

OUR HEROES



OUR HEROES





COMMONWEALTH OF KENTUCKY
OFFICE OF THE GOVERNOR

Andy Beshear
GOVERNOR

Capitol Building, Suite 100
700 Capitol Avenue
Frankfort, KY 40601
(502) 564-2611
Fax: (502) 564-2517

Team Kentucky:

Thank you for all your work to keep our essential businesses open during this unprecedented and trying time. Moving forward, I appreciate your continued efforts to safely reopen our economy to get people back to work while slowing the spread of COVID-19.

As Kentucky Lottery retailers, your work helps send Kentucky's most deserving and brightest students to college. More than \$3.6 billion has been generated for these programs over the last two decades, including every dime of the KEES scholarship ever awarded.

In fact, 1 in 5 Kentuckians have now received a college scholarship or grant from Kentucky Lottery proceeds, which has helped increase the overall education level of our state.

If there was ever a time these students are depending on you, it's now. The proceeds you raise keeps our best students here at home to attend college, and helps Kentuckians return to school to get a degree in high-demand fields.

I thank you – along with the staff of the Kentucky Lottery – for your commitment to keep fueling imagination and funding education. We will get through this. We will get through this together.



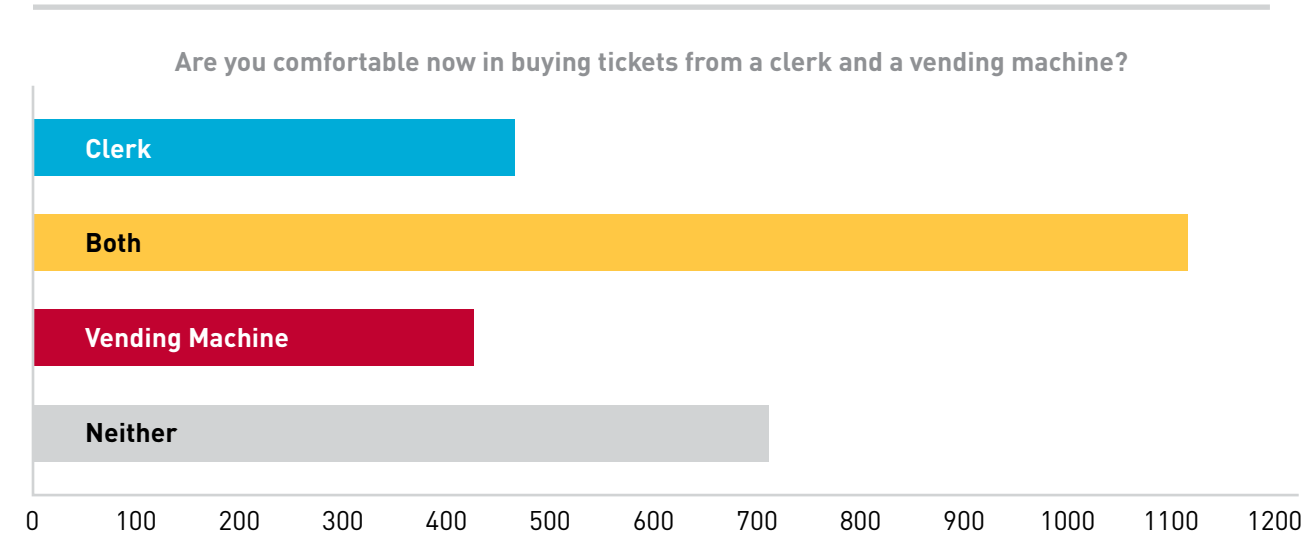
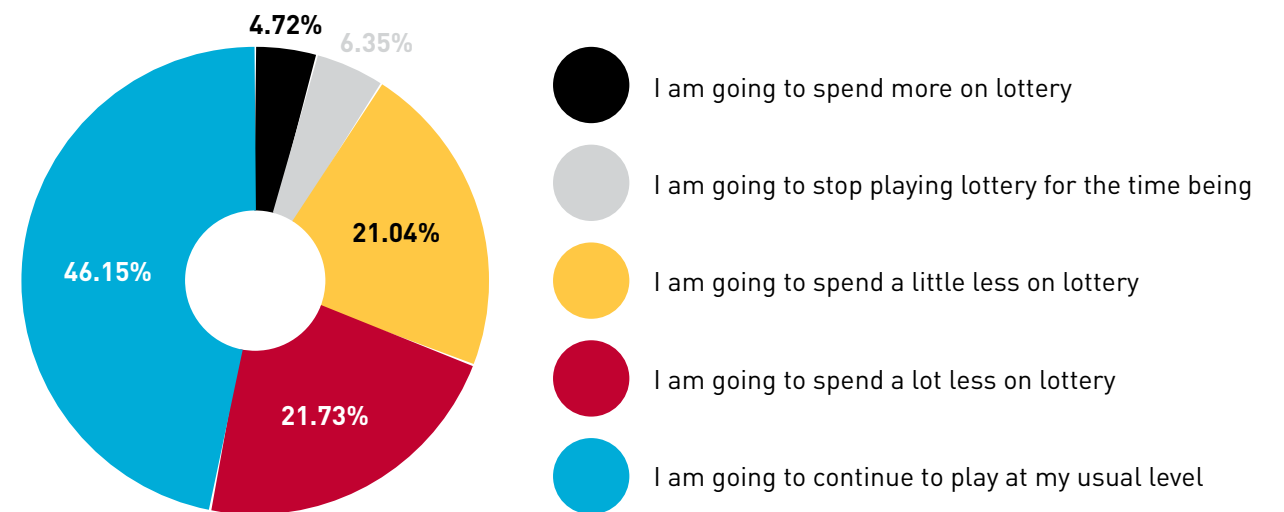
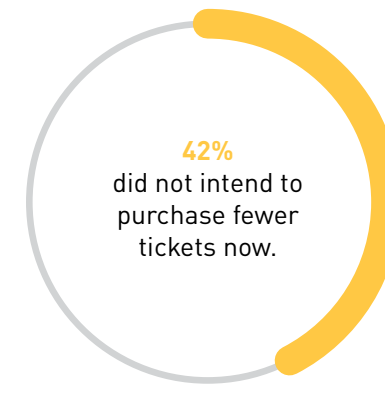
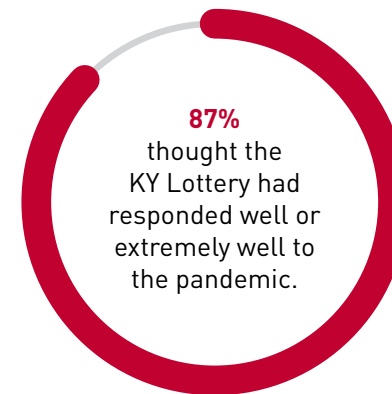
TEAM
KENTUCKY

An Equal Opportunity Employer M/F/D

@GovAndyBeshear | GOVERNOR.KY.GOV

WHAT PLAYERS ARE SAYING

To see how we were doing during this unprecedented time, we reached out to more than 3000 Player's Fun Club members from April 30th through May 4th to get their feedback. Here are some of the findings from the project.



FINDING 'THE NEW NORMAL'

KENTUCKY LOTTERY SALES REPS, CORPORATE OFFICE PUT RETAILERS FIRST

By Mandy Detwiler, Contributing Writer

Businesses across Kentucky have been hit hard by the COVID-19 restrictions. Luckily, gas stations and many c-stores were designated as essential businesses early in Kentucky's lock-down, and that left many operators scrambling to find a "new norm" in an-already chaotic economy.

Enter the Kentucky Lottery, who took early steps to protect their people and their retailers.

"March 16 stopped the normal way we work", says Mike Purcell, senior vice president of sales and marketing. "In terms of other states, I think we were pretty proactive in making sure we had people out of the field and limiting their exposure. There were just so many unknowns at the time."

"From a sales perspective, it seemed like a very huge step to take," he said, "but from the personnel standpoint, it was absolutely the right step to take."

Amy Drooker, vice president of sales, said one of Kentucky's earliest cases of the novel coronavirus emphasized an organized need for care as the sales team called on retailers across the state.

"That's when we ordered gloves and hand sanitizer and really started talking about it with everybody," Drooker says. "What I heard from a lot of them was that there wasn't concern amongst the people in the stores, and everyone was business as usual. They weren't seeing a big difference in patterns and players, and that was very scary to them because it was all over the news."

