

—TEXAS LOTTERY— RoundUp

News and Ideas for Texas Lottery Retailers

JUNE / JULY 2009

Fact or Fiction? True or False?

MYTH BUSTERS

Might Have The Answer!

As a Texas Lottery retailer, you might occasionally hear statements from our players such as: “The lottery keeps on selling scratch-off tickets after the top prizes are claimed.” Or “The money from Texas Lottery sales doesn’t go to education.”

Both statements are false. There are a lot of misconceptions about how the Texas Lottery operates and what it does with its profits. The Texas Lottery starts game closing procedures as soon as we learn all top prizes in a game have been claimed. [425727] And many people don’t know that since 1997, all Texas Lottery net proceeds have been sent directly to the state’s Foundation School Fund. That’s more than \$11 billion to support Texas education. Of that total, nearly \$1 billion (\$983.1 million) was contributed in fiscal year 2008.

These are just two of the typical misconceptions that the Texas Lottery’s Communications Services staff deals with via phone calls and email every day. A lot of our players and the general public contact the Texas Lottery with all kinds of questions, and you as a retailer may get your fair share of them too. Lottery staff [504249] have discovered an abundance of misinformation posted online, both in blogs and even in news stories.

In an effort to set the facts straight, the Texas Lottery added a “Myth Busters” feature to its Web site in February [469915].

“Our goal is to dispel these myths and keep the public as accurately informed as we can,” said Texas Lottery Operations Division Director Michael Anger. “Having Myth Busters on our Web site is just one more way to make correct information available at our players’ fingertips.”

The Myth Busters feature complements our Frequently Asked Questions (FAQ) page, which provides more detailed answers to the general questions that we receive from the public, players and retailers.

Myth Busters will be updated periodically, as needed. Links to Myth Busters and to our FAQ page are available from our Web site home page at www.txlottery.org. Happy myth busting!



RoundUp June/July 2009

Email questions or comments

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1-800-375-6886

(Select Option 2, then Option 3 for
licensing or accounting questions.)

Available 7 a.m. - 5:30 p.m. Central Time
Monday - Friday

GTECH Hotline:

1-800-458-0884

(For equipment problems
or to order tickets.)

Available 4 a.m. - midnight,
7 days a week

Web site:

www.txlottery.org

Don't Forget to "ASK FOR THE SALE"!

The customer is at the counter, wallet in hand. This is your chance to suggest a Texas Lottery product to them. Why?



★ **Everybody wins!** The customer has a chance to win a great prize, [483406] you receive a commission on the sale (and possibly a bonus!) and a portion of every dollar is sent to the Foundation School Fund to help support Texas education.

▶ **Increase the amount of money customers spend at your store!** When you "Ask for the Sale" and then follow-up by cashing winning tickets for your customers, they are likely to purchase additional lottery products or other goods in your store.

★ **Increase repeat traffic in your store!** [144240] Once your customer learns how to play lottery games at your store, the likelihood is they will continue to purchase their tickets at their "favorite" lottery retailer.

▶ **Bonus! Bonus! Bonus!** The Texas Lottery pays out some of the highest bonuses in the country. You could earn a bonus up to \$1 million for selling a jackpot winning *Mega Millions*® ticket, up to \$500,000 for selling a jackpot-winning *Lotto Texas*® ticket and up to \$10,000 for a *Texas Two Step*® jackpot ticket. You can even earn \$10,000 for selling a scratch-off worth one million dollars or more.

★ **Free publicity!** If you have a jackpot winner from your store, the Texas Lottery will send out a press release identifying your business as the location where the winning ticket was sold. Lottery staff may contact you about having a check presentation at your store—another opportunity for you to generate publicity and sales. We can also schedule a Customer Appreciation Day in coordination with the check presentation, further increasing awareness of your business. "Asking for the sale" also increases your chances to win other seasonal lottery retailer incentives such as our Clerk Voucher promotions.

▶ **Great customer service!** Give your customers the fun and excitement of a chance to win a big jackpot, try their "lucky" numbers on *Pick 3*™ or the latest exciting scratch-off with lots of prizes.

