

~TEXAS LOTTERY~ RoundUp

News and Ideas for Texas Lottery® Retailers

Licensed Property Games: Not the Same Ol' Scratch Games!

Do your customers want something new for their money? Licensed property games offer the excitement of a well-recognized brand in the form of a Scratch-Off game. These games often give players the chance to win prizes they wouldn't ordinarily win on just any Scratch-Off ticket!

Licensed property games are specialty games that feature the name and likeness of recognizable pop culture icons like *Betty Boop*®, fads or themes such as *American Idol*®, popular game shows like *Wheel of Fortune*®, or popular race car drivers, in order to attract fans of that particular genre. Licensed property games breathe new life into existing instant game plans by giving players the chance to win non-cash prizes such as trips, merchandise prize packages or vehicles. "These games provide a way to generate revenue for the state of Texas by using name and brand recognition to attract new players and fans of the particular ticket theme," says Dale Bowersock, Instant Product Coordinator. "These types of games often offer valuable merchandise prizes that are sought after by our players."

Since issuing its first licensed property game in 1995, the Texas Lottery® has offered a wide selection of these games that appeal to all sorts of players. For those who love cars and motorcycles, the Texas Lottery has offered the *Harley-Davidson*®, *Corvette*® Cash and *Mustang*® Money instant games. The *Fast Tracks* instant game gave race fans the chance to win a trip to a NASCAR® race. Game show fans even had the chance to win an audition to

appear on the *Wheel of Fortune*® television show, thanks to the *Wheel of Fortune*® instant game.

Everyone loves a classic! *I Love Lucy*®, *Betty Boop*® and *Instant Monopoly*® take players back in time! And don't worry, the Lottery hasn't forgotten about those card game enthusiasts. The *World Poker Tour*® \$100,000 Texas Hold 'Em™ game has poker fans playing like the pros with the chance to win official World Poker Tour® merchandise in the game's second-chance drawings!

Be on the lookout for more new and exciting licensed property games—like *Harley-Davidson*®, *Bucks and Trucks*, which offers players the chance to win a Ford® Harley-Davidson® F-150 pickup truck, a Harley-Davidson® Fat Boy motorcycle, a Harley-Davidson® merchandise prize package, or a top cash prize of \$50,000. The Lottery's new *Pac-Man*® instant game offers players a chance to instantly win a Pac-Man® cocktail table arcade game. Be a cool cat and play the *Pink Panther*® scratch-off game for a chance to win up to \$25,000! Also, a new edition of *World Poker Tour*® \$100,000 Texas Hold 'Em™ will offer players the chance to instantly win World Poker Tour® branded merchandise!

With licensed property games, there is something for everyone. Each licensed property game has a little extra fun built in!



Summer Events Schedule Sizzles!

The Texas Lottery® will be cooking up hot sales and fun in the sun this summer at a variety of festivals and [236767] community activities across the state. The first weekend of June kicks off with the Aransas Pass Shrimpporee, Post City Celebration, Mex-Tex Family Fiesta in Midland, Custom Car & Chopper Festival in El Paso, AlleyFest in Longview, and the *Harley-Davidson*®, *Bucks & Trucks* instant game kick-off during the Republic of Texas Biker Rally in Austin. Then the Texas Lottery's promotional trailer and spinning wheel will make return appearances at the Chisholm Trail Roundup and Rodeo in Lockhart and Jacksonville's Tomato Fest!

Fireworks will be popping, and players will be cheering as they get to scratch their favorite tickets and play their favorite on-line games. For the first time, the Texas Lottery will sell tickets at Chevy's Freedom Over Texas in Houston and will return to the El Paso Downtown Street Festival and the Willie Nelson Fourth of July Picnic in Fort Worth.

As with all the other events, customers will be able to play their favorite *Texas Two Step*®, *Lotto Texas*®, *Mega Millions*®, *Pick 3*™ and *Cash Five*® numbers at the

Hockley County Early Settlers Day in Levelland, Hispanic State Fair in San Antonio, Watermelon Festival in Knox City and Polk Street Block Party in Amarillo. Texas Lottery representatives will be on hand at all events to explain the winning features of each of the Texas Lottery's on-line games.