By mid-March, retailers knew they had a potential problem on their hands - all signs pointed to closing but the most necessary of businesses, and the stay-at-home order came down from the Governor Andy Beshear's team.

As hundreds of bars and restaurants shuttered their operations, many c-stores, gas stations, grocery stores and liquor stores were considered "essential" and could remain open given that they follow state guidelines. Sales continued in these locations.

"We've only had about 20 traditional c-stores stores that have gone inactive since everything is shelter-in-place," says Drooker. In all, 300-plus bars and restaurants that sold Kentucky Lottery tickets also discontinued operations. "Everybody else is still up and running," she adds.

Purcell says part of the decisions for these closures stemmed from a lack of business, while others closed because of staffing issues. "They had employees that were leaving, not coming in to work out of concerns for their safety. Some locations didn't have a lot of c-store grocery items and so the health department said, 'You need to close.' Many of those retailers adapted."



So, what was the corporate response?

"Amy put together a really good plan to start addressing field sales," Purcell says. "She's responsible for all the sales reps and all of the regional managers, and she put together an action plan. If the reps were going to be home, we wanted to make sure they were working on a lot of different training issues, but they were also calling every one of their retailers for the week. All of our retailers got called every week and they were asked, 'First of all, how are you doing? Second, how is your business doing and third, what can the Kentucky Lottery do for you?'"

Meanwhile, the sales reps were doing regular selling over the phone, reminding operators to keep their machines full and assisting in sales tips.

It was a plan that was immediately embraced by retailers. "Store staff members who normally wouldn't have time to talk to a rep at length suddenly voiced concerns and asked for help," said Drooker.

A new game launched mid-April, but the Lottery changed the business model to help the retailers "and to make sure we're being responsible for our business," said Drooker. "By mid-April we'd made over 17,000 retail-relations calls, calling them every day and talking about what we can do for you and keeping our finger on what's going on out there."

"Every company has billing terms - how many days they have to pay for their product," said Drooker. "We had to listen to our retailers. Nobody's been here. We had people whose tickets just weren't moving fast before sheltering in place. And yes, it was slowing down. All retail locations were trying to figure out how this next phase looked. We had to adjust our billing terms, and that wasn't a problem. We wanted to do that for them. They're our retail partners, and if they don't sell then we don't have lottery products available and we don't return dividends to the state of Kentucky."

The greatest challenge is aiding retailers who are concerned that their business will not recover financially. "We're watching them struggle, and (reps) are watching them struggle, and they're very scared about paying their bills, and that's why we've made some of the changes we've made to help them in any way we can," Drooker says.

Other adjustments needed to be made as well. "We've moved Keno monitors to front windows so people can sit in their cars if they want to, and eventually decided to turn the Keno monitors off in order

to assist with social distancing measures" Drooker says. "We've all worked very well together. Our retailer partners and sales reps have worked well to move information up the chain to react and adjust to the business needs right now. Most retailers have been very grateful for the interaction and the understanding and the collaboration that we've had."

Lottery tickets are a product that people purchase with discretionary funds, like going to the movies," Purcell says. "Kentucky Lottery tickets provide a very important source of funding for education. If people can play, we need to make sure that our products are conveniently available for them."

"We have a lot of people tell us that their Lottery sales have helped carry them through some of these hard times," he said. "We want them to know its business as usual for Lottery players. Retailers have said that lottery tickets have been a key part of them being able to stay in business and provide services to their customers."



"All of stores got called and they were asked 'First of all, how are you doing? Second, how's your business doing and third, what can the Kentucky Lottery do for you?'"

- AMY DROOKER
VICE PRESIDENT
OF SALES



GAME ON!

TOP-SELLER IN STATE PERSEVERES THROUGH TROUBLING TIMES

By Mandy Detwiler, Contributing Writer

Oak Grove, Kentucky is a little off the beaten path in Western Kentucky, sitting just on the Kentucky/ Tennessee line. For the 16 years Julie Bryant has owned Pal's, the store has been the number one seller of lottery tickets in the state.

Enter the county health inspector, who stepped into the shop and declared it non-essential in the wake of state mandates against operations.

"I am really a convenience store, but Lottery is what we do," Bryant says. "We have snacks and drinks and cigarettes, but the Lottery is what keeps us afloat ... and we do it very well. Our customers have stuck with us all these years and that's what we strive for -- to make sure our customers are taken care of."

Following a COVID-19 compliance health inspection, it seemed Bryant had one of two choices: close completely or find a way to sell while following state mandates.

Game on.



Chris Green, the Lottery's western regional sales manager, says: "When COVID-19 hit, Julie at Pal's was taking all the precautions and doing everything that they could to stay open with social distancing. It really didn't affect sales. They were wearing masks and standing so far apart. The health department came by and said they couldn't do it."

Bryant asked if they could do curbside service like other retailers, even though that was a "really big challenge, as it is for anybody," Green says. Curbside service? Not a problem.

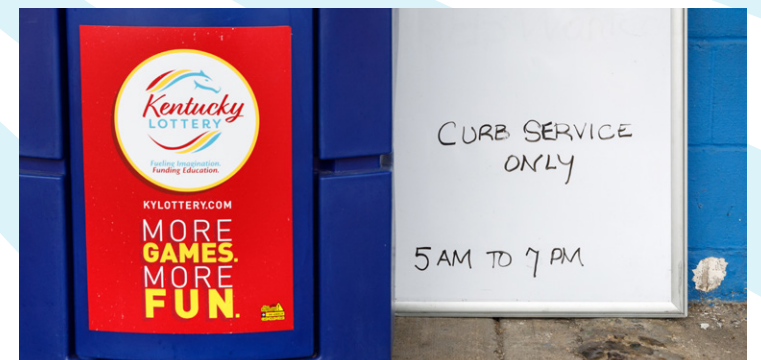
Bryant had IGT move their Keno monitor to a window so customers could see the numbers. This meant a lot of running in and out of the store for the employees.

"Julie is very proactive and very pro-lottery, and she's had a great attitude through all of this," Green adds. "She said 'We're GONNA do what we can do.'"

Although sales are admittedly down, "she still is maintaining the title of the number one retailer in the state of Kentucky," Green says. "Curbside service is a big deal because it's not like in a restaurant when you're taking out one person's order and they leave. You're talking about Lottery players where you're going back and forth constantly."

Bryant credits her staff for their positive attitudes throughout a difficult retail atmosphere where some businesses closed indefinitely. First and foremost was the safety of the Pal's employees. Store hours were amended as the days got longer. While the store was closed, the employees did a clean sweep and installed Plexiglass at the cashiers' stations. Thinking outside the box, it seems, was the key to success.

"Keep on taking care of your employees, first of all," Bryant says. "I think that's very important. Make sure you're keeping them safe. Keep pressing forward through all this stuff and just make it work."



RETAILERS DOING GOOD

So many of our retailers have done so much good in their community during the recent pandemic. Here are some of their stories:

"I learned from Speedway #9512 in Lexington that the owner of a local company came in to purchase \$1200 worth of \$30 tickets to give to his employees as a way to help keep them motivated."

Telisa Rech

"Ever since the pandemic hit, the owner of Super USA #3 Sam Patel has provided senior citizens and healthcare workers free coffee. Sam's intention is to show meaningful empathy for what they must be going thru. When he mentioned this to me, I thought how wonderful to know small business owners who are struggling themselves can still find a way to show kindness to others."

Michael T. Hayden

"Annette (manager at the Dodge Store in Henderson) asked the owners of this chain if they would be willing to let her deliver food to people in the area. She has personally delivered meals to elderly shut-ins in the local neighborhood in her own car, checking to make sure they're OK and providing a friendly ear."

Glenn Pruitt

"The folks at the Racers chain are one of our retailers going above and beyond for customers. They have installed a self-contained coffee station eliminating coffee pots to help prevent the spread of germs, have installed hand washing stations at the fuel pumps at each store, and even offer to pump gas for senior citizens two times a week."

Wes Hardin

"Mary Beth and team at Casey's General Store in Dawson Springs won \$25,000 in a contest, and immediately donated it to help a local school. They have provided meals to kids in the area, and even given many of them bicycles. They are reaching out the local community and continue to serve."

Chris Fairchild

"Clark's Pump N Shop in Georgetown provided first responders and healthcare workers a free lunch and \$15 in free gas, showing how much their efforts are appreciated."