Ask your lottery sales representative (LSR) about conducting an "Ask For the Sale" promotion in your store. Details can also be found on the Texas Lottery Web site at www.txlottery.org. Click on the Retailers button, and then choose the "Retailer Promotions" section to learn more.

\$20 Ticket Offers Blockbuster Prizes

The \$500,000,000 *Blockbuster* ticket offers the highest payout of any \$20 Texas Lottery scratch-off game, with a half billion dollars in prizes! [433820] This game offers plenty of chances to win big, with 50 cash prizes ranging from \$1 million to \$2.5 million and more than a million prizes ranging from \$100 to \$500. And don't forget—if your store sells any of the prizes over \$1 million, it is eligible for a \$10,000 bonus. \$500,000,000 *Blockbuster* has been on sale since May, and the excitement continues as lots of winnings are claimed. Remind your players to buy a ticket today!



Food Fast Corporation Receives Fourth *Lotto Texas*® Retailer Bonus!

On February 20, representatives from the Texas Lottery Commission presented a retailer bonus check worth \$70,000 to the Food Fast Corporation in Tyler. This event cemented the company's status as a four-time recipient of the agency's retailer bonus incentive for *Lotto Texas*. Retailers are eligible for a 1 percent bonus up to \$500,000, for selling a winning *Lotto Texas* jackpot ticket.

The latest bonus came courtesy of the Food Fast/Short Stop #10 at 607 San Augustine in Center. [470132] Gerald Brittain of Center purchased a *Lotto Texas* ticket from the store and won the \$4.2 million cash value prize from the November 1 drawing, advertised with an estimated annuitized value of \$7 million.

Food Fast Chief Operating Officer Jay Misenheimer and Operations Assistant Freida Byrd joined officials from the Texas Lottery Commission and lottery operator GTECH at the check presentation ceremony.

"Anytime a Food Fast store sells a winner, there is big excitement. [104985] We share some of the good fortune with the store that sold the ticket, and that always helps too," said Misenheimer.

Front row (L to R): Kaye Taylor, Texas Lottery Promotions Coordinator, Fast Food COO Jay Misenheimer, Operations Assistant Freida Byrd. Back row (L to R): GTECH Tyler District Sales Manager Alan Dore, GTECH Senior Business Development Manager Mandy Carter, GTECH Key Account Representative Terry Rose.

The first Food Fast Corporation retailer bonus check was the result of a winning *Lotto Texas* ticket sold at the Food Fast #63 in Gun Barrel City in March 2001. Then, the company received two checks in April 2002 from tickets sold at that same Gun Barrel City location [126982] and the Food Fast #95 in Paris, Texas.

"Texas Lottery retailers like Food Fast Corporation are second to none," said Texas Lottery Commission Deputy Executive Director Gary Grief. "Their excellence in serving our customers has helped us contribute more than \$11 billion to the Foundation School Fund since 1997."



CorporateSpotlight

In previous years, key account representatives (KARs) and their manager were assigned accounts regionally across Texas based on geographic location. Beginning in 2009, each of the KARs has now been assigned corporate accounts based on existing relationships and identified potential to leverage new relationships. This will drive true strategy design for each of the corporate accounts instead of planning geographically. However, execution of the corporate account strategies are accomplished with direct involvement of the 10 district sales managers (DSMs) and their lottery sales representative (LSR) teams. This helps to ensure the best possible customer service and responsiveness. Through the multi-level partnership, tailored sales strategies are developed, implemented and continually improved. Corporate account consultations include, but are not limited to, support for new store openings, designing "exclusive buy" promotions, upcoming retailer contests, scheduled cooperative promotions and ongoing or future game enhancements. Annual business reviews also provide corporate account management with sales analysis and specific marketing recommendations to increase retailer revenue, along with contributions to the Foundation School Fund. To explore new ways to drive Texas Lottery sales, contact your KAR today!

