

NEW HAMPSHIRE LOTTERY® COMMISSION
14 INTEGRA DRIVE, CONCORD, NEW HAMPSHIRE 03301
MINUTES OF COMMISSION MEETING
JULY 23, 2013 10:00 AM

PRESENT:

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

Chairman Douglas convened the Commission meeting at 10:00 a.m.

1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES:

Commissioner Scamman made a motion, seconded by Commissioner Holloway, to approve the June 25, 2013 commission meeting minutes. So voted, unanimous.

2. FINANCIAL REPORT:

Kassie Strong, Chief Financial Officer, stated that \$13.2 million was transferred in June which was May's profit of \$8.6 million, and an estimated \$4.6 million for June's profit before adjusting entries. Ms. Strong indicated that fiscal year end closing entries were still in process, so the final net revenue figure for FY13 has not been calculated at this time. Ms. Strong detailed what the closing entries consisted of and stated she would provide the Commission with this information once finalized.

3. INTRALOT REPORT:

John Papile, of Intralot, stated that Fast Play games for the August 4 release were tested. Testing for the Lucky for Life game change is pending for the change to go live on September 17. Mr. Papile stated that software for the upcoming Mega Millions game change in October should be arriving within the next 2-3 weeks. Play slips for the Lucky for Life and Mega Millions game changes are in the final approval stages.

4. ADVERTISING:

Maura McCann stated that the next Tri-State Commission meeting will be held on August 9, 2013. Ms. McCann presented the new upgraded New Hampshire Lottery website to the Commission and stated it had launched successfully on July 17 with only minor issues resulting. Ms. McCann reviewed some of the highlights from the mid-July marketing initiatives report.

Ms. McCann announced that there would be a kick-off event on August 2 at Hampton Beach to introduce the new \$5.00 Patriots scratch ticket.

Ms. McCann reported on the Lucky for Life game change to take place on September 17. Players will be able to select five numbers from 1 to 43 and one Lucky Ball from 1 to 43. The second tier prize will change from a set amount of \$25,000 to \$25,000 a year for life.

Ms. McCann updated the Commission on an enhanced advertising program using the Player Advertising Displays (PADS). Effective as of October 19, 2013, three advertising zones will appear on the PADS featuring instant games and promotions in Zone A, corporate messages in Zone B, and winning numbers and jackpot amounts in Zone C.

Ms. McCann stated a new television spot titled the "Powerball Offering" was scheduled for production on August 7. A meeting will be held this week regarding preparations for the Lottery's 50th Anniversary celebration. Ms. McCann stated that NL Partners and GYK were working with the Tri-State Commission on possible new television production for the Tri-State games featuring local winners. An update was provided on a new Lucky for Life television spot to advertise the game change in September.

5. OTHER BUSINESS:

A brief discussion was held on the draft June Tri-State Commission meeting minutes. Commissioner Holloway requested that further clarification was needed in the financial section of the minutes before they are adopted. It was suggested that in the future, all three state's Directors review the Tri-State Commission meeting minutes before final approval.

Director McIntyre discussed the "Trends and Focus" report presented by Scientific Games International. The detailed statistical report included comparative sales information for all state Lotteries broken down quarterly and yearly. Mr. McIntyre stated that New Hampshire is up significantly over other lotteries both nationally and in New England. New Hampshire ranked in the top quarter of lotteries in per capita sales and in the top 4 to 5 in the United States in terms of growth.

Chairman Douglas inquired about the status of the Gaming Regulatory Committee relative to the next legislative session. Director McIntyre provided an update and his tentative position as a resource of information on the Committee.

Travis York provided an update on the Replay program. A brief discussion was held regarding the need to be able to measure lottery sales using the Replay database.

Director McIntyre stated he would be attending a meeting on July 26 with SocialSphere. A brief discussion was held on keno.

6. NEXT MEETING:

Commissioner Holloway made a motion, seconded by Commissioner Scamman, to schedule the next NH Commission meeting for August 27, 2013 at 10:00 a.m. So voted, unanimous. Commissioner Holloway made a motion, seconded by Commissioner Scamman, to adjourn the commission meeting at 11:10 a.m. So voted, unanimous.

Debra Douglas, Chairman

Paul J. Holloway, Commissioner

Doug Scamman, Commissioner