Even with cool summer night breezes, don't be surprised if things heat up with lots of winners at any of these events! [141061] Players can cash in their winning tickets (up to \$599) right on site—there's no need to miss any of the fun at the great variety of lottery selling events. So come on out and join the festivities as we take Texas Lottery fun from border to border this summer.

The Texas Lottery also will be entertaining the FC Dallas Soccer fans by conducting a fun Texas Lottery race at one of their games. Also, keep an eye out for the Texas Lottery at rodeos in Mesquite, Stonewall, Rockdale and Johnson City, where you can see the Texas Lottery's amusing parody of a barrel race.



Festival-goers flock to the Texas Lottery trailer and the Lone Star Spinning Wheel.



Three lucky audience members take part in a TLC race.

CorporateSpotlight

The key account representatives (KARs) and their manager are pleased to provide a variety of services and recommendations to meet the needs of each corporate account across the state. The KARs meet with key corporate personnel to discuss marketing strategies and customization of instant ticket planograms, and to facilitate accounting procedures for faster ticket counting and reporting. They also discuss issues such as the price points, play styles and ticket designs of new and upcoming Scratch-Off games. Through annual sales business reviews, key corporate personnel are provided with competitor sales comparisons, commissions, dispenser counts and placement, and empty dispenser ratios. Corporate accounts also have opportunities to create excitement in their locations by participating in account-specific promotions.

To explore ways to enhance Texas Lottery® sales through merchandising, technology updates and sales promotions, contact your key account representative.

Fiesta Mart #8, Houston

By Deborah Burch, KAR

“Customer service plus self service” is a “winning” combination at **Fiesta Mart #8**, located on Wirt Road in Houston. The staff at Fiesta Mart #8 are happy to assist their customers with all their Texas Lottery needs. In a hurry? Can’t wait? Not to worry, because Fiesta #8 also offers their customers the ability to purchase on-line Texas Lottery tickets at the self-service terminal located by their customer service center. Weekly on-line game sales at this location can reach over \$4,600, with weekly instant game sales averaging \$12,000. In addition to providing great customer service, Fiesta Mart #8 pays out all Texas Lottery tickets up to \$599. These are just a few of the reasons that Fiesta Mart #8 is so successful at selling the *Games of Texas*!



Left photo: A player visits the Fiesta Mart #8 playstation, located next to the instant ticket vending machine.



Center photo: A customer tries his luck at the self-service terminal.



Right photo: Store clerk Genoveva Uriostegui stands at her cashier station by the self-service terminal.

Kent Distributors Inc., Midland

By John Armour, KAR

“Dynamite comes in small packages” may be a cliché, but when it comes to **Kent Distributors Inc.**, it’s true. What else could explain the success of this relatively small account in generating such big Texas Lottery sales? Thirteen of its 22 Kent Kwik stores (nearly 60 percent) ranked in the top 15 percent of all retailers in the Abilene district for the holiday contest. Seven of the stores average more than \$8,000 per week in instant game sales, and only four average less than \$4,000 per week. How do they do it? [203655] It’s all about the customer!

Kent Kwik may have stiff competition from larger and more prestigious names, but that doesn’t seem to bother the Kent Kwik team! They keep doing what they do best—providing their customers with great selection, fair pricing and tremendous customer service.

Although Kent Kwik is enjoying record success, they’re not sitting on the sidelines and waiting for good things to happen. They’re *making* them happen! They know that in order to continually grow the lottery business, they must analyze their sales volume and take advantage of trends in the industry. Ideas such as adding additional slots, having more promotions, utilizing inventory more effectively are all being considered.



