TEXAS LOTTERY®

RoundUp

News and Ideas for Texas Lottery Retailers

Scratch Off a Little Holiday Cheer!

October/November 2011

RoundUp

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Email questions or comments about *RoundUp* to:
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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

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 September 30, 2011.

Holidays are Great Days to Ask for the Sale!

With the holidays right around the corner, now is a good time to ask for the sale. Consider asking your customers to purchase several tickets as gifts, party favors for company parties, or family stocking stuffers. [122681] You can sell entire packs of tickets, or how about several Quick Picks for a game drawing the night of the company party?

Consider asking your customers the following:

- Would you like to purchase several Quick Picks for Saturday's *Lotto Texas*® drawing? They make great party favors!
- Would you like to purchase a pack of tickets to help [136777} complete your holiday shopping?
- Having trouble finding a gift for the person who has everything? How about giving them a pack of scratch-offs?

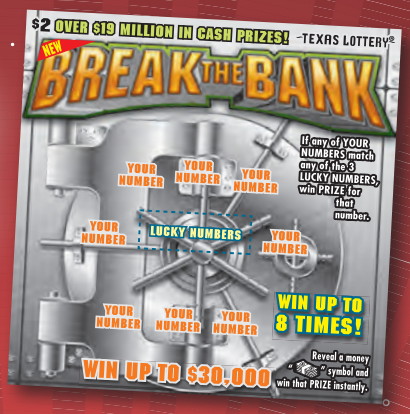
Win packs of BREAK THE BANK!

2011 TEXAS LOTTERY® HOLIDAY RETAILER PROMOTION

NOV. 27 – DEC. 24, 2011

Receive a Free Pack* of

BREAK THE BANK
(Game #1333, $2,
Pack Value = $250)



When You Settle** (with validations)

8 packs of
$500 MILLION FRENZY
(Game #1354, $20,
Pack Value = $500)
or
8 packs of
SEASON'S GREETINGS
(Game #1373, $10,
Pack Value = $500)
or
10 packs of
SILVER BELLS
(Game #1370, $5,
Pack Value = $375)

*The Texas Lottery may substitute other scratch-off games of equal value for the games listed.

**Packs must be in "Settled" status and have validations recorded in the system to qualify for the contest.

Retailers must be in good standing during the contest to be eligible. Final contest results will be available from your lottery sales representative after January 23, 2012. Texas Lottery awarded tickets will be delivered by February 13, 2012. Retailers who qualify for prizes, but do not maintain their Texas Lottery license after December 26, 2011, must contact their GTECH district office by January 3, 2012, to claim prizes. A scratch-off game may continue to be sold even when all the top prizes have been claimed. Must be 18 years of age or older to purchase a Texas Lottery ticket. PLAY RESPONSIBLY.

TEXAS LOTTERY

SCRATCH-OFFS TEXAS LOTTERY

Try In-Store Promotions to Boost Your Lottery Sales!

In today's retail environment, we recognize that it can be a challenge to get more customers in the store. Offering Texas Lottery products in a fun, engaging way can be a solution for achieving this objective. Promotions are an integral part of the overall marketing mix for all retailers, [140894] and the Texas Lottery offers retailers tools to catch the attention of shoppers and offer fun in-store promotions when you need them. Different promotions available to retailers are highlighted below.

Second-Chance Drawings:

Players use non-winning lottery tickets to enter a weekly in-store drawing for a second chance at winning a prize. The Texas Lottery will provide a Second-Chance Drawing Box, merchandise for prizes, alternative entry forms and winner awareness posters. You provide specialty items from your store to be given away as prizes, in addition to the lottery merchandise, making for a great opportunity to showcase those items. No purchase can be required for this promotion.

Benefits to Retailer:

- Creates customer loyalty by giving customers a second chance to win.
- Gives your store a winning image and emphasizes your interest in your customers.
- Increases loyalty while increasing sales. [149736]
- Encourages repeat business as customers come back to see if they are winners.
- Promotes your own featured items by including them as prizes. This encourages trial of these items and keeps customers coming back to your store.

Getting the most from your Second-Chance Drawing:

- Display prizes in the store for all customers to see. This creates interest and adds excitement to the drawings.
- Require customers to be present for [151996] drawings to create a mini-event and encourage repeat purchases.
- Ask other vendors to contribute merchandise for your drawings to promote their products.
- Accept [150006] all non-winning tickets to draw your competitors' customers into your store.

Customer Appreciation Day (CAD):

Add extra entertainment to your Grand Opening or Anniversary Sale when you sell tickets and spin the wheel at the promotional trailer. This one-day, three- to four-hour promotion is a fun way to help celebrate a special event, anniversary sale, or grand opening. The Texas Lottery will provide a promotional trailer and staff to give away free Texas Lottery merchandise to players who make a lottery purchase of a predetermined dollar amount. Players will spin the spinning wheel to determine which prize they win. The store is required to provide media support like a radio remote, newspaper ad,

or flyer to promote the CAD. The store will also provide one of the five prize options for the spinning wheel. This prize could be an on-line game ticket, scratch off or store merchandise. [153707]

Benefits to Retailer:

- Increases store sales.
- Promotional trailer and lottery staff add energy and excitement to your celebration.
- New customers will be driven to your store for the opportunity to win free merchandise.
- A fun atmosphere and free prizes creates goodwill with your customers.

