day support of Texas Lottery products provided by all of our retailers across the state.

As we continue to strive for excellence within the Texas Lottery and reward that standard among our valued retailers, the incentive program continues with the current plan which runs October 10, 2010, through January 8, 2011, followed by a drawing to award 307 retailers with prizes ranging from \$500 to \$50,000. Several initiatives have been implemented that support retailers' sales efforts including the *Pick 3 Green Ball* promotion, *Dallas Cowboys* and *Houston Texans* games, and the ever-popular holiday suite of games. Ask your lottery sales representative for tips on how you can get in on the winning!

\$50,000 DRAWING PRIZE WINNERS



From Left to Right: Chuck Faulkner (GTECH), Blanca Villarreal (Super Trac 103), Linda Nguyen (Super Trac 103), Jimmie Hammond (GTECH LSR) and Sam Trinh (Super Trac 103)

Super Trac 103, Bryan



From Left to Right: Linda Sanderson (GTECH District Sales Manager) and Abdul Mohammed (Owner Citgo Food Mart)

Citgo Food Mart, San Antonio

The 50 Top-Selling Texas Lottery Retailers in FY2010

Name	City
Rudy's Stop & Shop	<i>Rosenberg</i>
Town & Country C S	<i>Mcallen</i>
Stateline Citgo	<i>Texarkana</i>
United Drive Inn #1	<i>Mission</i>
Adrian's Drive In Grocery	<i>Alice</i>
Pittmans Qwik Mart	<i>Corpus Christi</i>
Mr T's Market	<i>Midland</i>
Hampton Food Mart	<i>Dallas</i>
7-Eleven #125	<i>Odessa</i>
Fiesta Mart #7	<i>Houston</i>
Wes-To-Go #1	<i>Abilene</i>
Potranco Food Mart	<i>San Antonio</i>
E-Z Stop Convenience	<i>Del Rio</i>
Shop & Go	<i>Duncanville</i>
Fiesta Mart #14	<i>Houston</i>
Quick Shop #1	<i>Dallas</i>
Mobil Mart	<i>Converse</i>
Sundown Market	<i>Midland</i>
Hampton Texaco - 1 st Term	<i>Dallas</i>
Zip 'N	<i>Austin</i>
Chucks Grocery	<i>Arlington</i>
Crestway Food Mart	<i>San Antonio</i>
A & B Corner Foodmart	<i>Round Rock</i>
SK One Stop	<i>Desoto</i>
Fiesta Mart #18	<i>Houston</i>

Name	City
Your C Store	<i>La Grange</i>
Bowen's Grocery	<i>Midland</i>
Yu Mi's	<i>Alice</i>
E Z Shop	<i>Waco</i>
Super K Food Store	<i>Humble</i>
Mid Valley Express	<i>Weslaco</i>
Pearland Food	<i>Pearland</i>
A & I Food Store	<i>Lancaster</i>
Shop N Go	<i>Dallas</i>
Times Market 2005	<i>Bishop</i>
Westchester Food Mart	<i>Grand Prairie</i>
Sonny Food Mart #4	<i>Dallas</i>
L Stop	<i>El Campo</i>
Fina Food Mart	<i>Waxahachie</i>
Fiesta Mart #11	<i>Houston</i>
Adams Food Mart	<i>Temple</i>
Handi Stop #19	<i>Houston</i>
Fiesta Mart #29	<i>Dallas</i>
Super K-F Store	<i>Houston</i>
Ace Mart #1	<i>Corpus Christi</i>
Mercury Drive-In Grocery	<i>Jacinto City</i>
Taylor Mini Mart	<i>Taylor</i>
Southland Market	<i>Houston</i>
Copperas Cove Food Mart	<i>Copperas Cove</i>
Stan C-Store	<i>Killeen</i>

December 2010/January 2011 Retailer Survey

1. During the *Pick 3* Green Ball promotion that ran in October, did you
 - a. notice increased *Pick 3* purchases from your regular *Pick 3* players?
Yes, from several ____ Yes, from a few ____ No ____
 - b. see customers who play other lottery games try *Pick 3*?
Yes, several ____ Yes, a few ____ No ____
 - c. see customers who do not normally play lottery games try *Pick 3*?
Yes, several ____ Yes, a few ____ No ____
2. If Green Ball were offered again, which games would you like to see it on?
Pick 3 ____ *Daily 4* ____ *Cash Five* ____ All daily games ____
Do not offer Green Ball again ____

Your Retailer Number _____

Thank you for your time. A retailer will be selected from a random drawing of all completed surveys from this issue of *RoundUp* to receive a Texas Lottery prize package of promotional items!

Please send survey to: Dr. David Sizemore, Research Coordinator
Texas Lottery Commission • P.O. Box 16630 • Austin, Texas 78761-6630 • FAX: 512-344-5254

Get Texas Lottery Email / Text Updates!

