

**NEW HAMPSHIRE LOTTERY® COMMISSION
14 INTEGRA DRIVE, CONCORD, NEW HAMPSHIRE 03301
MINUTES OF COMMISSION MEETING
MARCH 25, 2013 1:00 P.M.**

PRESENT:

Debra Douglas, Chairman
Paul J. Holloway, Commissioner
Doug Scamman, Commissioner
Charles McIntyre, Executive Director
Diane Campbell, Administrative Assistant
Irene Nadeau, Games Manager
Len Mannino, Security Director
Kassie Strong, Chief Accountant
Robert Preston, Games Manager
Lynda Plante, Deputy Director
Jim Bouley, Dennehy & Bouley
Maura McCann, Product Marketing Manager
John Papile, Intralot
Kristen Pare', Intralot
Rose Longo-White, Griffin, York & Krause (GYK)
Curtis Barry, The Dupont Group

Chairman Douglas convened the Commission meeting at 1:00 p.m.

1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES:

Commissioner Holloway made a motion, seconded by Commissioner Scamman, to approve the February, 2013 commission meeting minutes. So voted, unanimous.

2. FINANCIAL REPORT:

Kassie Strong stated that the January profit of \$6.6 million was transferred to Education on February 20 and the February profit of \$5.4 million was transferred to Education on March 20. Director McIntyre provided a year to date Powerball sales comparison and stated that sales were approximately \$500,000 higher for the March 23, 2013 drawing than for the same time last year. Ms. Strong stated that the profit transfer through February was approximately \$48 million and the Lottery was on track to meet the \$72 million net profit estimate. Ms. Strong stated that the profit was \$4.1 million greater than last fiscal year through February. A discussion was held on accountability and distribution of unclaimed prize funds for different joint ventures.

Director McIntyre stated that the Multi-State Lottery Association (MUSL) group was responsible for determining the amount of reserves to be held. A discussion was held on the significant year to date sales increases for the \$20.00, \$10.00 and \$5.00 instant tickets.

Robert Preston, Instant ticket Games Manager, reported that the \$20 Set for Life instant ticket sales were up for the past two weeks. Mr. Preston indicated that the higher price point instant tickets were offering an increased number of mid-level prizes and an increased level of top prizes.

3. INTRALOT REPORT:

John Papile of Intralot stated that Quality Assurance Testing for the Gimme 5 game will begin on April 1 for a two week period and will be in the New Hampshire testing lab on April 15. Mr. Papile stated a Flash sale will be held at all retailer locations on April 13 for two hours offering a free Megabucks Plus ticket to players who purchase any single on-line ticket from the lottery terminal. Ms. McCann stated that expired, unclaimed money will be used for the flash sale promotion and Mr. Papile stated the two week Lucky for Life promotion was successful generating a 38% sales increase or approximately \$100,000.

4. LEGISLATIVE UPDATE:

Director McIntyre updated the Commission on the status of Senate Bill 152, passed by the Senate, 16-8, authorizing the establishment of licensing of one highly regulated casino in New Hampshire. An update was provided on other legislative bills of interest. It was noted that signage advertising casino play was currently at various locations in New Hampshire.

Director McIntyre commended Kassie Strong for her efforts regarding the audit presentation before the March Fiscal Committee.

5. ADVERTISING:

Maura McCann provided an update on mid-March marketing initiatives. A new Tri-State game called "Gimme 5" offering a top cash prize of \$100,000 is scheduled to launch on May 12, 2013. Also scheduled to launch on May 12 is a game change to Hot Lotto. Ms. McCann stated that the Idaho Lottery's advertising agency was developing the advertising material for the Hot Lotto game change. Ms. McCann stated that NL Partners will be responsible for developing the advertising material for the Gimme 5 game.

Ms. McCann stated that the Lucky for Life promotion awarded ten prizes of \$100 to players each day for two weeks totaling \$14,000 with a 38% sales increase during this period.

Promotions were in development for the new Harley Davidson instant ticket scheduled to go on sale on May 6. The New Hampshire Lottery's revamped website is scheduled to launch on July 17.

6. NEXT MEETING:

Commissioner Holloway made a motion, seconded by Commissioner Scamman, to schedule the next Commission meeting for May 2, 2013 at 10:00 a.m. So voted, unanimous. Commissioner Scamman made a motion, seconded by Commissioner Holloway, to adjourn the Commission meeting at 1:50 p.m. So voted, unanimous.

Debra Douglas, Chairman

Paul J. Holloway, Commissioner

Doug Scamman, Commissioner