Getting the most from your CAD:

- Giving away a less familiar on-line game ticket or scratch-off can encourage play of a new game, increasing overall lottery sales in your store.
- Involving other vendors and getting them to give away merchandise can attract even more people to your CAD.

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Retailer Spotlight

'Tis the Season for Scratch-Offs

Pittman's Qwik Mart

Texas Lottery tickets are always in season at **Pittman's Qwik Mart** in Corpus Christi, but owners Austin and Linda Pittman make sure that the holiday season is extra special. [496302] The Pittmans have been Texas Lottery retailers since May 1992 and through the years they have cultivated many loyal customers while becoming one of the most successful lottery retailers in the state.

"Our honesty and knowledge of lottery products has made us successful in the eyes of our players. If we don't know an answer to a player's question, we call the local Texas Lottery claim center or GTECH while the player is in the store and get the answer for them," said Linda. "We take the time to explain the games, how they work and why a ticket is or isn't a winner."

Pittman's sales clerk Ariana Alaniz.

Seventy scratch ticket bins on the front counter drive players to Pittman's Qwik Mart, helping Austin and Linda surpass a $28,000 weekly sales average. Despite the bustling business, the friendly crew is always ready to serve their customers with a greeting and a smile.

With the holidays rapidly approaching, Pittman's kicks it into high gear. In fact, last year Pittman's ranked among the state's best in selling the holiday suite of games. $134,000 worth of holiday scratch-offs made their way into the hands of givers and getters last year! Austin and Linda are constantly offering players reasons to buy instant tickets and while office parties and stocking stuffers are excellent suggestions, [156451] a pack of tickets also is perfect for that person who already has everything. Regardless, no one leaves Pittman's without being asked if they want to take a scratch-off ticket as a last-minute gift.

There is nothing like a Texas Lottery holiday-themed scratch-off to make even the biggest Scrooge smile. This holiday season, [134362] make it a point to ask for the sale of your holiday games and give your players a reason to be jolly. The folks at Pittman's Qwik Mart will be doing their best to make Corpus Christi lucky this holiday season! Happy Holidays!

2011
5th Retailer Incentive Program

$50,000

DRAWING PRIZE WINNERS

Fuel Depot, Hempstead

From Left to Right:
Clerk Archie Ferns (left) and Manager Andy Momin

Stop-N-Save, Victoria

Winner not pictured

Extraordinary efforts yield exceptional results – as 11,886 Texas Lottery retailers earned total payments of $13,864,300 for their accomplishments in the retailer cash incentive program conducted February 6 through May 7, 2011. [209002] We are happy to congratulate all the retailers who successfully participated in this program and earned extra revenue while increasing proceeds to the Foundation School Fund. On top of those impressive results, an additional $500,000 in prizes was awarded to 307 retailers with individual prizes ranging from $500 to $50,000 in the special follow-up drawing held June 9.

To date, retailers have earned a total of $25,369,475 for their lottery sales efforts in the five retailer incentive programs conducted since the introduction of the incentive program in September 2009. More than $290.4 million in additional sales has been generated, yielding more than $49.5 million in additional revenue transfers to the state.

The success of the incentive programs has allowed the Texas Lottery to continue to pursue these initiatives. The next program is tentatively planned to launch in December 2011. Your LSR will bring you the details of the next program and explain how you can earn additional revenue by achieving your sales goal.

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*.

Retailers Earn More than $13.8 Million!

Try In-Store Promotions to Boost Your Lottery Sales! - cont'd

Spin and Win:

Every player is a winner when they purchase tickets for a chance to spin the wheel. This two-hour promotion guarantees a winning experience for customers. When customers purchase a predetermined dollar amount in Texas Lottery tickets they get to spin our spinning wheel to win a free prize. There are five images on the wheel a player can land on. The Texas Lottery will provide four items and you will provide one. This item could be a free Quick Pick for an on-line game, a free scratch-off ticket, [151317] or store merchandise.

Benefits to Retailer:

- Increases store sales.
- Generates product awareness among potential players.
- Drives customers to the [466322] store to win free merchandise.
- Creates goodwill with patrons.

Getting the most from your Spin and Win Promotion:

- Speak to your LSR about making your event as successful as possible, like coordinating with other product vendors to give away samples of merchandise during the "Spin and Win" promotion.
- Plan your spin to coincide with another special event going on in the community to maximize store traffic and exposure.

Ask For The Sale:

Train your employees to ALWAYS ask for the sale! This simple but effective promotion has proved to increase sales. The promotion lasts a minimum of two weeks and your LSR will provide 50 free tickets to give away to players when a clerk forgets to ask for the sale. At the end of the promotion, the store keeps the remaining lottery tickets.

Benefits to Retailer:

- Reinforces positive habit of asking for the sale.
- Reminds players to buy their tickets and increases your commission earnings.
- Increases store traffic as customers try to catch clerks not asking resulting in increased sales.
- Generates enthusiasm for Texas Lottery games and [153784] your store.

