

NEW HAMPSHIRE LOTTERY® COMMISSION
14 INTEGRA DRIVE, CONCORD, NEW HAMPSHIRE 03301
MINUTES OF COMMISSION MEETING
FEBRUARY 12, 2013 10:00 A.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
Terry Patterson, Intralot
Rose Longo-White, Griffin, York & Krause (GYK)
Travis York, Griffin, York & Krause
Susan Connolly, 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 January, 2013 commission meeting minutes, noting one amendment to be made in the attendance section. So voted, unanimous.

2. FINANCIAL REPORT:

Kassie Strong stated that the December financial statements revealed net profit was \$36.6 million for December, 2012, which was \$4.5 million ahead year to date. Ms. Strong estimated that the January, 2013 transfer would be greater than \$6 million and that fiscal year estimated revenue projections were on target at \$72 million.

A discussion was held on the most recent sales report. Hot Lotto game changes and a new Tri-State Gimme 5 game are scheduled to launch in May, 2013. Commissioner Holloway expressed his concern regarding the decrease in the number of Powerball ticket being sold since the price point changed to \$2.00. Director McIntyre indicated it was a mutual concern among the Powerball member states and the topic would be addressed during an upcoming Director's meeting in New York.

3. INTRALOT REPORT:

John Papile stated the February 3 software release went well and he commended Irene Nadeau for her testing efforts. Mr. Papile stated four new Fast Play games were launched and 25 test trackers resulting in no issues. A May 12 release is scheduled for Hot Lotto game changes and the Gimme 5 cash game. Mr. Papile stated that Megabucks Plus game change survey results were pending and the Lucky for Life game changes were tentatively scheduled for the fall.

4. LEGISLATIVE UPDATE:

Director McIntyre updated the Commission on pending legislation. Casino hearings begin next Tuesday at Senate Ways and Means and are expected to be well attended. A brief discussion was held on preparations and suggestions for hearings testimony.

5. ADVERTISING:

Maura McCann reviewed the early February 2013 Marketing Initiatives report with the Commission. A couple of in-store promotions were planned for February and March. On February 14 a Betty Boop ticket promotion is planned at the Sales Outlet on Route 28 in Salem from 12 to 3 PM. On March 20 a Sapphire5s ticket promotion is planned at the Mega-X store in Allenstown from 12 to 3 PM. Ms. McCann stated the Tri-State Gimme5 game offering a \$100,000 cash top prize will launch in May.

Ms. McCann stated that the Lucky Ticket One Year Anniversary promotion celebrating the one year anniversary of the Lucky for Life game will run from March 10 to 23, 2013. This promotion will offer players a random chance to win \$100 instantly when purchasing a single \$8.00 or greater Lucky for Life ticket.

Next Wednesday, the New Hampshire Lottery will be participating in the State of New Hampshire Agency Expo at the State Library from 9 AM to 3 PM. Ms. McCann stated that the NH Lottery Replay website was being revamped next week.

Travis York of GYK stated that the ad agency was working closely with Lottery management in reference to the Lottery's messaging and advertising position while taking into account an ever changing environment. Mr. York expressed how beneficial it was to the Lottery to have player feedback from the data and research provided by Social Sphere

and the Replay program. Director McIntyre stated a Replay survey will be offered on the Replay website tomorrow to obtain player feedback on casinos.

6. OTHER BUSINESS:

Director McIntyre stated the New Hampshire Lottery would be hosting a NASPL directors meeting in celebration of the NH Lottery's 50th anniversary. Director McIntyre distributed a PowerPoint handout from Scientific Games and the New Hampshire Motor Speedway on proposed negotiations for 2013. An update will be provided closer to this year's events at the track.

7. NEXT MEETING:

Commissioner Scamman made a motion, seconded by Commissioner Holloway, to go into non-public session at 10:50 a.m. to discuss the audit observations. A roll call vote was taken. Chairman Douglas stated "I", Commissioner Scamman stated "I" and Commissioner Holloway stated "I". No commission votes were taken during the non-public session which concluded at 1:00 p.m.

Debra Douglas, Chairman

Paul J. Holloway, Commissioner

Doug Scamman, Commissioner