

—TEXAS LOTTERY— RoundUp News and Ideas for Texas Lottery Retailers



ESMMIncreases Player Awareness and Sales!

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June/July 2012

RoundUp

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Monday - Friday

GTECH Hotline:

1-800-458-0884

(For equipment problems
or to order tickets.)

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

Drawing Results:

512-344-5010

(For winning number results only.)

Website:

www.txlottery.org

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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 JULY 31, 2012.



ESMM Increases Player Awareness and Sales



By now retailers know the benefits of the upgraded Texas Lottery terminals and marketing support equipment that they received in 2011. The Altura terminals offer a smaller footprint, quicker ticket transactions and faster printers. [153921] The new playstations deliver effective Texas Lottery branding and convenient player access to lottery information, but possibly the most visible upgrade is the addition of the flat-panel video display monitors (also known as ESMM). ESMM has become a valuable tool for growing player game awareness and sales of the *Games of Texas* for retailers.

The ESMM slideshows highlight new scratch-off games, jackpot amounts for drawing games, and winning numbers after *Daily 4™* and *Pick 3™* drawings. Retailers consistently report that players depend on ESMM as a quick and reliable source of information. The screen also provides ticket validation amounts aiding both players and retailers with lottery transactions. Customers standing in line can watch for jackpot amounts of their favorite games and be reminded to purchase once at the register. ESMM also provides top prizes unclaimed for popular scratch-off games sold in that store and the dollar amount of prizewinning tickets that were sold the previous week in that location or in that sales area.

We have only scratched the surface of what ESMM can do to support Texas Lottery retailers and provide useful information to lottery players. [142788] We are committed to continuing to identify opportunities to enhance the effectiveness of the messaging to help our retailers achieve sales success. Please work with your LSR to position your ESMM display so that it is visible to all of your customers. ESMM is a critical tool to help you grow lottery awareness and sales among infrequent lottery players.



Mega Millions Jackpot Generates Record Sales for Texas Lottery!

The March 30 world-record *Mega Millions*® \$640 million jackpot drawing may not have produced a [133115] Texas jackpot winner, but the record sales it generated did produce winners all across the state, including the most important winner of all—Texas education.

“Here at the Texas Lottery, we like to say that when Texans play, Texas wins—that includes players, retailers and, most of all, Texas education,” said Gary Grief, executive director of the Texas Lottery. “That saying has never been truer than with this record-shattering *Mega Millions* jackpot. Even without a jackpot-winning ticket, the March 30 drawing resulted in millions of dollars in winnings for our players, huge commissions for our retailers and a very significant contribution to the Foundation School Fund, which supports public education in our state.”

A total of 1,233,135 winning *Mega Millions* tickets were sold in Texas for the drawing, including 14 second-tier winners of \$250,000 each, and well over a million winners of lower-tier prizes from \$2 to \$10,000, for a total of nearly \$10.6 million.

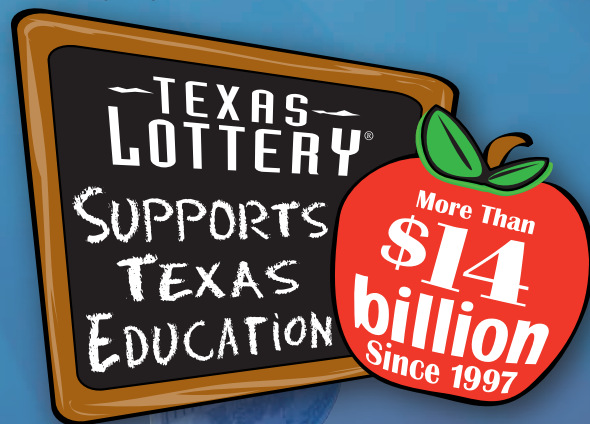
Texas Lottery retailers earn a 5 percent commission on every ticket sold, which equates to more than \$4.7 million for this roll cycle. There are nearly 17,000 retailers licensed to sell Texas Lottery tickets across the state.

Approximately 39.8 percent of all Texas *Mega Millions* proceeds are [150704] transferred to the state’s Foundation School Fund. That means around \$37.5 million for Texas education as a result of sales for this roll cycle.