Getting the most from your Ask For The Sale:

- Post the "FREE TICKET If We Don't Ask!" poster at the store entrance and near all cash registers.
- Encourage your employees to wear the sticker.
- Encourage your employees to have fun with the promotion and ask for the sale in different ways, such as suggesting customers purchase a specific game or asking if they would like their change in lottery tickets.
- At the end of the promotion, retailers are encouraged to divide their remaining tickets among store employees as an incentive to always ask for the sale. Employees get to keep their winnings and this creates goodwill with your staff. [144051]

Start working [206334] now with your LSR to plan a Texas Lottery promotion for 2012!

October/November 2011 Retailer Survey

1. Do you have a Texas Lottery flat panel video monitor displayed in your store? (see photo)

   Yes ____ No ____

2. Does the video monitor screen face customers at the time of their Texas Lottery purchase?

   Yes ____ No ____

3. Where is the video monitor placed?

   _____

4. Do you feel that the video monitor is improving lottery sales in your store?

   Yes ____ No ____ Uncertain ____

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

Frequently Asked Questions

Q. How Do I Change My Bank Account?

A. Retailers with access to the Retailer Services Center (RSC) may update their bank account information via the Internet. For more information on the RSC, visit **www.txlottery.org/retailers**. Please note that the RSC will change to the Lottery Services Portal (LSP) after our system conversion. Retailers also may change their bank account information by completing and submitting an Electronic Fund Transfer Authorization Form along with a copy of a voided check from the new account to the Texas Lottery Commission by mail or fax. You may download the form from the Retailer Services section on our website, **www.txlottery.org**, or request the form be mailed or faxed to you by contacting the Texas Lottery Retailer Services Department at 1-800-375-6886. Please do not close your account until notified of the effective date of change.

Q. What time on Wednesday does the Texas Lottery sweep or draft from my account?

A. The actual time on Wednesday when the sweep amount is taken out of your account is at your bank's discretion. The sweep amount reflects business from 12:30 a.m. on Sunday through midnight on the Saturday prior to the sweep. We recommend that you contact your bank to get more information about their electronic draft processes and policies. [500261]

Q. Can I cancel an on-line ticket?

A. *Pick 3*™ and *Daily 4*™ may be cancelled within 60 minutes of purchase at the terminal where purchased, as long as the cancellation occurs before the draw break. *Lotto Texas*®, *Mega Millions*®, *Powerball*®, *Texas Two Step*® and *Cash Five*® tickets cannot be canceled. This protects the retailers and the Texas Lottery Commission from possible liability issues due to the size of prizes in these games.

Q. What does the message "Validation Not Accepted: Call Hotline" mean?

A. This message will appear [507716] when a validation is attempted for inactive tickets. Always remember to activate before you sell. After all, it takes away from the winning experience and it is a violation of Texas Lottery Commission rules. When you see this message, please call the retailer hotline at 1-800-458-0884 for assistance. [489301]

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, [489629] 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. 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.

FAQ FAQ FAQ FAQ FAQ

Retailer*Bonuses*

Game	Retailer	Location	Bonus
$500,000,000 Blockbuster #1114	Dam B Jiffy Market	Woodville	$10,000
$500,000,000 Blockbuster #1114	Kwik Check #32	Van Alstyne	$10,000
$500 Million Frenzy #1354	Big Diamond #961	Austin	$10,000
Weekly Grand #1270	Franky's Food Mart	College Station	$10,000
$500,000,000 Blockbuster #1114	Pic Up Mart	Weatherford	$10,000
Set For Life #1197	Randall's #1776	Humble	$10,000

Draw Date	Retailer	Location	Bonus
5/23/11	Fiesta Mart #66 GP	Katy	$3,333.33
5/23/11	Jedco Food Mart	San Antonio	$3,333.33
5/23/11	HEB Food Store #415 GP	Schertz	$3,333.33
6/16/11	Kroger #493	Denton	$10,000
6/27/11	C T Food Mart	Houston	$1,000
6/27/11	Polk Pick It Up #21	Diboll	$1,000
6/27/11	S&A Food Mart Beer Wine #1	Duncanville	$1,000

Draw Date	Retailer	Location	Bonus
8/1/11	Tommy's #10	Granbury	$350,000

Draw Date	Retailer	Location	Bonus
6/15/11	Mike's Country Store	Calvert	$190,000
6/22/11	Skays Chevron	Houston	$50,000

Texas Lottery Supports Texas Education — More Than $13 billion Since 1997

PLAY RESPONSIBLY.

Visit us online at: www.txlottery.org

Tommy's #10 Receives a Whopping Retailer Bonus!

Tommy's #10, located in Granbury, received a $350,000 bonus check for selling a $35 million jackpot-winning ticket for the May 27, 2011 *Mega Millions* drawing. Congratulations!

L to R: Store Manager Dennis Raynes, Location Supervisor Christi Sparks, Texas Lottery Commission Executive Director Gary Grief, and Texas Lottery Commission Chairman Mary Ann Williamson.