Stripes #9386 Corpus Christi

by Terri Rose, KAR

Stripes #9386 in Corpus Christi always ranks in the top five in Texas Lottery sales for all of [136888] Stripes' Texas locations. Store Manager Amber Quaid recently transferred into this \$14,000- to \$15,000-per-week sales location. It only takes a few minutes of observation to understand how they do it. Dolly Parshall has worked at this store for more than 15 years, knows her customers by name and suggests the sale to all. Once a customer has asked for their instant tickets, she will remind them that it is a *Mega Millions* night or she'll point out the newest instant game. She never assumes that since they didn't ask for it, then they must not want it. She asks anyway and they usually play more.

Dolly knows that many of Stripes #9386 customers come in on break from the nearby Naval Air Station and need to be taken care of as quickly as possible. Some might think that there is no time for plus-selling in this situation, but not Dolly and the rest of the Stripes #9386 team. Their continued success with Texas Lottery sales sets a great example for all lottery retailers.



*Stripes #9386 Cashiers
Dolly Parshall (left) and Bradley Ozee.*

Timewise #3001 La Marque

by Terri Rose, KAR



Timewise #3001 in La Marque sold the winning *Texas Two Step* ticket for the drawing held March 12, 2009. Brian McMillan, a new clerk, sold the \$2.15 million Quick Pick to a frequent neighborhood customer, Thomas L Raborn. Store Manager Lupita De Los Santos, noted that "it finally paid off" for Raborn, who regularly played *Texas Two Step*.

It certainly did pay off. The *Texas Two Step* jackpot had not reached that level since 2006. Timewise #3001 was eligible to receive a bonus of \$10,000 for selling the winning ticket. This Texas Lottery retailer consistently remains in the top 10 for all Timewise locations, with a current weekly average of more than \$2,000 in on-line sales and more than \$5,100 in instant sales.

Chisum Travel Center #8 Lubbock

by Randy Hudman, KAR

Chisum Travel Center #8, a subordinate of Hub City Convenience, is a fast-growing truck center and Texas Lottery retailer located on Highway 87, east of Lubbock.

Instant tickets sales are continuing to increase and the on-line sales have been improving ever since the introduction of the new self-service terminal (SST). Manager Donna Bomar works hard to keep the instant ticket vending machine (ITVM) full with the most recent and popular scratch-off games. Thanks to the [425787] entire staff at Chisum Travel Center #8 for all of their hard work and their continued support of the Texas Lottery.



Tetco #32 San Antonio

by Edward Barron, KAR

One look at the smiling staff of **Tetco #32** tells a lot about why this store is one of San Antonio's highest volume Texas Lottery retailers. The always-friendly team greets every customer as they enter the store. And, with weekly total lottery sales average almost \$10,000, it certainly looks as if that friendliness is paying off. But all smiles aside, the Tetco #32 team takes Texas Lottery scratch-off sales very seriously. When they sell out of a game, they immediately replace it with the most current game. They also know their customers and take customer service to heart by always displaying full dispensers.

Tetco #32 is also one of the highest selling on-line stores in the San Antonio area. Their on-line sales account for

nearly 40 percent of their total sales. [150267] All the staff plus-sell the on-line games because they know that the more they sell, the more money goes to the [507957] Foundation School Fund and it also increases their chances of selling a big jackpot-winning ticket!

Speedy Stop Food Store #1 Victoria

by Terri Rose, KAR

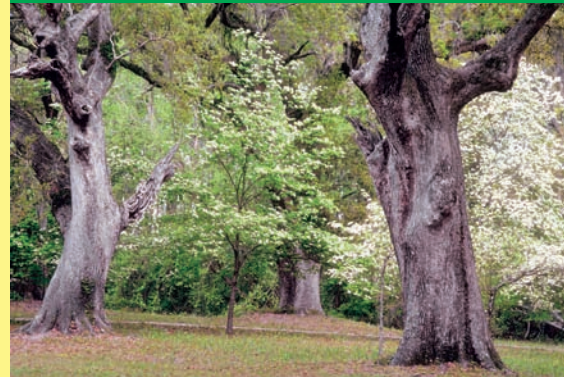
When it comes to Texas Lottery sales, **Speedy Stop #1** in Victoria really is one of the best Speedy Stop locations, with total sales of more than \$11,000 per week. Store Manager Shad Self ensures that he and his cashiers provide the best customer service. They suggest that customers buy the newest games, remind their players of jackpot amounts, and know their customers by name. Pretty much everything you'd expect from one of the best selling Speedy Stop lottery locations. They also make sure slots are always kept full with Shad filling all them in the morning and his staff refilling them again at night. Fill your shelves with product! It's a pretty basic sales strategy, but it works. [507281] Empty slots make zero dollars. Speedy Stop #1's Texas Lottery sales speak for themselves.