The Texas Lottery Commission set several new sales records for the state in the course of the *Mega Millions* roll cycle, including:

- Highest draw sales per minute (\$70,839 between 8:00 and 9:00 p.m. on Friday, 3/30)
- Highest total sales day (\$56.01 million on Friday, 3/30)
- Highest total sales week (\$149.76 million for week ending 3/30)
- Highest total sales month (\$462.78 million for March)

“Being a part of the wild *Mega Millions* ride was exciting for all of us here at the Texas Lottery,” said Grief. “And now we’re looking forward to the next wild ride. You know what they say, records were made to be broken!”



Retailer Spotlight

Fast Trip Mart's *Focus on Lottery Pays Off*

When **Rafeek Virani** and his business partner took over the **Fast Trip Mart #1** in North Dallas in April 2010, Texas Lottery sales at the stand-alone corner gas station were lackluster. He inherited a modest dispenser count and low visibility of lottery POS and products, but Mr. Virani recognized the store's lottery selling potential and was determined to make that potential a reality.

scratch-offs by price point descending left to right, placing the newest scratch-off games in a few slots at the top of the display. This layout helps his regular lottery customers, who are now familiar with his scratch-off plan-o-gram and frequently make their ticket purchases based on the placement of the newer games in the top dispensers. Mr. Virani also double-faced and double-stacked his high volume

games so customers seldom see an empty dispenser. As his sales grew, he was able to add more dispensers. [522263] He went from 24 to 56 slots in a 16-month period.

Mr. Virani moved the playstation to the front of the store next to the main entry way. He placed the ESMM in front of his cash register and the [152526] Check-a-Ticket nearby. He utilized any POS he was given in order to promote the latest lottery products, including the \$2 *Powerball* crash pole covers to maximize visibility outside of the store.

Winner awareness is a priority at his store. In addition to the prominently placed ESMM displaying the prizes sold for the previous week, he keeps a thick stack of defaced validated winning tickets close to the register to show customers other lucky players' winnings.



Owner Rafeek Virani keeps lottery products front and center.

Mr. Virani began to remerchandise his store. He stacked scratch-off dispensers four bins high in a long row clear of other merchandise. He arranged

the previous week, he keeps a thick stack of defaced validated winning tickets close to the register to show customers other lucky players' winnings.

Mr. Virani proudly waves the stack of winning tickets in the air as evidence of the many winners his store sells and pays out.

All of the changes Mr. Virani made have worked well. From April 2010 through March 2012, Fast Trip Mart #1 saw a 123 percent increase in average weekly sales. He says planning his dispenser layout and educating customers [507651] have had the biggest impact.

“Sometimes you’ve got to use new ideas,” says Mr. Virani when asked how he’s done so well at improving the lottery presence at his store. [203319] With his attention to detail and enthusiasm about selling lottery products, his new ideas have certainly paid off!



Retailer Spotlight

"Three Star" Performer

Great customer service and a winning atmosphere are two vital components of a successful lottery retailer. **Parvez (Paul) Jiwani** of **Three Star Mart #1** uses both to create a winning lottery business in Balcones Heights in the heart of San Antonio.

Texas Lottery sales at Three Star Mart #1 have grown substantially since the store sold a \$2.5 million *\$500 Million Frenzy* ticket in July 2011. Mr. Jiwani has promoted the [502921] store's top-prizewinning ticket by posting an enlarged, color copy of the winning ticket on the main door to the store. He also promotes the many other winning tickets customers have purchased at Three Star Mart, defacing them and hanging them above the counter to drive excitement and create a lucky atmosphere for players. But luck really has very little to do with Mr. Jiwani's success as a lottery retailer. In addition to winner awareness, Mr. Jiwani focuses on the basics to drive customer loyalty and increase purchase frequency. As a result, Three Star Mart #1 has had the highest average weekly lottery sales in the San Antonio sales district and the fourth highest average weekly sales in the state!

Mr. Jiwani prides himself on excellent customer service. Scratch-off games and the ESMM have front and center placement at the point of purchase, and he and his clerks ask all customers for the sale.





Program and Retailer Pack Settlement [134715] Promotions. During Retailer Sales Incentives, the store holds a second-chance drawing for a 32" television. The store has given away many televisions in second-chance drawings in a successful effort to build customer loyalty.

Mr. Jiwani says that his customers are loyal because he "treats them right." They love to come back to his store and talk about their winning tickets and their aspirations to be the next big winner. Mr. Jiwani has developed a winning lottery culture he hopes will lead to the next big winner at Three Star Mart #1.

