

NEW HAMPSHIRE LOTTERY® COMMISSION
14 INTEGRA DRIVE, CONCORD, NEW HAMPSHIRE 03301
MINUTES OF COMMISSION MEETING
MARCH 4, 2015 1:00 PM

PRESENT:

Debra Douglas, Chairman
Paul J. Holloway, Commissioner
David Gelinas, Commissioner
Charles McIntyre, Executive Director
Diane Campbell, Administrative Assistant
Lynda Plante, Deputy Director
Katie Brown, Business Systems Analyst
Maura McCann, Marketing Director
Kelley-Jaye Rosberg, Games Manager
John Papile, Intralot
Kristen Pare', Intralot
Rose Longo-White, GYK Antler
Curtis Barry, The Dupont Group
Jim Bouley, Dennehy & Bouley

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

1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES:

Commissioner Gelinas made a motion, seconded by Commissioner Holloway, to approve the February 6, 2015 commission meeting minutes. So voted, unanimous.

2. COMMISSION VOTE TO APPROVE INITIAL PROPOSAL FOR Sw 300, RULES FOR SALES AGENTS-READOPTION WITH AMENDMENT:

Director McIntyre requested that the agenda item be tabled until the next Commission meeting, to allow him time to communicate with the attorney from the Joint Legislative Committee on Administrative Rules as they requested, regarding proposed changes to the Sw 300 Rules for Sales Agents. Commissioner Gelinas made a motion, seconded by Commissioner Holloway, to table the agenda item for the Commission vote to approve the initial proposal for Sw 300 Rules for Sales Agents, until the next Commission meeting. So voted, unanimous.

3. FINANCIAL REPORT:

Director McIntyre stated that Kassie Strong, Chief Financial Officer, was unable to attend the Commission meeting. Commissioner Gelinas requested to Director McIntyre that Ms. Strong email the financial statements to the Commission. A discussion was held

regarding the timing of the Tri-State Commission financial reporting to the Commission. Chairman Douglas requested that Director McIntyre have an item on the April Tri-State Commission meeting agenda for discussion of the Tri-State Commission financial reporting.

Commissioner Holloway noted that lottery sales at the Liquor stores were improving. The Commission asked what factors were attributing to the increased sales. Kelley-Jaye Rosberg updated the Commission on the steps that were being taken to help increase sales at the liquor stores and improve business relationships. Ms. Rosberg reported that the Lottery provided the Liquor Store employees with shirts having the Lottery logo on the sleeves; and supplied the liquor stores located at the I-93 Northbound and Southbound rest areas with larger ticket displays (dispensers). The ticket displays were moved to a more visible area inside the counters with plans to do the same resets at other locations. Director McIntyre reported that instant ticket sales for the liquor stores were up approximately 9% year to date. Commissioner Gelinis inquired as to whether one or several of the liquor store locations have shown an increase in sales over the other locations and if so, did we know why. Ms. Rosberg responded that she would provide the Commission with this information and send out a yearly comparison of liquor store sales before the next meeting. The Commission commented on the advertising graphics on the Lottery's website which help to promote liquor sales, and recommended that this type of advertising be a reciprocal agreement with the Liquor Commission to assist with promoting the Lottery. Ms. Rosberg responded that she would check into this possibility.

Ms. Rosberg discussed the Escape to Margaritaville® ticket promotion. The unique promotion for the month of March offers to liquor store customers who purchase a 1.75L bottle of Margaritaville® brand gold tequila at select New Hampshire Liquor Store locations, a coupon good for a one-time use for a free \$5 Escape to Margaritaville® ticket when they purchase two \$5 Escape to Margaritaville® tickets. Ms. Rosberg discussed the point of sale materials and events scheduled for this joint promotion.

4. INTRALOT:

John Papile of Intralot reported that the software release for April 19 was in progress for the Fast Play Progressive Game. Director McIntyre stated he would be attending a Multi-State Lottery Association Powerball Group Meeting this week for discussion of a possible game change. Mr. Papile stated that total instant ticket value shipped through TelSel was \$12.7 million for February, 2015 which was an increase of \$4.1 million over February, 2014.

5. ADVERTISING:

Maura McCann reviewed the February Advertising and Marketing Initiatives report with the Commission. The report included advertising graphics of new and upcoming instant tickets on the Lottery's website, player advertising displays, and bitmaps on the bottom of the

online tickets. Ms. McCann provided an update on the upcoming Monopoly Millionaire's Television Game show in Las Vegas. Ms. McCann reported on the results of the Caesar's second chance drawing and that the lucky winners would be traveling to Las Vegas and staying at Caesar's Palace® to attend a jackpot party.

Ms. McCann updated the Commission on the Mystery Box Promotion through Replay. Ms. McCann stated the promotion encouraged Replay members to spend their points, since a one-year expiration period for Replay points would be implemented as of May 1, 2015. Ms. McCann stated the first of six weekly Mystery Box drawings was scheduled today to award 200 prizes of \$50 VISA gift cards.

The \$1 I Heart Bacon ticket promotion with the Bacon Food truck has ended which proved to be popular, but unfortunately some of the scheduled events were postponed due to inclement weather conditions. The Tri-State MegaFan Drawing was held on February 21, 2015 at the University of New Hampshire Men's Hockey game in Durham, during which a top prize of \$10,000 was awarded along with additional prizes.

Ms. McCann reported on upcoming Tri-State promotions scheduled, including Double Draw Dollars in May, 2015; Grocery Grill Giveaway in July, 2015; 30 year anniversary for Megabucks awarding \$30 instant win prizes during two weeks in September, 2015; and release of a Tri-State instant ticket offering a second chance drawing giving players a chance to win \$500,000 from the expired, unclaimed prize fund.

A new television commercial for the "I Heart Bacon" ticket was previewed during the Commission meeting. The commercial featured Director McIntyre. The Commission noted that they were pleased with the I Heart Bacon ticket sales and the amount of positive press coverage that was generated from the release of the bacon ticket.

6. OTHER BUSINESS:

Director McIntyre updated the Commission on the status of the legislative bills relevant to the Lottery. A discussion was held on the Lucky for Life sales since the January, 2015 game change.

Chairman Douglas stated she had received a letter from a Replay member who expressed his concern regarding an email he received from the Lottery about an upcoming change to the Replay program, connected with the 6-week \$100,000 Mystery Box Giveaway promotion. Maura McCann responded that she sent written notification to the individual that the New Hampshire Lottery Replay program promotion rules allow for the change and wishing him luck with any Replay points that he may use with the Mystery Box promotion. Chairman Douglas inquired whether the Lottery had received any other feedback from

the public regarding the notification of the May 1, 2015 implementation of a one year expiration date from the date Replay points are earned, for Replay members to use their points. Ms. McCann indicated that very few complaints have been received regarding the upcoming change to the Replay program.

7. NEXT MEETING:

Chairman Douglas made a motion, seconded by Commissioner Holloway, to schedule the next Commission meeting for April 10, 2015 at 1:00 p.m. So voted, unanimous.

Commissioner Gelinias made a motion, seconded by Commissioner Holloway, to adjourn the commission meeting at 2:00 p.m. So voted, unanimous.

Debra Douglas, Chairman

Paul J. Holloway, Commissioner

David Gelinias, Commissioner