The Speedy Stop #1 Team

(from left): Sara Vela, Jenell Flores, Shad Self (Manager), Monica Delgado, Rosa "Birdie" Rivera and Savannah Serna.



Corporate Accounts



Business Development Manager:

Mandy Carter

KARs:

Gina Easley

Austin

800-460-2878

Terri Rose

Houston

800-460-4687

Randy Hudman

Lubbock/Abilene

800-460-5763/800-460-2263

Edward Barron

San Antonio

800-460-7262

Lowe's Market Place #81 Lubbock

by Randy Hudman, KAR

Lowe's Market Place #81 in Lubbock has been a Texas Lottery [487545] retailer for just over two years. Abel Melendez and his staff do an excellent job keeping the ITVM and 12-slot in-counter dispenser full, and the SST in top operating condition. This store has participated in Lone Star Spins, SST ambassador promotions and all other Texas Lottery initiated promotions. Lowe's has many dedicated players who have rewarded the store with gradually increasing revenue from growing sales and retailer bonuses from tickets like the top-prize winning *Cash Five*® ticket they sold last summer. Thank you for your dedicated efforts in promoting the *Games of Texas*.

Timewise #4601 Missouri City

by Terri Rose, KAR



The Timewise #4601 team (from left): Assistant Manager Walter Hernandez, Cashier Karen Sieber, Cashier Marcela Cornejo, Cashier Luis Barrios and Store Manager Xiomara Hernandez.

With total weekly Texas Lottery sales of more than \$9,000, Timewise #4601 in Missouri City is in the top five in lottery sales for all Timewise locations. What's most exciting is that 40 to 45 [146190] percent of those sales is for on-line games, so they are doing a great job in generating revenue for the Foundation School Fund. *Pick 3*™ is their top-selling on-line game with

weekly sales ranging from \$1,200 to more than \$1,300. Sales of the game are so brisk that a second terminal is dedicated primarily to *Pick 3* customers. *Mega Millions* weekly sales average \$1,000 and up, and *Lotto Texas* sales aren't far behind at \$600 to \$700.

Store Manager Xiomara Hernandez says she and her team have fun with their Texas Lottery customers. They tell them what games have had winners during the day and what games they should try. And when their *Pick 3* players come in, they automatically go to the second register for service. Who wouldn't want to play where you feel as welcome as customers do at Timewise #4601?

H-E-B #190 San Antonio

by Edward Barron, KAR

The staff of **H-E-B #190** in San Antonio can't resist having a good time when they open their Business Center every morning. The Business Center Partners have a good time every day of the week, but especially Wednesdays because that's when they wear their matching Texas Lottery t-shirts. In fact, several H-E-B locations in the San Antonio have a special lottery day where they promote Texas Lottery awareness and have a good time doing it.

This H-E-B has a 24-bin ITVM and a 24-bin GamePoint. Customers like buying their instant and on-line tickets while they wait in line to get all the other services H-E-B has to offer. Team members fill their self-serve machines several times a day and get excited when a big winner steps up to cash in a ticket. H-E-B validates all tickets up to \$599.

These folks know their Texas Lottery products and they also know about great customer service. In fact, so much so that H-E-B #190's loyal customer base has helped the store achieve a weekly sales average of more than \$10,300.



H-E-B #190 Business Partners Liz, Laura and Cynthia are all smiles when it comes to Texas Lottery sales.

H-E-B #415 Schertz

by Edward Barron, KAR



Customer Appreciation Day at H-E-B #415.