Three Star Mart has 70 tickets displayed on the counter and 24 slots in the Gemini. [466206] All price points are sold, but new and fast-selling games are triple and double-faced to showcase these games and prevent out of stocks. There is a special focus on the \$20 price point, which is popular with his customers and was the price of the \$2.5 million winning \$500 Million Frenzy ticket. Mr. Jiwani also actively takes part in the Retailer Sales Incentive



6th Retailer Incentive Program



Kroger #557, Garland

From Left to Right: GTECH Representative Mandy Carter, Kroger #557 Store Director Russell Buhrow

We want to congratulate the 9,070 retailers who earned total payments of \$4,856,998.08 for their sales performance in the 6th program conducted December 4, 2011, through February 11, 2012. [525802] In addition, 307 of these retailers won prizes ranging from \$500 to \$50,000 in the special follow-up drawing held March 7.

Retailers have earned more than \$30 million for their lottery sales efforts in the first six programs conducted since the introduction of retailer sales incentive programs in September 2009. The 7th program ran March 4 through May 12, 2012. However, those results were not available at the time this publication went to press. You may track your progress during an incentive program by referring to the incentive report on your lottery sales terminal, the Retailer Services



Fisco Convenience Store, Beaumont

From Left to Right: Owner Karim Khoja, Co-owner Alex Khoja

Center reports available through our website at www.txlottery.org, your lottery [153071] sales representative or by calling Texas Lottery Retailer Services at 800-375-6886. The Retailers page of our website also includes drawing results as they become available.

The next program is scheduled to run June 3 through August 11, 2012. [155786] Be sure to ask your lottery sales representative how you can earn additional revenue by achieving your sales goal plus a chance to win \$50,000. [145416]

We are committed to supporting and rewarding the exceptional sales efforts of all our retailers and will continue to provide you with innovative games, promotions and equipment to help you sell the *Games of Texas*.

\$2 POWERBALL SALES SOAR SKY HIGH!

The January launch of the new \$2 *Powerball*® game took off with great success thanks to the hard work of our outstanding retailers and a little bit of luck! The first draw cycle for the new game rolled up to an exciting \$325 Million! The large jackpot generated record-breaking numbers for the Texas Lottery *Powerball* game. [150010] Here are the impressive results from that week:



**Total Powerball
Sales for the week
ending 02/11/12** **\$10,633,290.00**

Highest week of *Powerball* sales since Texas began selling *Powerball*. The next highest week was \$6,186,774 (2/4/12)

**Total Power Play®
Sales for the week
ending 02/11/12** **\$1,675,211.00**

Highest week of *Power Play* sales since Texas began selling *Powerball*. The next highest week was \$903,261 (10/29/11)

**Total Powerball &
Power Play Sales
for the week
ending 02/11/12** **\$12,308,501.00**

Highest week of combined *Powerball* and *Power Play* sales since Texas began selling *Powerball*. The next highest week was \$6,858,920 (2/4/12)

Since the introduction of \$2 *Powerball* on January 15, *Powerball* sales, through March 24, were up an average of almost 61.5 percent across the state when compared to similar advertised jackpot amounts from last year.

District	2011 Average	\$2 Powerball	% Change
Austin	\$1,813,795.38	\$2,931,570.00	61.63%
Dallas North	\$3,147,822.03	\$4,855,513.00	54.25%
Dallas South	\$2,607,756.97	\$4,108,672.00	57.56%
El Paso	\$1,140,191.65	\$1,941,293.00	70.26%
Fort Worth	\$2,588,873.17	\$4,062,164.00	56.91%
Houston East	\$2,576,204.39	\$4,215,026.00	63.61%
Houston North	\$3,352,865.28	\$5,206,485.00	55.28%
Houston South	\$3,035,488.19	\$4,598,385.00	51.49%
Lubbock	\$1,852,334.25	\$3,220,269.00	73.85%
McAllen	\$1,232,572.39	\$2,205,268.00	78.92%
San Antonio	\$2,676,319.61	\$4,508,444.00	68.46%
Tyler	\$1,789,987.27	\$2,998,815.00	67.53%
Victoria	\$2,045,745.46	\$3,398,696.00	66.13%
Waco	\$1,653,476.44	\$2,712,253.00	64.03%
Total	\$31,567,187.66	\$50,967,904.00	61.46%

NOTE: Figures are unaudited.