Taylor Petroleum store clerk Patty Shrun

Taylor Petroleum, Amarillo

By John Armour, KAR

Taylor Petroleum has always been an aggressive key account when it comes to Texas Lottery sales. That aggressiveness, plus good business practices, have paid strong dividends in 2005. What does this account do to make sure it remains one of the top chains in Texas? For starters, its [135149] personnel understand the importance of Texas Lottery products to overall sales success. Second, the account makes inventory management a priority, knowing that the right mix and quantity of products are vital to achieving maximum sales. Seldom will you walk into a store and see empty slots or dispensers filled with mostly \$1 and \$2 tickets. Lastly, the corporate office, supervisors, and store managers work together to make their stores the best they can be. Store managers [137908] have the freedom to add or remove dispensers to satisfy an ever-changing market. The corporate office is careful to monitor inventory levels and help managers better understand how to achieve Texas Lottery sales success.

Gosling Shell, The Woodlands

By Deborah Burch, KAR

“Front and center” could be the motto of **Gosling Shell**, located on Gosling Drive in The Woodlands, where customers can easily view a

large selection of Texas Lottery instant ticket games. Randy and Connie Pachar, proprietors of this location, are well aware that instant tickets need to be located at the front counter, where customers can easily make their selections. They keep close watch to ensure that their inventory of instant ticket games is ample and freshly stocked.



Tracy Eytcheson, store clerk at Gosling Shell

Customers like to visit this store for the variety of tickets and friendly customer service, as well as to cash in their winning tickets. The staff knows that keeping instant tickets visible helps increase sales and player awareness—and instant ticket sales are on the rise at Gosling Shell!

Exxon On the Run #60512, Conroe

By Deborah Burch, KAR



The upright instant ticket dispensers at Exxon On the Run #60512 in Conroe

By adding upright dispensers to existing in-counter slots, a number of **Exxon On the Run** stores are showing significant increases in Texas Lottery instant ticket sales. The upright dispensers and in-counter slots attract customers and remind them to purchase their favorite instant ticket games. On-line sales have increased, as well. Customers who have an itch to scratch an instant ticket know to RUN to the nearest [497813] Exxon On the Run store and purchase their favorite instant game!



Tiger Tote Food Stores, Inc., goes all out with holiday decorating!

Tiger Tote Food Stores, Inc., Gonzales

By Robert Nieto, KAR

Tiger Tote Food Stores, Inc., based in Gonzales, has 23 stores that have been selling Texas Lottery games since start-up. Managers and clerks are very knowledgeable and are helpful when their customers have questions about the *Games of Texas*. They are also very competitive within their stores, especially during contests. During the holiday season, they conduct their own contests to decorate their stores with Texas Lottery tickets they have sold. These decorations can range from full-length [142368] streamers strung throughout the store to a full-size Christmas tree hanging from the ceiling. Having these decorations in the store certainly inspires the customers to purchase their Texas Lottery tickets before leaving!

Valero Energy, San Antonio

By Robert Nieto, KAR

Valero Energy continues to be a leader in Texas Lottery sales. As one of the largest chain accounts, with over 600 stores, Valero Energy continues to look for ways to stay ahead of its competition—for example, by rebuilding or redesigning some of its locations to draw customers' attention. Their continued efforts to increase Texas Lottery sales are evident in the customer service that they provide, their high payouts, and their commitment to keeping their multiple 16-bin in-counters filled at all times. [451605] While most of their locations have two to three in-counters, some of their larger stores have as many as four!

For the past two years, Lone Star Spins have been held at various Valero Energy locations at the request of the zone manager. These events are great ways to teach customers how to play the Texas Lottery's on-line games and provide them with information about game changes. They also allow the key account representative to maintain good working relationships with the managers and supervisors. And, they are fun for everyone!



Valero Energy customers take a Texas Lottery Lone Star Spin!

The "instant ticket" tree inspires holiday cheer at Tiger Tote Food Stores, Inc.



Corporate

Accounts



To explore ways to enhance Lottery sales through merchandising, technology updates or promotions, contact your Texas Lottery

Key Account Representative.

Camille G. Moore
Key Account Manager
Austin
(800) 460-2878
(512) 908-4311

Key Account Representatives:

Deborah Burch Houston (800) 460-4687 (713) 699-0732	Robert Nieto San Antonio (800) 460-7262 (210) 225-2130	John Armour Lubbock (800) 460-5763 (806) 791-0291
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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 and press *2 when the recording starts. You must call by July 31, 2006.