The buzz around **H-E-B #415** in Schertz prior to Dec. 12, 2008, was that H-E-B and the Texas Lottery were having a [146354] Customer Appreciation Day promotion. On Dec. 12, the buzz came to life with H-E-B hosting the promotion and the Texas Lottery trailer on hand to sell scratch-offs.

Not only were there scratch-off tickets available in the parking lot, but also in the two ITVMs inside the store, close to the business center. [484127] That meant there was a total of 60 different games to choose from. There was also a Lone Star Spin to give players a chance to win free merchandise.

The overall success of the H-E-B #415 Customer Appreciation Day promotion can be attributed to the hard-working business center partners who shine seven days a week at providing excellent customer service to each and every H-E-B customer. Their commitment and enthusiasm helped make this four-hour event one of the highest selling Customer Appreciation Day promotions with a total \$2,740 in Texas Lottery sales!

Players Receive Advance Notice of Game Closings

A scratch-off game can be closed (ended) in two basic ways—for business reasons or as soon as all top prizes have been claimed. By providing the public advance notice that a game will soon be closing due to business reasons, the Texas Lottery Commission is offering players a chance to play for prizes before a game is “called.” Once a game is called, a 45-day period begins in which games are picked up from retailers. Games approved for closing that have top prizes unclaimed will now have a “pre-call” period of 30 days prior to the official call date. [130426] During this 30-day period, sales reps will not pick up games in pre-call status and notice of the game’s status will be communicated in numerous ways.

The Texas Lottery Web site features a new page called “Pre-Closure Games,” which displays the games that are in pre-call status. Also, the “Games Closing Soon” Web page has been revised to clearly identify those games that are closing soon with top prizes unclaimed and those games that are closing soon due to zero top prizes. Additionally, each instant game page will have a starburst at the top to let players know if the game is closing due to zero top prizes or if the game is closing with top prizes unclaimed.

New disclaimer language will soon be added to the back of every scratch-off ticket and on each instant game’s Web page:

Game closing procedures may be initiated for documented business reasons. These games may have prizes unclaimed, including top prizes. Game closing procedures will be initiated when all top prizes have been claimed. During closing, games may be sold even after all top prizes have been claimed.

Please note that games that are being closed due to zero top prizes will immediately be called. There will be no [148139] pre-call notice for these games. Also, if a game needs to be closed in order to maintain the integrity and the security of lottery games, for example, a game is found to have a printing defect, the game would be called immediately with no prior notice or 30-day pre-call period.

The Texas Lottery’s goal is keep our retailers and players informed about the number of prizes claimed in a particular scratch-off game. For the latest information, go to www.txlottery.org.

June/July Retailer Survey

1. How many times has your store held a retailer promotion in the last year? *(Please check one)*

☐ Never ☐ Once or twice in the last year ☐ One or two a month ☐ One or two a week ☐ More than two a week

2. If you conducted a retailer promotion in the last year, please let us know how much or how little the following retailer promotions appeal to you.
(Please circle your choice using the 1 to 5 scale noted below)

	Completely unappealing	Somewhat unappealing	Neither appealing nor unappealing	Somewhat appealing	Completely appealing
Lone Star Spin	1	2	3	4	5
Customer Appreciation Day	1	2	3	4	5
Ask for the Sale	1	2	3	4	5
Second Chance Drawing	1	2	3	4	5

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

Retailer Bonuses



Game	Retailer	Location	Bonus
Weekly Grand #1027	Quicks Food Mart	Temple	\$10,000



Draw Date	Retailer	Location	Bonus
12/11/08	Papa Keith's Market & Deli	Riverside	\$1,250
12/15/08	Valero Corner Store #2605	Houston	\$1,000
1/29/09	Texas Star #102	Corpus Christi	\$6,000

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 July 31, 2009.



Draw Date	Retailer	Location	Bonus
12/24/08	EZ Mart #574	San Antonio	\$40,000
3/14/09	Kroger #275	Houston	\$285,552.88



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Your chance to win every day!

MON



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TUE



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