In addition, as of 4/22/12, Texas has already produced three millionaires because of the new guaranteed \$1 million second-tier *Powerball* prize. [596560] Here are the retailers who sold those prizes:

2/1/2012	Circle S Food Store #2	Houston	5 of 5	\$1,000,000
2/29/2012	Big Ben's	Moscow	5 of 5	\$1,000,000
3/28/2012	Crawdad's #2	Lumberton	5 of 5	\$1,000,000

The Texas Lottery is one of the top states in sales increases for *Powerball* and *Power Play* since the launch of the new \$2 game. The increased sales from the new *Powerball* game bring even better news, [154147] as they result in increased revenue for the Foundation School Fund in Texas! A special thanks to you for taking the time to educate your players about the new \$2 *Powerball* game and its benefits. Together, we're off to a great start!

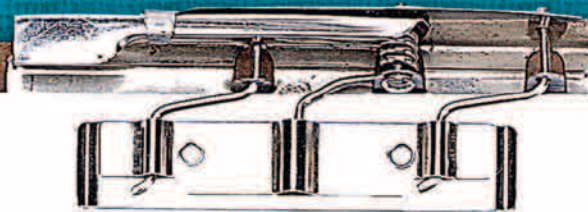
June/July 2012 Retailer Survey

1. Do you know your store's results for the retailer cash incentive program that ended May 12, 2012? Yes ____ No ____
2. How do you track your progress during cash incentive programs? (Please check all that apply).
 a. Terminal report ____ b. Lottery Sales Representative ____
 c. Retailer Service Center on the Texas Lottery website ____
3. Would you like information on how to track your progress online through the lottery website **www.txlottery.org**? Yes ____ No ____
4. Have you received the flyer and your goal for the summer cash incentive program? Yes ____ No ____
5. Do you need additional information about the criteria for achieving your goal in the cash incentive program? Yes ____ No ____

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!

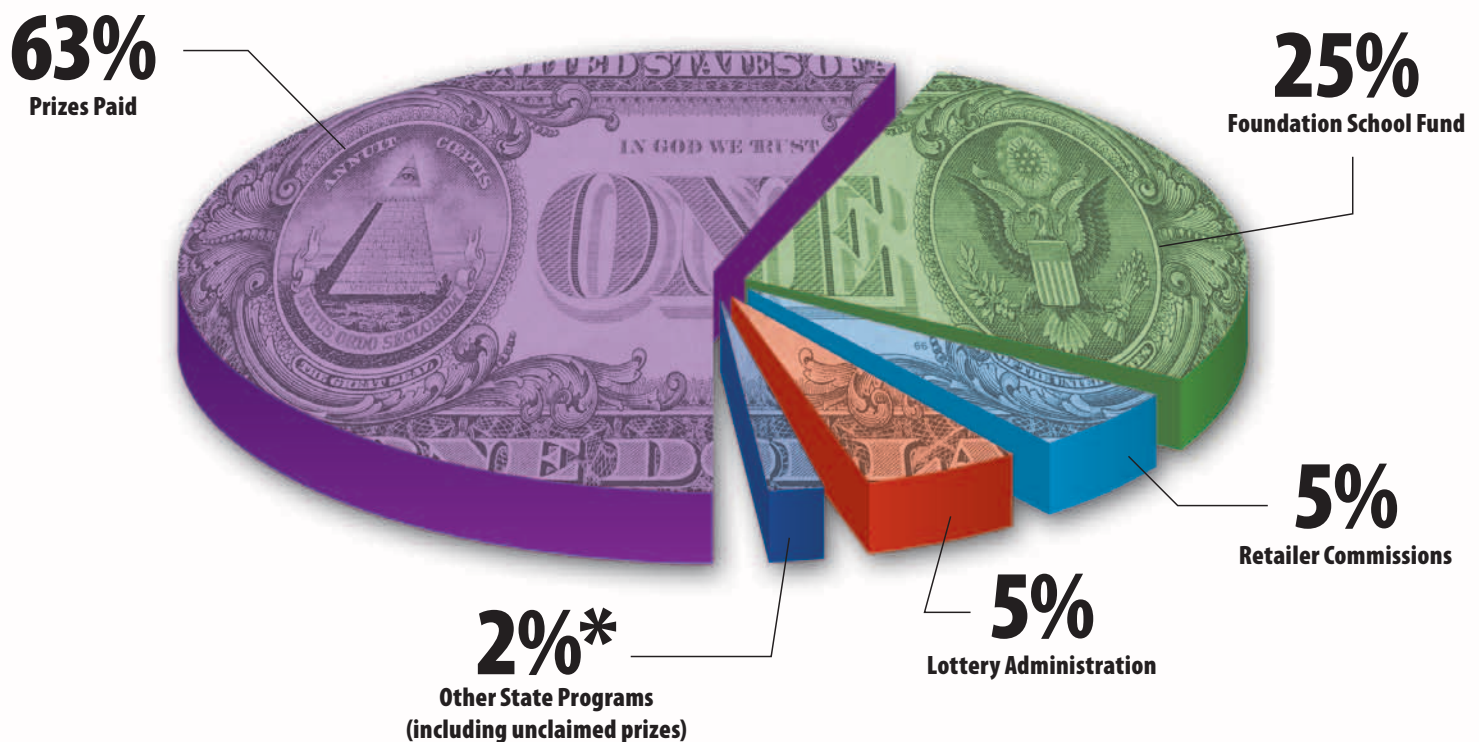
Please send survey to: David Wilkinson, Research Coordinator
 Texas Lottery Commission • P.O. Box 16630 • Austin, Texas 78761-6630 • FAX: 512-344-5254



