

NEW HAMPSHIRE LOTTERY® COMMISSION
14 INTEGRA DRIVE, CONCORD, NEW HAMPSHIRE 03301
MINUTES OF COMMISSION MEETING
MAY 22, 2015 1:00 PM

PRESENT:

Debra Douglas, Chairman
Paul J. Holloway, Commissioner
David Gelinias, Commissioner
Charles McIntyre, Executive Director
Diane Campbell, Administrative Assistant
Lynda Plante, Deputy Director
John (Jay) Pedone, Accountant III
Leonard Mannino, Chief Security Officer
Maura McCann, Marketing Director
Kelley-Jaye Rosberg, Games Manager
John Papile, Intralot
Rose Longo-White, GYK Antler
Travis York, GYK Antler
Pat Griffin, GYK Antler
Jim Bouley, Dennehy & Bouley

Chairman Douglas convened the Commission meeting at 1:04 p.m.

1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES:

Commissioner Holloway made a motion, seconded by Commissioner Gelinias, to approve the April 10, 2015 commission meeting minutes. So voted, unanimous.

**2. RULES PUBLIC HEARING FOR SW 300 RULES FOR SALES AGENTS-
READOPTION WITH AMENDMENT:**

Chairman Douglas opened the public hearing at 1:05 p.m. for the Sw 300 Rules for Sales Agents. There were no public comments received during the public hearing. Commissioner Holloway made a motion, seconded by Commissioner Gelinias, to close the public hearing. So voted, unanimous.

**3. COMMISSION VOTE TO APPROVE THE AMENDED NH LOTTERY
EDUCATION ASSISTANCE PROGRAM TO INCLUDE AN EDUCATION
TUITION AGREEMENT FOR COLLEGE OF AMERICA:**

Director McIntyre presented the amended NH Lottery's tuition assistance program for NH Lottery employees to include an Education Tuition Agreement for College of America.

Commissioner Holloway made a motion, seconded by Commissioner Gelinas, to approve the amended NH Lottery Education Assistance Program. So voted, unanimous.

4. COMMISSION APPROVAL OF NEW HAMPSHIRE MOTOR SPEEDWAY (NHMS) SPONSORSHIP FOR CALENDAR YEAR 2015:

Maura McCann updated the Commission on proposed plans for the Lottery's 2015 partnership with the NHMS, pending Commission approval. Ms. McCann reported that the package was valued at approximately \$55,000 and would include, but not be limited to, a New Hampshire Lottery grandstand banner viewed by approximately 20,000 people daily and approximately 100,000 people during race events; display area for selling lottery tickets during the July and September races which could generate approximately \$20,000-\$25,000 in sales; NHMS website exposure; public address announcements; NH high-speed scratch off for July and September race weekends; and a promotional event tied into Education.

Commissioner Holloway made a motion, seconded by Commissioner Gelinas, to approve the NHMS sponsorship with the Lottery for calendar year 2015. So voted, unanimous.

5. FINANCIAL REPORT:

Director McIntyre stated that he would be giving the financial report, as Kassie Strong, Chief Financial Officer, was not in attendance. Director McIntyre stated that the May transfer for April's profits was approximately \$7.8 million, exceeding projections and finishing the fiscal year strong. A brief discussion was held on the unclaimed prize account.

Commissioner Holloway noted there was an increase in the accounts receivables from last year to this year and inquired why the total had increased. Director McIntyre stated that he would check into this and respond to the Commission.

Director McIntyre announced there were two transfers remaining for this fiscal year, scheduled for June 20 and June 27.

A discussion was held on instant ticket sales. Director McIntyre discussed the Lottery's instant (scratch) ticket settlement policy for retailers. Commissioner Holloway inquired whether the Lottery would be releasing a \$25.00 instant ticket. Kelley-Jaye Rosberg responded affirmatively, that a \$25.00 instant ticket was expected to be released this October, 2015. Director McIntyre stated that the most recent Trends in Focus report's statistics revealed that New Hampshire was one of the few states where the \$1.00 and \$2.00 instant ticket sales were up significantly over last year.

It was noted that Lucky for Life sales have improved from being down approximately 20% last year to approximately 5.8% currently. Director McIntyre stated he felt that the

game change in January, 2015 had a positive effect on sales and noted that five more states would soon be joining the Lucky for Life game group soon.

6. INTRALOT REPORT:

John Papile of Intralot reported that a release was scheduled for August 2, 2015 which includes four more Fast Play games and a raffle component for the Megabucks Plus game. Mr. Papile stated that a release was planned on October 4, 2015 for an upcoming Powerball game change and that a proof of the new bet slips would be presented to the Lottery for final approval shortly. The recent Double Draw Dollars promotion was successful by awarding a random \$25 instant win to each of approximately 3464 players who purchased a single Pick 3 or Pick 4 ticket good for a minimum day/evening or evening/next day draw. The total prize value for the Double Draw Dollars promotion was approximately \$86,600. Mr. Papile stated the Fast Play Progressive game was doing well, totaling approximately 65% of overall Fast Play sales. Mr. Papile stated that Tel Sel was continuing to do well, with April sales being ahead by nearly \$3.5 million over last year, and ahead by nearly \$3.2 million to date for May compared to last year.

7. ADVERTISING:

Maura McCann reviewed some of the highlights from the mid-May Marketing and Advertising Initiatives including development of a retailer website; creative advertising production; and the “bunnification” process used recently at five top selling retail locations to redesign the stores to be more lottery transparent to further increase sales. Ms. McCann gave a Powerpoint presentation displaying the before and after photographs of the store makeovers. A discussion was held on incentivizing the retailers and the importance of the placement of advertising materials and lottery products at the point of sale in the stores.

Travis York of GYK Antler updated the Commission on creative campaign planning for the upcoming fiscal year. Mr. York indicated that a planning meeting would be held next week with the Lottery to review ideas and concepts. The campaign will focus on the idea of having a consistent theme to use with broad advertising over an extended period of time. Mr. York stated that television commercial shoots were scheduled for the first week in June, which include using a distinctive character who travels to various locations worldwide in search of the luckiest places, and the character believes that New Hampshire is the luckiest place on earth.

8. OTHER BUSINESS:

Director McIntyre updated the Commission on the status of the proposed merger of the Racing and Charitable Gaming Association with the Lottery Commission and preliminary plans for building reconfiguration.

Chairman Douglas made a motion, seconded by Commissioner Holloway, to schedule the next Commission meeting for June 26, 2015 at 9:30 a.m. So voted, unanimous.

Commissioner Holloway made a motion, seconded by Commissioner Gelinis, to adjourn the commission meeting at 2:15 p.m. So voted, unanimous.

Debra Douglas, Chairman

Paul J. Holloway, Commissioner

David Gelinis, Commissioner