Nicole Pike

"Audrey at Junior Foods #839 and her staff are encouraging elderly customers to use the help button located at the pumps if they need anything instead of coming into the stores. They are happy to pump gas for their customers, and have even offered to bring newspapers to elderly customers' homes instead of them going out to purchase them. It's wonderful to hear how people are stepping up to assist their fellow Kentuckians during this time."

Jennifer Muchmore



The Double Kwik chain in Eastern Kentucky stepped up with a variety of activities for the community, providing free food and other activities for first responders and local healthcare workers.

"Double Kwik is doing some amazing things in the communities where they have stores. They've been delivering free food to hospitals and nursing homes staff members, taking free coffee and Girl Scout cookies to first responders, and even providing free gas for their employees. They are a great corporate citizen and a great partner for us."

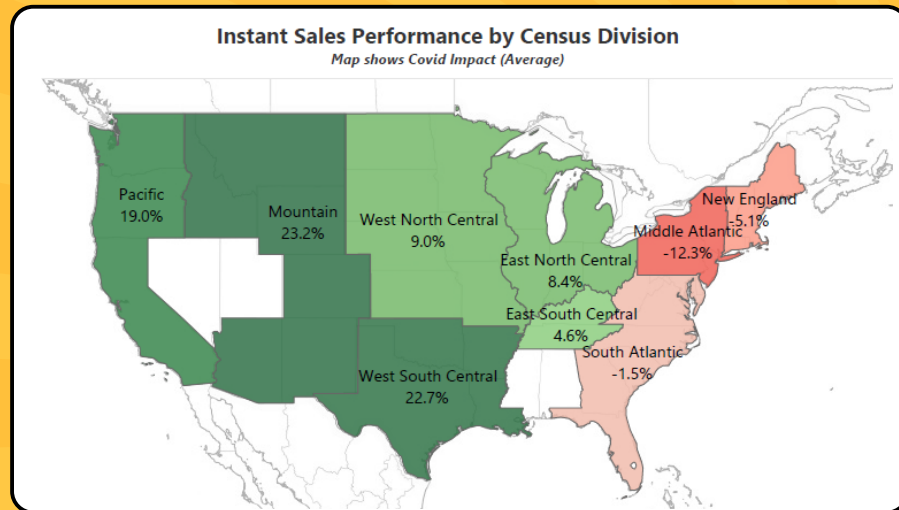
Bill Bentley



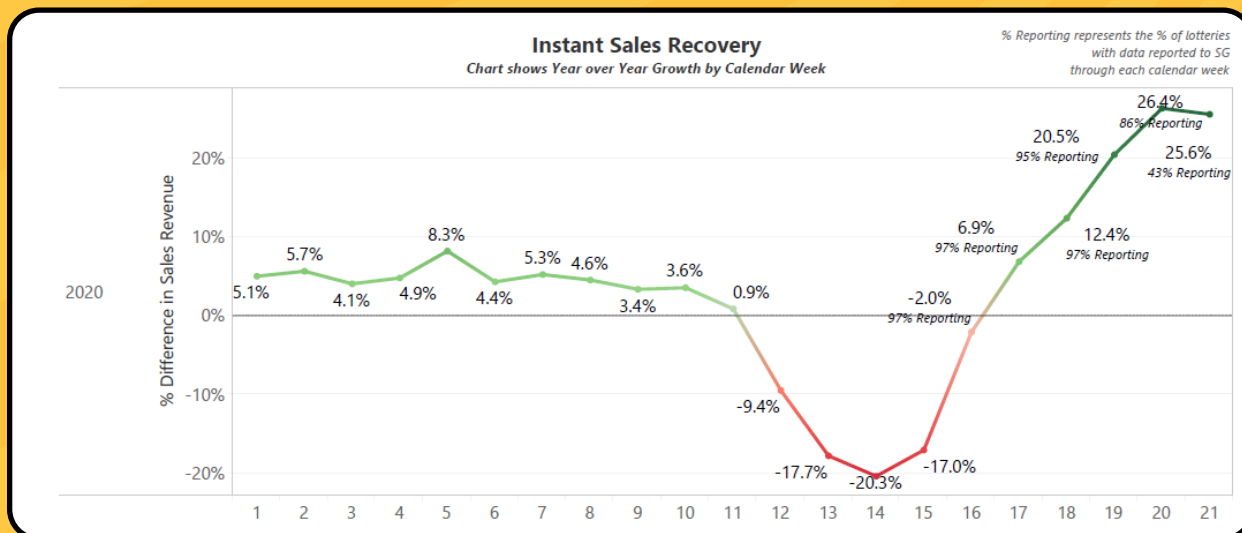
NATIONAL EFFECT ON LOTTERY SALES

By Greg Wood, Manager, Research

COVID-19's impact on Lottery sales across the country has been significant. The chart below shows the difference nationally between Lottery Scratch-off game sales from 2/2/20-3/7/20 (prior to lockdowns implemented due to the pandemic) to sales through May 23rd (the most recent data available.) While a full 70% of state lotteries initially declined in weekly sales post-covid vs. pre-covid, sales from the end of April to the end of May have seen a significant increase, especially in Instant (Scratch-off) sales across the country. Northeastern states continue to be hit the hardest, however the state of Kentucky has seen an increase of over 51% in Scratch-off sales for the month of May vs. 2019.



When asked if they planned to purchase lottery tickets at retail once the pandemic is over, the vast majority of respondents said that they would. The few people (< 5%) who do not plan to buy lottery games at retail said they would continue shopping online. These findings, combined with the gradual recovery of sales, is a re-assuring direction. It's important to remember that as players' habits and routines have changed, we need to continually strive to reach them, communicate our message, and make that message relevant in this new space and time.

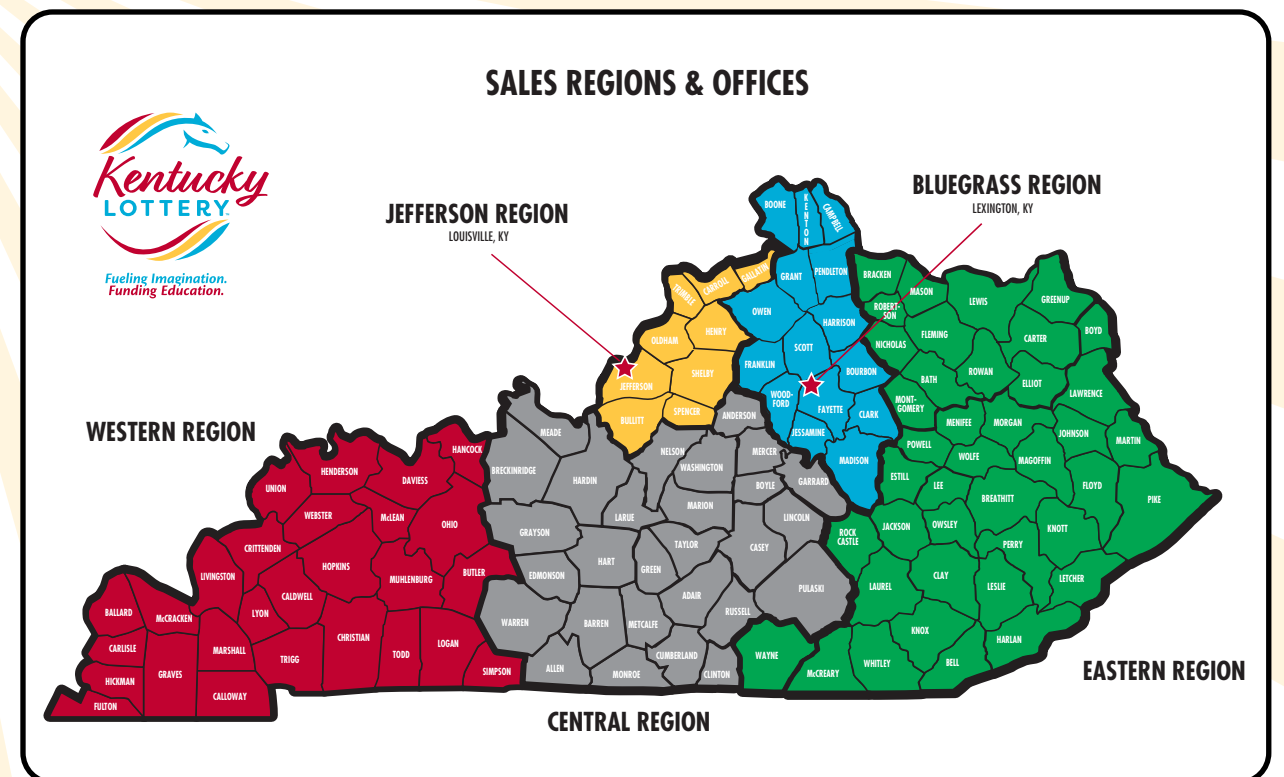


INTRODUCING THE CENTRAL REGION

There is now a new fifth sales region for the Kentucky Lottery. The Central Region covers parts of the old Eastern and Western region, and allows for more efficiencies with less travel for employees.