Want to know what's going on at the Texas Lottery? Sign up on our website to receive winning numbers, current estimated jackpots, scratch-off information, latest news, and more!

Simply go to our homepage at **www.txlottery.org** and click the "Sign up to receive Email / Text updates" link, and then enter the requested information. You will only receive updates on items to which you have subscribed. It's also easy to change your profile or subscriber preferences, or to unsubscribe at any time.

(Messaging and data rates may apply for text message updates.)
It's another great way to stay up-to-date with the *Games of Texas*!



Frequently Asked Questions

Q. How do I get a copy of my 1099 for last year's retailer commissions?

A. The IRS form 1099 is mailed by January 31 each year to all retailers, except retailers who operate their business as a corporation. [236833] The IRS does not require the 1099 form to be mailed to corporations. All Texas Lottery retailers, including those who operate via corporations, may call our Retailer Services Department at 1-800-375-6886 for commission information.

Q. I'm changing my business from sole ownership to a corporation. How do I update my Texas Lottery records to reflect this change?

A. Changing your business from a sole ownership to a corporation will require a new Texas Lottery retailer license application. State law does not allow the transfer of a retailer's license from one person to another person or company, even if the new company is owned and managed by the same person who operated the business as a sole owner. In these situations, the new company typically is issued new tax identification numbers (tax I.D.) by the State Comptroller and the federal government. When this occurs, a new Texas Lottery license must be issued. You may obtain license application information on our website, www.txlottery.org.

Q. What do I tell a customer who is looking for their favorite scratch-off game?

A. The Texas Lottery now has a scratch-off and store locator feature online (www.txlottery.org), allowing searches by city, zip code, smoking policy and scratch-off game. [144713] This tool makes it easy for players to find a specific scratch-off in their area. Search results include contact information and a map for each location. Players also may call Texas Lottery Retailer Services at 1-800-375-6886 for more information.

Q. Can players text, fax, mail or call in their numbers to a retailer and then have their ticket ready for purchase when they come into the store?

A. No. The Texas Lottery Commission Rule for on-line games specifies that no part of a lottery ticket sale may take place away from the sales terminal. [147136] Sales terminals include self-service machines, as well as the retailer's terminal at the counter.

The rule also states that retailers must give prompt service to lottery customers present and waiting at the on-line terminal to purchase tickets for on-line games.

Q. What do I do if scratch-off tickets are stolen from my store?

A. Within 24 hours of discovering a theft or loss:

1. Contact local law enforcement to report the theft and obtain a case number. In some situations a case number is not immediately available. **Do not let this delay your report to the GTECH Hotline.** The case number may be provided after the initial call to GTECH Hotline.
2. Call the GTECH Hotline, **1-800-458-0884**, and provide game, pack and ticket numbers of missing inventory. The Hotline is available **24 hours, 7 days a week.**

The sooner you report a theft or loss, the sooner the tickets can be deactivated in the system and minimize your liability. If validations occur on the tickets, you will be responsible for the range of tickets in which the validations occurred. [152815] An administrative fee of \$25 per pack of tickets will apply to confirmed packs reported lost or stolen. In order to complete the process for reporting tickets as stolen to the Texas Lottery, you must provide a local law enforcement case number.

REMEMBER: THE SOONER YOU REPORT A THEFT OR LOSS, THE SOONER YOU CAN LIMIT YOUR FINANCIAL LIABILITY.

Retailer Bonuses



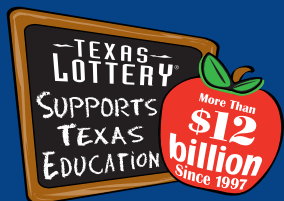
Draw Date	Retailer	Location	Bonus
8/10/06	Quick Mart	Arlington	\$700
1/4/07	Fuel Express #2	Deer Park	\$1,125
8/5/10	Circle D Food Mart	Pantego	\$6,750
8/9/10	Speedy	Rockwall	\$2,000
8/19/10	Quick Way Food Store #5	Fort Worth	\$1,375
9/2/10	Quik Sak #9	White Settlement	\$3,750
9/13/10	Diamond Shamrock #792	Mesquite	\$2,750



Game	Retailer	Location	Bonus
\$500,000,000 Blockbuster #1114	J J's #211	Palestine	\$10,000



Draw Date	Retailer	Location	Bonus
7/31/10	Sunlight Food Mart	Garland	\$210,000
8/11/10	Express Business Services	McAllen	\$60,000
8/28/10	Sunmart #105	Hooks	\$80,000



PLAY RESPONSIBLY.

Visit us online at:
www.txlottery.org

Maybe It's Your Lucky Day★

Mon



Tue



Wed



Thu



Fri



Sat