Frequently Asked Questions

Q. Does my Lottery license need to be renewed? If so, how do I do that?

A. Yes, state law (or the Texas Lottery Act) requires that you renew your Lottery license every two years, and the renewal application and renewal fee of \$15 must be submitted before your license expiration date. All you need to do is complete a license renewal application and send it to the Texas Lottery, Retailer Services department. License renewal applications are sent to retailers 90 days prior to the expiration date of each retailer's license. Instructions for completing the renewal are included with the renewal packet.

Q. Can I get information about my Lottery account through the Internet?

A. Yes, you can access the Retailer Services Center through the Texas Lottery Web site home page. To get to the login screen, click on the **Retailer Services** link and follow the prompts to establish your user account. Once you have created your user ID, you can view your lottery accounting activity for up to the past eight weeks. Access to the Center is available seven days a week.

Q. How do my instant or scratch-off tickets settle, or when do I have to pay for them?

A. Payment is due for packs of instant tickets when a pack "settles." The retailer can choose to settle a pack manually at any time after the pack has been activated. Otherwise, the instant ticket pack will settle in one of the following three ways, whichever occurs first:

1. A pack will settle after 70 percent of the low-tier (less than \$25) winning tickets from the pack are claimed;

2. A pack will settle 45 days from activation; or

3. A pack will settle at the end of the game.

Retailers should have their lottery sales representative pick up the end-of-game packs so that they can receive credit for the unsold tickets. Your lottery sales representative will be able to pick up these game packs starting 60 days before the end of a game.

Q. What time on Wednesday does the Texas Lottery sweep, or draft, take place?

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 6:00 a.m. on Sunday through 12:00 midnight on the Saturday prior to the sweep. [464008] We recommend that you contact your bank to get more information about their electronic draft processes and policies.

Q. I'm thinking about changing my business from a sole ownership to a corporation. How would I get my Texas Lottery records updated 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 [113981] State Comptroller and the federal government. When this occurs, a new Texas Lottery license must be issued.

FAQ FAQ FAQ FAQ FAQ

Retailer Survey: June/July 2006

Periodically the Texas Lottery Commission holds retailer sales contests to promote specific products. Do you and your staff increase your sales efforts during these contests in an effort to win the prizes offered? _____

If not, why not? _____

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® package of promotional items!

Retailer # _____ Store Name _____

Your Name _____

Address _____ City _____ Zip _____

Lottery Sales Rep # or Name _____ Date _____

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

Retailer Bonuses



Retailer Presentation Check

Draw Date	Retailer	Location	Bonus
2/8/06	Shop & Save	Houston	\$500,000

Shop & Save owner Thanh Nguyen (center) is presented with a \$500,000 bonus check by Texas Lottery Commission Acting Executive Director Anthony J. Sadberry. The retailer sold the \$64 million Lotto Texas® jackpot ticket for the February 8 drawing.



Draw Date	Retailer	Location	Bonus
10/24/05	Skinny's #134	Waco	\$3,250
11/7/05	Skinny's #90	Abilene	\$3,250
12/22/05	D's Food Mart	Burleson	\$1,500
12/22/05	Supersave Food Store	Seabrook	\$1,500
12/29/05	Circle K #1227	El Paso	\$2,250
1/9/06	Water Mart	Terrell	\$2,500
2/2/06	Big Diamond #1011	San Antonio	\$6,250
2/24/06	Burleson Fast Stop	Burleson	\$5,250



Game	Retailer	Location	Bonus
\$1,000,000 Club #549	Handi Stop #83	Houston	\$10,000
Weekly Grand #566	Becerras Grocery	Rosenberg	\$10,000
Million Dollar Mania #589	Mr. H Food Store	Rowlett	\$10,000
\$2,000,000 Spectacular #418	Adrian's Drive In Grocery	Alice	\$10,000
Million Dollar Mania #589	H L D Food Mart	Austin	\$10,000
Set For Life #533	C. S. Fastrac Food Mart	Fort Worth	\$10,000
Holiday Millionaire #613	Chevron Food Mart	Houston	\$10,000