"Lots of travel, gas and wear and tear on vehicles will be eliminated, plus the time spent in the car will be spent with our retailers. Our Western regional manager put 20,000 miles on his vehicle in just six months last year," said Vice President of Sales Amy Drooker. She also said the smaller region size will allow for more effective sales rep coverage in a region, and better monitoring of best practices. "Most stores shouldn't notice any difference and will continue to get their gold star service and sales advice," said Drooker.

Long-time Kentucky Lottery employee Lisa Murphy has been promoted to Regional Sales Manager for the new Central Region. Lisa was named a Senior Lottery Sales Representative in December 2018 and was instrumental in helping her team come from behind last year to achieve the #1 sales region for FY19. Lisa has served on point of sale, planogram and RFP committees, traveled to other regions to help train on the Sales Wizard program, and has trained all the new sales reps in the Western Region.



NEW WAY WINNING NUMBERS DRAWN

By Mandy Detwiler, contributing writer

A significant change has occurred in how the Kentucky Lottery gets winning numbers for daily draw games. The company has moved away from traditional ball pulls -- a 30-year staple of nighttime television and internet streaming -- and moved toward a random number generator (RNG) computer program. It was a quiet -- but much needed -- move that puts the Kentucky Lottery in line with other progressive state gaming systems. Affected games include daily Pick 3, Pick 4 and Cashball 225.

It's not a new system to the folks behind the scenes. Barbara Beck has been the Lottery's drawing manager for nearly three decades, and says the number generators reduce human error, requires less staff in-house, and is tamper-proof with no internet or external access.

"We've got two random number generators, and they're called 'Origins,'" says Beck. "Both of them are certified by a third-party vendor, and they're extremely secure."

"We do a series of checks and balances within the systems before every single drawing," Beck said. "We run a pre-test drawing to make sure random numbers are being generated, and the actual draw results are dual verified by two people who witness the procedure," Beck says. "All of this is video recorded, with 16 cameras and two separate surveillance systems working in our draw studios at all times."

The Origin systems' launch was recommended in mid-April and reduced the number of staff needed in-house during stay-at-home orders issued by Kentucky Andy Beshear.

"There's literally a power cord coming out of this device, and that's it," says Chip Polston, senior vice president of communications, PR and social responsibility. "It doesn't plug into anything else and it's not hooked up to Wi-Fi. There's no way it can connect to anything else."

"There's a misconception among some players that we analyze what numbers would pay out the least on Pick 3 and Pick 4 and those are the numbers that we 'draw.' That's literally impossible," says Polston. "The system is not connected to anything, so there's no way you would be able to go in and manipulate anything."

A roll of a dice selects which RNG will be used -- one machine is dubbed 'even' and the other 'odd'. "This randomizes which machine will be used each evening, which is another layer of security built into the process," said Polston. Using a system like Origin puts the Kentucky Lottery in line with 31 successful state lotteries.

"There's been a move away from balls and the machines and the big televised production drawing that used to be the case in the '80s and '90s to random number generators because it's easy, and it's much more cost effective" Polston says. "We had looked at it in Kentucky but had not pulled the trigger on it; however, because we were in the situation with this pandemic, where Barb was in the studio with the draw staff for an hour and 45 minutes, there were some concerns about all of them being able to do this in the same space, as well as handling the balls and everything along those lines."

RNG had already been used in the Five Card Cash game, so giving it a shot during the pandemic seemed the perfect time to use the system for all daily draw games. Origin shaves an hour off the time in the studio.

"It's done what we wanted it to do, which was to enable our staff to get in and do the drawing and get out without sacrificing security," Polston adds. "And we've seen no decrease in sales."



MARKETING'S SUMMER BLOCKBUSTERS

By Edie Frakes, VP of Marketing

First off, thank you for your tremendous efforts as essential businesses to supply our Commonwealth with the basic needs required during the pandemic. Moreover, the attention to detail in ensuring lottery was stocked and available when our players came back and were ready to put some play back in their days did not go unnoticed. The students of Kentucky are counting on the Kentucky Lottery and on you to continue fueling imagination and funding education. A heartfelt thank you for all you continue to do.

Here is what's trending in marketing and coming your way very soon!

SUMMER 2020

Marketing efforts in broadcast and all mediums will support the \$10 Monopoly game this summer.

Our advertising focus for July and into the summer will be on the monitor category for Keno and Cash Pop. These two products did not see their full potential as we lost what is typically our "Keno season" to the coronavirus closing social establishments during March Madness, and what is typically the build up to the first Saturday in May in Kentucky. With that in mind, our advertising and promotions will pivot back to give attention to the monitor category as our full retailer base is able to reopen and we can get the most usage out of all self-service vending machines, etc.

We are thrilled that the main marketing focus for July at retail will be our 200X Scratch-off ticket -- it's a \$20 game with a \$1 Million top prize!



FALL 2020

As we pivot into September, the popular Gold Rush play style will become available at \$1, \$2, \$5 and \$10 price points in addition to the \$30 we launched this past February. The Marketing support will use materials from our Prospector spot that was used to launch the game in FY20.

SCRATCH-OFF SNEAK PEEK

By Rhonda Zimmerman, Director, Scratch Games

Wow, it's hard to believe the books are soon to close on FY20 as we head toward another record-breaking Scratch-off year. Congratulations to each of you for partnering with us to make it our best sales year ever, despite working through a devastating global pandemic.

Last year was full of great games, but in FY21 you'll see even bigger and better games in the lineup! We will continue our launch strategy of activating and pre-selling games on Fridays, giving all retailers time to activate and display the new games by the time advertising begins on the following Monday. Likewise, we will also continue to launch new games approximately every six weeks with 3-4 new games per launch. Check out the sneak preview below to see what's coming your way in the new fiscal year:

<p>JULY 24, 2020</p> <p>\$3 - Slingo® Trio Tripler \$5 - Bonus Double Match \$20 - 200X</p>	<p>SEPTEMBER 4, 2020</p> <p>\$1 - Gold Rush \$2 - Gold Rush \$5 - Gold Rush \$10 - Gold Rush</p>	<p>OCTOBER 23, 2020</p> <p>\$1 - Holiday Family \$2 - Holiday Family \$5 - Holiday Family \$10 - Holiday Family</p>
<p>DECEMBER 4, 2020</p> <p>\$2 - Love To Win \$3 - Royal Riches \$5 - '21</p>	<p>JANUARY 15, 2021</p> <p>\$1 - 10X \$2 - 20X \$5 - 50X \$10 - 100X</p>	<p>FEBRUARY 19, 2021</p> <p>\$3 - Gold Fish™ \$5 - Lucky 7 Bonus \$50, \$100 & \$500 Blowout! \$30 - Fastest Road to \$3 Million™</p>
<p>APRIL 2, 2021</p> <p>\$1 - Icy Hot 7's \$2 - Big Money Spectacular \$5 - Big Cash Riches \$10 - Triple Jackpot</p>	<p>MAY 14, 2021</p> <p>\$5 - The Big Spin \$10 - \$200,000 Nest Egg \$20 - Max-A-Million</p>	<p>JUNE 18, 2021</p> <p>\$1 - \$50 Loaded \$2 - \$100 Loaded \$5 - \$500 Loaded \$10 - \$1,000 Loaded</p>

As you can see, we have a solid schedule planned for the coming year - full of exciting opportunities, possibilities and great winning experiences for you, your players and most importantly the Kentucky students who are counting on us to help fund their dreams of higher education in the Bluegrass - get ready, it's going to be a great year!



DRAW GAMES UPDATE

By Erica Williams, Director, Terminal Generated Games

What an unusual year it has been! At the beginning of March when talk of the coronavirus started ramping up, I don't think anyone could have fathomed the "new normal" that would become our daily lives for several weeks.