More than \$14 Billion to Texas Education... and Counting!

The Texas Lottery has generated well over \$19 billion for the state of Texas since the first ticket was sold in 1992. [142472] Prior to 1997, the proceeds were allocated to the General Revenue Fund. Since 1997, Texas Lottery proceeds have been transferred to the Foundation School Fund to support public education in our state. The Texas Lottery has contributed more than \$14 billion to the Foundation School Fund, and of that total, \$.96 billion was contributed in fiscal year 2011. Other Texas Lottery funds such as unclaimed prizes revert back to the state for programs authorized by the Texas Legislature. [507289] Since fiscal year 2010, some Texas Lottery proceeds also benefit the Fund for Veterans Assistance.

Where the Money Goes:



*Percentage totals are rounded. Approximately \$8.1 million was transferred to the Texas Veterans Commission.

Chart reflects FY '11 figures



When Texans **PLAY,** Texas Wins!

Retailer Bonuses



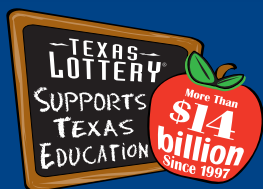
Draw Date	Retailer	Location	Bonus
1/2/12	Klemme Convenience	El Paso	\$6,250
2/2/12	Tetco #638	Dallas	\$10,000
2/9/12	Shoppers Stop	Athens	\$2,250
2/13/12	Tigermart of Buffalo	Buffalo	\$2,000
2/20/12	RaceTrac #183	Garland	\$2,250



Game	Retailer	Location	Bonus
Texas Lottery® Black #1356	First Stop	Houston	\$10,000
Monthly Bonus #1343	Jordania	Austin	\$10,000
Weekly Grand #1355	Fiesta Mart #8	Houston	\$10,000
\$500 Million Frenzy #1354	O-Lan-O	Houston	\$10,000
Texas Lottery® Black IV #1401	Ward's Liquor Store	Waco	\$10,000
\$500,000,000 Blockbuster #1114	Park Plaza Pharmacy	Houston	\$10,000
Monthly Bonus #1343	University Drive Kwik Stop	Nacogdoches	\$10,000
Maximum Millions #1142	Cushing Food Mart	Cushing	\$10,000
\$500 Million Frenzy #1354	HEB Food Store #099	Houston	\$10,000
\$500,000,000 Blockbuster #1114	Sam Food Mart	Hurst	\$10,000
Maximum Millions #1142	Super Kwik Pantry	Santa Fe	\$10,000
\$200 Million Cash Spectacular #1433	Sunny Food Mart	Cameron	\$10,000



Draw Date	Retailer	Location	Bonus
2/15/12	Texas Food Mart	San Antonio	\$220,000



PLAY RESPONSIBLY.

Visit us online at:

www.txlottery.org

Maybe It's Your Lucky Day★

Mon

Tue

Wed

Thu

Fri

Sat