Through the end of February, terminal game sales were down approximately 4.7% over last year, primarily due to the lack of jackpots we saw this year. In fact, Mega Millions was down 50% and Powerball was down 23%.

Unfortunately, the hardest hit area as a result of the pandemic was our monitor game category. With bars and restaurants forced to limit in-store foot traffic at a time where we typically see the largest sales within this category, 10% of retailers were forced to close their doors and ultimately sales of both Keno and the new CASH POP game suffered. In addition, the KLC disabled drawings on the monitors after hearing concerns from retailers that players were gathering in their stores and not adhering to the social distancing guidelines.

We are still optimistic about the potential of the new CASH POP game. In its first week in the market, sales were nearly a half a million dollars. Even though sales began declining in the weeks that followed as more social establishments closed and social distancing became our new way of life, we were still pleased with its performance, especially since we shifted media support for this game to beneficiary messaging after only 1 week of advertising. As social distancing restrictions slowly begin to ease, we plan to continue promoting this game to players to help build awareness and reinforce that you only need to match one number to win! With drawings every 4 minutes, CASH POP is sure to provide some much-needed entertainment for your customers!

Two new Fast Play games launched in the middle of the pandemic, \$2 Tic Tac Cash and \$5 Break the Bank. Awareness of these new games was limited, as sales reps only had 2 weeks to place the point-of-sale prior to working from home. Now that field operations have resumed, we will continue placing point-of-sale to promote these games. We are confident players will love these games as both tested very favorably in our player research, plus the instant win feature of these games are very attractive for those players looking to put a little play in their day!

Pick 3 and Pick 4 were certainly the bright spots throughout this pandemic. Both games experienced double-digit sales growth over the same period the year prior.

Enough about FY'20...let's look ahead to a brighter FY'21! Here's what's on the horizon over the next few months.



Win Place Show

Previously scheduled to launch in April but now set for August 16th, Win Place Show is the first lottery game based on live horse racing and is only offered in Kentucky at this time!

Win Place Show costs \$2 and is only available as a Quick Pick play. Each ticket features three racehorse numbers and names, along with racetrack name and race time. Players can scan the QR code on each ticket or visit the website shown on the ticket to download the Win Place Show mobile app. By downloading the mobile app, players can watch races live or on replay, in addition to scan tickets to check winnings.



New "Bluegrass Jackpot" Family

A new family will join \$2 Tic Tac Cash and \$5 Break the Bank as part of the Fast Play category on October 19th. The Bluegrass Jackpot family will replace the Times the Cash family that has been in the market since the Fast Play category launched last October.

Available in \$1, \$2, \$5, and \$10, the Bluegrass Jackpot family offers a key symbol match style of play. Players must match three like symbols from the prize legend in the same spin to win the corresponding prize from the prize legend. Each spin is played separately, and the greater the price point purchased, the more spins available to play on each ticket. Like other Fast Play games, sales of each ticket will contribute to the rolling jackpot, with each ticket eligible to win a percentage of the rolling jackpot.



NEW DIGITAL TRENDS

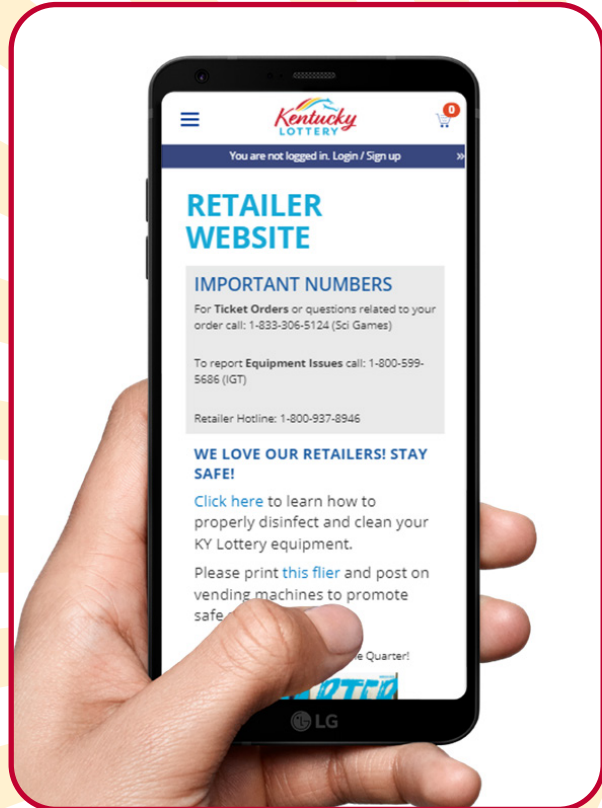
By Zoe Uhl, Digital Marketing Specialist

Now more than ever our customers are communicating and spending time online. The Kentucky Lottery is staying on trend in order to better serve you and your customers' needs. Check out our website, Facebook, Instagram, and Twitter pages to see what exciting things are happening with the Kentucky Lottery!

Retail Updates with Just a Tap of a Finger

We want you to have all the resources you need anytime and anywhere. Stay informed with the latest lottery news and updates by visiting the Kentucky Lottery Retailer Site. This site is designed specifically for you and is updated frequently to feature the latest announcements and information you need. Check out our Retailer Spotlight, download the latest planograms, find out the latest game changes and more!

Visit kylottery.com/retailers



Turn Yourself into a Work of Art!

In honor of our latest monitor game, CASH POP the Kentucky Lottery launched a cool augmented reality (AR) filter inspired by Pop Art! Players can access the filter through Facebook and try out the three fun filters available. Take a selfie and start sharing your new CASH POP face! POW! KABAAAANG!

Scan this QR code to try it out now!



"Alexa, ask the Kentucky Lottery..."

Players now have an additional resource to get their Kentucky Lottery questions answered! By enabling the Alexa skill, players can ask questions about jackpot amounts, drawing times, winning numbers, and more! And coming soon to Alexa, we will be offering fun scavenger hunts for players to learn more about all things Kentucky Lottery.

Start using the skill with your Alexa-enabled devices by simply saying: "Alexa, enable the Kentucky Lottery Skill."

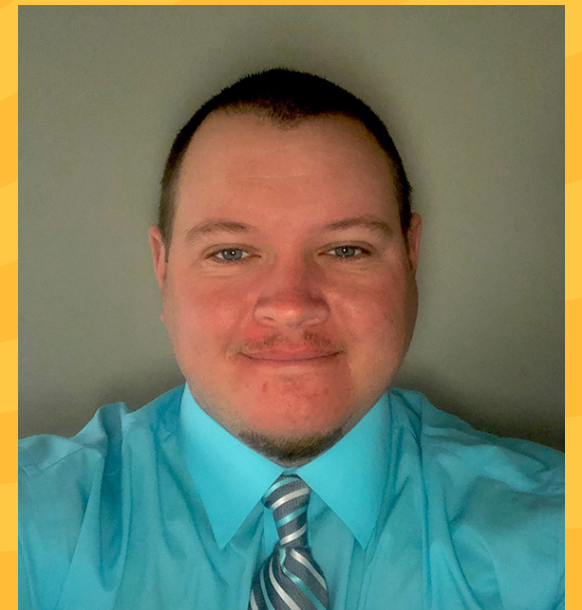


NEW FACES

We have a couple new sales reps in the field you may be seeing - please help welcome them to the Kentucky Lottery team!



ALFREDO SANTANA
Lottery Sales Representative
Central Region



JOSH ROTHERMEL
Lottery Sales Representative
Eastern Region



AMY DROOKER NAMED VICE PRESIDENT OF SALES
Amy Drooker, former senior director of sales, is the Kentucky Lottery's new vice president of sales. Amy re-joined the Lottery in May 2018, taking on significant responsibilities such as the separation of Key Accounts and Business Development from Field Sales. Amy has worked diligently to ensure sales and performance goals are met, and has ensured there is good communication between the sales team and the corporate accounts team.

WINNERS WINNERS EVERYWHERE!

By Jennifer Cunningham, Communications Specialist



JENNIFER STEINER OF LOUISVILLE, KY \$100,000 – GOLD RUSH

As Jennifer's Steiner's husband Chris was walking out the door to go cash in a few winning Scratch-off tickets, Jennifer said, "Don't buy anymore Gold Rush tickets because I haven't been winning". Chris didn't listen to her and bought two \$30 Gold Rush tickets anyway at Thorntons in Louisville.

Jennifer scratched the tickets off while Chris ran out to pick up dinner. "The first one wasn't a winner. I started scratching the second one and the little coin came up. I saw a one and a zero and thought it was \$10 but kept scratching and more zeroes popped up and I won \$100,000," Jennifer told lottery officials.

"To all the husbands who don't listen to their wives, this is a good example of sometimes it's best not to. It pays sometimes not to listen," Chris said jokingly.



SPUR OF THE MOMENT DECISION MAKES VERSAILLES WOMAN A MILLIONAIRE

A Woodford County woman, who wishes to remain anonymous, is a Kentucky Lottery millionaire after she won \$1,000,000 playing a \$20 100X The Cash Scratch-off ticket.

"It was a spur of the moment," the Versailles woman said, when deciding to buy the 100X The Cash ticket.

She scratched off the ticket while at the Versailles Marathon on Lexington Street. Her lucky ticket matched the number 48 and located directly below was the prize amount of \$1,000,000. "I scanned it just to make sure I saw what I thought I saw," she told lottery officials. "I just folded it and drove home," she said.

"I still don't believe it," she said. She told lottery officials she and her husband plan to buy a house and new car with the winnings.



LOUISVILLE MAN WINS \$148,509 FAST PLAY JACKPOT AT LOCAL PIZZERIA

A Louisville man, who wished to remain anonymous, told lottery officials that he woke up one morning to find his furnace was not working. After a long day at work, he decided to go to a local pizza joint to grab dinner. It was at Sal's Pizza where he purchased two \$10 50X The Cash Fast Play tickets.

"I never even looked at the tickets. It was while I was waiting for my pizza that I checked them. The clerk was standing near me when I scanned them and saw \$148,000 pop up on the screen," he said.

"I thought I was going to have a heart attack."

He said the clerk suggested he leave. "I hadn't gotten around to eating so I put the pizza in a box and left. I wasn't worried because of the people that were there, I just thought it would be best," he said.

"I got out of there so fast I didn't even get a chance to pay for my pizza. I'm going to stop by later to take care of it," he laughed.



PATRICIA FIELDS OF RUSSELLVILLE, KY \$50,000 – POWERBALL

Patricia Fields of Russellville, KY, carried a Powerball ticket in her purse for nearly a month before discovering it was worth \$50,000. She works as an LPN, and her long hours made it difficult to find the time to check her ticket.

She had taken the ticket to a store to have it checked when she was told by the clerk that the prize was for more than the store could pay. "I thought it was \$5,000," she said, until the clerk scanned it again on a different machine and informed her, she had won \$50,000.

"I danced all around the store. Everyone was about as excited as I was," she told lottery officials.

Patricia purchased her \$2 Powerball ticket at Jr Foods in Bowling Green. She recently bought a brand-new car and plans to pay it off.

Here are just a few of our other recent winners!

Brenda Clair



Chris Reece



Cynthia Rankins



Dillon Burchett



Jade Frazier



Kim Silk



Matthew Singleton



Richard Devins



Teresa Murphy



Victoria Lattoni



REGIONAL SPOTLIGHT

LOUISVILLE SPOTLIGHT

Quarter three has been one of the most unique periods for the Louisville Region to date. The recent COVID-19 pandemic has affected the way we do business for both the KLC and our committed retail partners. As we navigate through these turbulent times the KLC sales force has adopted all guidelines of social responsibility, in order to flatten the curve.

The Louisville region has adopted a tele-sales philosophy for continued service to our retail partners. The sales team has been conducting weekly service calls with every retailer to maintain inventory, supplies, point of sale, and all relevant retailer needs. As a best practice, we are also mailing planograms and other relevant point of sale for new game launches. Our relationships with our retailers have gone a long way as we have maintained the business without physically visiting the locations.

Teamwork is the only way the community navigates these unfortunate conditions. Our retailers have exemplified the element of team over the past weeks, by continuing to service the Louisville area. From the Louisville region, thank you to all our players and retailers who continue to support advanced education.

Top 3 retailers in the Louisville region, Scratch sales percentage increase Q3 FY20 vs. Q3 FY19:

#1 WEBB'S MARKET
141.9%

#2 LIQUOR OUTLET
84.2%

#3 PILOT TRAVEL CENTER #440
81.8%



Convenient #40 owner Melissa Newton says the Shelbyville store is one of the top retailers in the state is because they stay under 4% in out of stocks in both Geminis and they always ask for the sale.



Kalpit Patel of Quick Food Mart in Louisville received a quarterly incentive check for following best practices.



Laura, owner of Sav A Step in Louisville, and her son Kyle are happy to receive their incentive check from the Kentucky Lottery. They work hard keeping tickets stocked for their Lottery customers.



China at Circle K #3228 in Louisville happily points out the store's new banner after selling a big winner.



Owner Preet is happy to receive his incentive check along with his manager Randy at Smyrna Gas & Food Mart in Louisville.



Mark Patel at Grab-N-Go in Louisville shows off the store's incentive check.



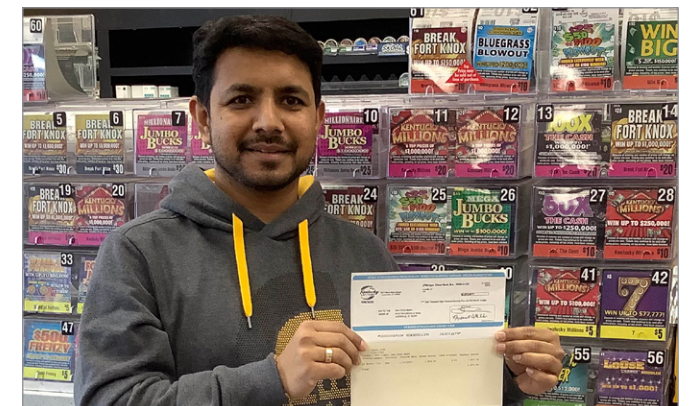
Marguerite accepts the incentive check for B-Quick Food Mart in Louisville.



Bobby accepts the incentive check for PRP Stop and Go in Louisville.



B-Quick in Louisville is owned by Max. Pictured are Max's wife, Jay's wife and Jay, who oversees the store's lottery inventory. The store is a bright spot in the community bringing them dedicated players.



AAA Food Mart in Louisville keeps their Geminis and dispensers full and has an out of stock average of below 4%. Owner Kaps accepts the quarterly incentive bonus check for following best practices.



Super USA #5 in Louisville is a million-dollar retailer. The owners, Ginna (pictured with LSR Travis Day) and Steve have been a Million Dollar Retailer for several years. They say their success comes from building rapport with lottery players, old and new.



Lvie at Sav A Step in Louisville accepts the incentive check for the retailer. This location keeps dispensers and Geminis full; prominently posts all POS and has a low out of stock average. Their increase in Scratch-off sales proves it.



Don, manager of Elmar's in Fisherville, accepts the quarterly incentive check. This location is driving sales by always being set 100% to plan and keeping out of stocks low.

BLUEGRASS SPOTLIGHT

Hello Bluegrass Retailers! First, we want you to know how much we miss you and we can't wait until we can see you again. We hope you, your families and staff have stayed safe and will continue to do so. We are so appreciative of your efforts in supporting lottery operations throughout this unprecedented time. Because of your efforts we can continue to "Fuel Imagination and Fund Education" for Kentucky students.

Although your sales rep may not have been able to visit you in person, we have been busy doing whatever we can to support you and Lottery operations. Since March 16th Bluegrass Region sales reps have placed over 4800 phone calls in to your locations to see if there was anything we could do to support your operations. We hope these calls have been helpful and that it reinforces our commitment to each of you and your success.

Hopefully by the time you read this we have resumed operations and are making visits in stores again. When we do return to the field, we will have taken all the necessary precautions to protect your sales rep and your store. The "new normal" may look a little different once we do return but our commitment to your success and of the Kentucky Lottery will not be. We hope everyone stays safe and we eagerly await our return to field.



New manager Randy at Main Street Gulf in Richmond made this new case when the store increased from 40 to 60 dispensers. As a result, sales are up 11%.

Top 3 retailers in the Bluegrass Region, Scratch sales percentage increase Q3 FY20 vs. Q3 FY19:

- #1 96 TRUCK STOP**
469.2%
- #2 THE CIGARETTE & BEER OUTLET #3**
156.5%
- #3 WINE LIQUOR BEER**
138.3%



Tom, the manager at Hebron Corner Mart in Hebron, received a reward for lowering the Gemini out of stocks below 5%.



Brenda Brumley, a cashier at Clark's Pump n' Shop #84 in Georgetown is known by her customers as "The Lottery Lady". She always asks her customers if they have their Powerball or Mega Millions tickets, suggests various scratch-off tickets and always wears her KY Lottery buttons.



Aaron Hunt, Customer Service Manager at Kroger in Georgetown won a sales contest between LSR Ann Damron's top 5 retailers. How did they do it? They decreased their out-of-stocks from 30-40% to 3-4%!



Ali and Afzal, owner of the BP Winchester in Winchester, are excited to place these winner awareness pieces so players can see them.



Samantha, store manager of 96 Truck Stop in Winchester, likes having winner POS so players can see they sell winning tickets.



Goldie Singh sold a 100x The Cash ticket worth \$1,000,000 at Versailles Marathon in Versailles!



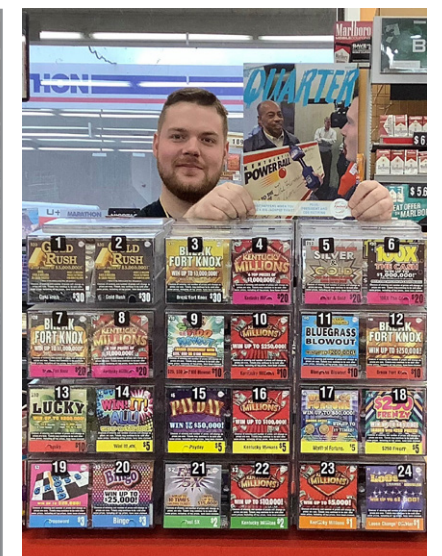
Kevin Burris, manager of Blue Pantry #3 in Richwood, shows off his swag bag reward for getting Gemini out of stocks below 5%.



Pictured is Kasey Dykes, of Pilot #664 in Walton, shows off her reward for getting the store Gemini below 5% for out of stocks.



Jennifer, manager at Speedway in Wilder, said sales of Scratch-offs had been slowly dropping for a year. They had 24 dispensers on the counter. She decided to increase her dispenser count to 40 for a larger variety of games for her customers. Sales have risen over 20% for the last few months.



Route 17 Express & Uhaul in Covington has started following best practices and has really seen the importance and impact it has on sales. They are up 30% on Scratch-offs and growing. Bradford Volkert shows off the last issue of The Quarter.



Deters and Daughters Liquor in Fort Wright is one of the top selling stores in the Bluegrass Region and the state. Owner Rose Merritt continues to find new and exciting ways to give back to her loyal customers. New LSR for the retailer, Richard Lavender, says Rose has been very resourceful and supportive throughout his training and development.

EASTERN SPOTLIGHT

The retailers in the Eastern Region are a unique and resilient group. We began February with flooding in the south, while March & April brought wind damage and a plague! The challenges posed by the Covid-19 pandemic have forced folks to find creative ways to continue to operate their business establishments. While bars and restaurants have been forced to shut down, many groceries and c-stores in our area have seen an increase in sales - and this increase has happened while trying to maintain social distancing. Some have begun home delivery services, delivering hot meals or grocery items to customers that could not travel to their stores. Drive-thru windows at retail have been a big benefit to stores that have them, and many stores that did not have them added a drive-thru window to increase sales. On behalf of the entire Eastern Region, I would like to thank all our retailers for their courage and perseverance during these challenging times.



Sonny at Loyall Food Mart in Loyall is seeing a bump in sales after increasing his dispensers from 24 to 42.



Deanna is all smiles at Fast Lane Tobacco #311 in Prestonsburg. The retailer increased from 20 to 30 dispensers, improving sales by about 15%.



Peter at Shiv Petroleum in Harlan allowed his LSR to place 44 dispensers on the counter after a change of ownership.



Tasha, Destiny and Kelli of McDowell Stop and Shop in McDowell were excited to win the territory's Early Bird Activation contest!



Chelsey of Couche's Shell in Hyden shows off the prize for winning the Early Bird Activation contest. She understands the importance of activating new games early and having them available for eager players.



A warm welcome to Bear Ridge as a new retailer in Evarts! Sage is pictured.

TOP 3 RETAILERS IN THE EASTERN REGION, SCRATCH SALES PERCENTAGE INCREASE Q3 FY20 VS. Q3 FY19:

- #1 EVEREST GROCERY**
152.5%
- #2 MURPHY USA #5699**
121.8%
- #3 ZIP ZONE #4**
114.1%



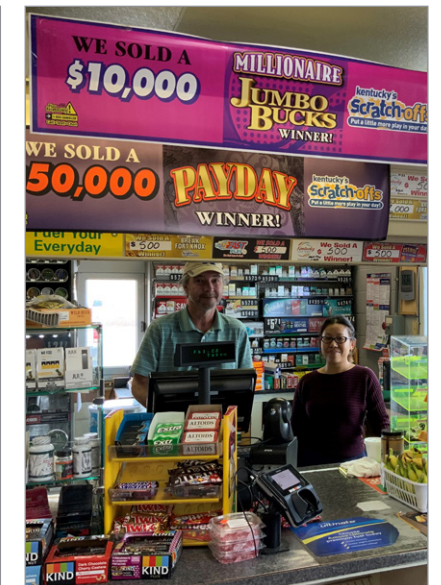
Mona Vice owner of Vice's Corner Market in Carlisle likes to show off big winning tickets with banners in her store.



Jay Patel, assistant manager, at Mayslick Valero in Mayslick added 18 dispensers and placed winner awareness resulting in 35% Scratch-off sales growth.



Linda, clerk from Pond Creek Grocery in McAndrews, proudly displays their \$143,161 Fast Play winner banner.



Cashier James and owner Salina Dwayne at SK Mart in Jeffersonville stand with their big winner POS.



Mega Mart Manager Ereit hopes players see that his Corbin store recently sold a Scratch-off worth \$10,000.



Clerk Kamia Patel at Friendly Mart in Woodbine shows off her store's big winning ticket banner.



Manager Misty Rednour of Tobacco Shop in Monticello is happy to let customers know of the store's big Powerball winner.

CENTRAL SPOTLIGHT

Welcome from the brand-new Central region! This area has been created to better serve our retailers in the central part of the state. We cover 28 counties from the state line to the south, I-165 to the west, Somerset to the east and Anderson and Meade counties to the north. Just like everyone across the Commonwealth, our retailers have had to shift the way they do business during this pandemic daily. Some are doing curbside-only, some have added plexiglass shields, while others have installed drive-thru windows and are doing drive-thru business only. We also have retailers that are going above and beyond, pumping gas for older customers and even delivering needed items to their homes so they do not have to go out. We appreciate what you do each and every day to ensure your customer's needs are met. If we can do anything at all for you just give your rep a call. Stay safe and healthy!



Sam at Sai Krupa in Brandenburg receives his quarterly incentive check from the lottery. Sam does an excellent job at keeping his out of stocks below 3% to best utilize sales opportunities.

TOP 3 RETAILERS IN THE CENTRAL REGION, SCRATCH SALES PERCENTAGE INCREASE Q3 FY20 VS. Q3 FY19:

#1 QUICK SHOP
220.5%

#2 SHREE JI FOODMART
121.4%

#3 RK FOOD MART
98.1%



Lotto Land in Franklin did a little out of the box thinking when it came to meeting the players' needs. The owner installed a drive-thru window and menu board so players could still purchase lottery tickets.



Diptesh Patel of the E-town Food Mart in Elizabethtown won the early bird promotion by activating his new tickets before 8 a.m. on launch day.



Mike, Terri and Zack Cooley of the Danville Bowlrama in Danville celebrate selling a \$8,200 Keno ticket from their new Game Touch Draw machine.



Gretchen and Donna from Center Court Food Mart in Leitchfield are always one of the first retailers to activate the new games on Game Launch Friday! Their dedication to lottery and placing the new games early for players has paid off with increasing sales and an extra thank you gift from their LSR.

WESTERN SPOTLIGHT

The Western Region is very excited to be in the field servicing our retailers and customers. This has been a different time for all of us to say the least. We have had retailers making a lot of adjustments to their overall business plans just to accommodate the “new norm”. We had several retailers close, change hours, go to drive-thru only, curbside. Many of us have had to overcome obstacles due to COVID-19.

Our retail partners have done a great job to adjust to our customers’ needs during this time. The Western Region would like to thank all our retail partners for seeing us through this time in our life. Remember - you are the ones that are a tremendous asset to this state, and it is all of you that are responsible for sending kids to college. It is that reason I just want to take this time to say THANK YOU for all you do. You supply the dollars to scholars, and you are definitely fueling imagination and funding education. For that reason, we want to say thanks and we cannot wait to see each of you at your locations.



Stephanie from Newt's Tobacco, in Henderson, received a goody bag for winning the early bird activation promotion. Players always look forward to the new games coming out.

TOP 3 RETAILERS IN THE WESTERN REGION, SCRATCH SALES PERCENTAGE INCREASE Q3 FY20 VS. Q3 FY19:

- #1 MAX FUEL EXPRESS #140
131.4%
- #2 PRINCETON FOOD MART 1
118.6%
- #3 SHELL GAS STATION
112.1%



Country Cupboard owner Mike Patel stands proudly in front of his counter display. Another 20 dispensers were added to keep up with the demand of the Owensboro store's customers.



Quality Quick Food Mart store manager Ankush Kumar stands in front of his well-stocked and on plan-o-gram Gemini. This Owensboro retailer's lottery sales have increased in a year over 21% by implementing best practices.



AJ receives a quarterly incentive check for Eagles VIII in Corydon. This location has increased instant sales 40% by keeping dispensers full, activating new games early and following best practices.



Kelly and Tonya at Kroger in Powderly know that activating games on game launch day increases sales.



Erica and manager Lisa of Thorntons #79 in Henderson realize the importance of getting the new Scratch-off games on display early because players will always be looking for them. This store won the Early Bird activation promotion for getting the new games activated early.



Skyline Fuel owner Danny Patel and Shannon Knight LSR stand with the store's new Game Touch Draw machine. The Hopkinsville retailer hopes this new vending machine continues to drive sales and keeps them as one of the top retailers in the state. They always focus on draw games, plan-o-grams and to never have out-of-stocks for their continued success.



Casey's in Dawson Springs won a goody basket by activating new game early on the first morning. Pictured are Michael, Carolina, Drew and store manager Marybeth with Lottery Sales Rep Chris Fairchild.

COMPLIANCE INSPECTIONS BY PHONE

By Greg Baird, Director, Security Operations

Daily life has obviously changed for all of us as we live through this COVID-19 pandemic. These changes certainly apply to the Kentucky Lottery Corporation security division as well. Our investigators are adapting to our changing environment by conducting retailer contacts by phone. The investigators will be reaching out by phone to retailers in their assigned areas, Monday through Friday, 8am-5pm, offering ongoing investigative services and assistance with security matters related to KLC products. The investigators will also be conducting compliance inspections during these calls, all of which will only take a few minutes. Our investigators are:

Kevin Nally

Bluegrass & Eastern Regions
(859) 327-7576

Tony Hammond

Jefferson Region & Boone, Kenton
and Campbell Co.
(502) 560-1801

Jeff Suratt

Central & Western Regions
(270) 299-6537

KLC Security Administrative Support

Diannah Oehmann
(502) 560-1809

As always, let us know if you have any security-related needs or concerns. Thanks for all you do, and stay well.



AMY'S CLOSING THOUGHTS

No matter what life has thrown at you in the past months, your resilience and dedication to your customers has never wavered.

We've all seen a sweeping change in the retail environment including, but certainly not limited to, social distancing, masks, gloves, hours of operation, staffing shortages just to name a few. However, through it all you have continued to look for safer and better ways to serve our players and your customers.

In the first couple of weeks, some of you created a drive-thru and began offering curbside service. While this unprecedented time in our history has continued to evolve, so have you. The KLC field staff has done the same. The ten weeks our field staff worked from home they made over 30,000 retailer relations calls and created 32,000 notes based on every conversation they had with each of you, our retail partners. All these efforts resulted in \$971,000 in retailer incentive monies for our partners.

The field staff listened to your needs and communicated tirelessly to make sure the KLC could meet them. We adapted our billing terms, our world-class marketing department created countless fliers to keep you updated on any changes the market has thrown our way and our vendor partner Sci Games has continued to make sure that inventory meets demand.

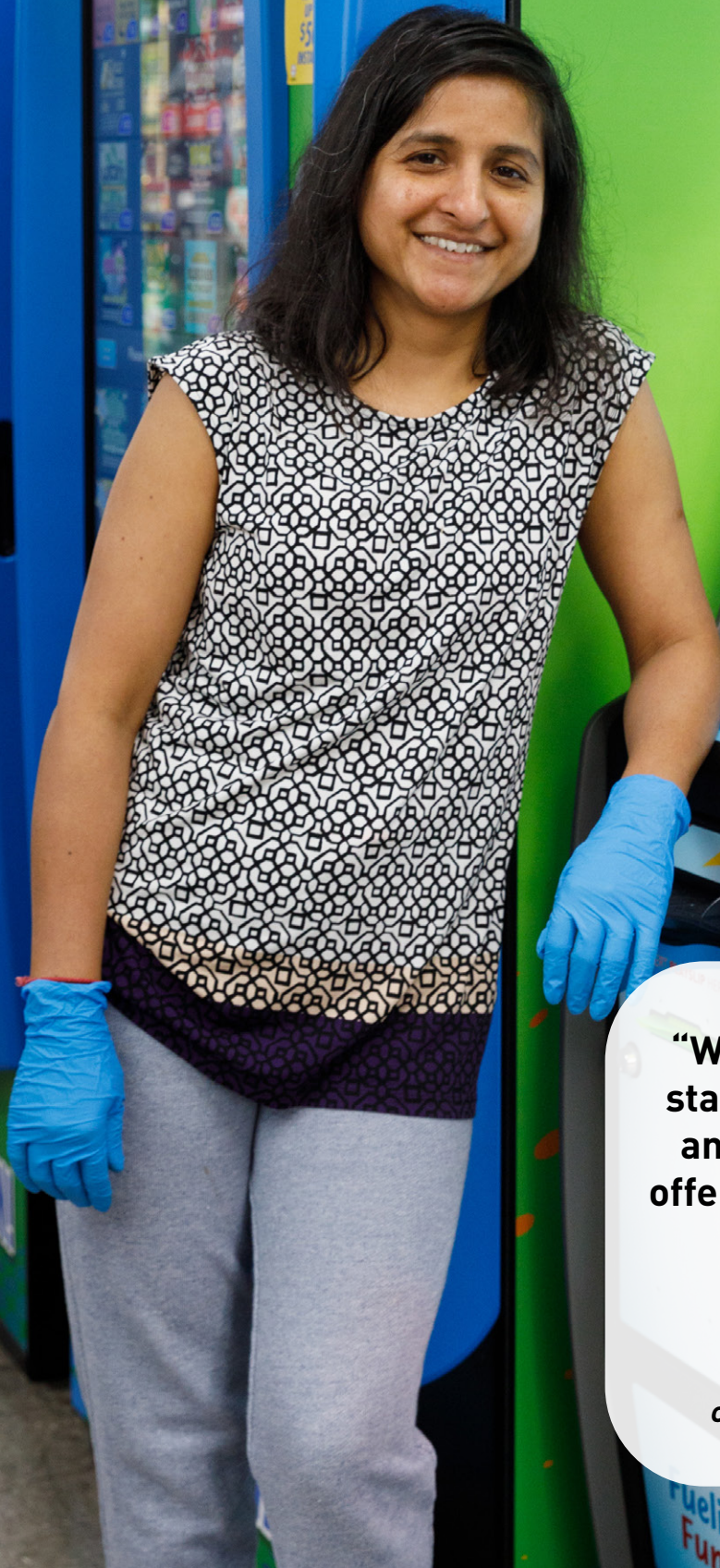
Here's what we know - we will have to continue to stay flexible and adapt to our new situation. What we don't know is how our daily business will be impacted, but we will continue to work together to figure it out and meet your needs.

The students of the Commonwealth continue to benefit from your hard work and commitment. In the coming months we will look forward to brighter days and exciting new products that will continue "Fueling Imagination. Funding Education."

Amy Drooker
Kentucky Lottery Vice President of Sales



HOW'D THEY DO IT?



“We try to make sure we are staffed so no one has to wait, and we ask for the sale and offer Scratch-off suggestions.”

**- Sheila Patel, owner
Skyline Fuel, Hopkinsville**

**Sales up 25% in last quarter,
currently #2 retailer in the state**