



A LOOK BACK

MARY HARVILLE REFLECTS ON HER FIRST YEAR AS PRESIDENT AND CEO

As I'm writing this, it's the one-year mark since Governor Andy Beshear and our board of directors appointed me as the president and CEO of the Kentucky Lottery.

It was a tremendously winning year all around. But at first, I didn't see how that could possibly be the case.

I took over during the middle of a global pandemic, when many of you were shut down or had very limited occupancy. But through unimaginable circumstances we all came together and found a way to succeed. Sales in FY21 far surpassed anything before we'd ever been able to achieve previously.

I've definitely learned some interesting things about our business and yours along the way. Here are the high points.





TECHNOLOGY AND PEOPLE ARE KEY

Key to our success has been our focus on technological advances in the field. We've invested heavily in improvements designed specifically to help you sell tickets.

The predictive ordering system we introduced in 2018 with Scientific Games has been instrumental. It tells us where tickets need to be and when they're needed. That's been tremendously helpful to us during the pandemic because the system is aware of the ticket stock at any particular retailer and can make sure tickets are shipped before they run out. In addition, our reps are equipped with iPads and the Sales Wizard sales force automation tool that allow reps to keep close watch on both inventory and POS.

We concluded a huge vending machine initiative this year, adding 575 of the GT 28 Touch machines to go along with the 470 devices already in retailers across the Commonwealth. This was in addition to the 950 existing push button machines capable of selling Scratch-offs and all of our draw games. HD Keno monitors and wireless jackpot signs were also deployed, and cashless transaction functionality was installed on over1400 Touch vending machines.

Even in light of this technology investment, what I witnessed in the past year is that – at the end of the day – it still comes down to people. People like you. I've seen first-hand in the field the communication between you and our field staff which really ensures we're doing all we can to help you be successful. I hear our sales reps say, "What can I do for you? What do you need from us?" And a discussion of any needs or problems and solutions would follow. This demonstrates a true partnership, helping ensure success for ALL of us.





We launched internet sales of lottery games in Kentucky back in 2016. Every year since then we've seen a clear trend, but never more so than in the last year - without question, our internet sales channel and our retail sales channel, working together, can BOTH be successful. All boats rise with the tide!

When we first launched this channel, many of you were understandably concerned about how this would affect your sales. As only the third state to offer games online (after Michigan and Georgia), we didn't have a lot of data to provide as to the potential impact.

Eddie White, one of our top retailers in the state for more than three decades who recently retired (see page 8), was initially highly skeptical of online sales. He and I reflected on this when I visited him a few days before his store closed, and he said something that was really impactful to me. Eddie shrugged his shoulders and said, "I guess you just had to show me!" Eddie had seen first-hand how his sales continued to rise even while our internet channel did well too. With cross-promotions and other initiatives designed to connect the two channels, I see both channels continuing to grow, together, in the future.

SCHOLARSHIPS AND GRANTS IS A MISSION WE ALL SHARE

Retailers are the primary way of selling Kentucky Lottery tickets, by far. And when you find out how many scholarships and grants you have made possible, I have seen many of you get really excited about that! When both of us have a recordbreaking year, the real winners are Kentucky's students.

For FY21, we turned over \$354.8 million to the Commonwealth for the scholarship and grant programs we fund, including every dime for the KEES scholarship program. That's a direct result of YOUR work.



We compete with other forms of entertainment and gaming, including so-called skill machines that are entering our state. But the fact that the proceeds you help us raise through Lottery sales to fund scholarships and grants sets us FAR apart from the competition. It's a good cause that retailers, players, and everyone can support.

We appreciate your commitment to this mission. Be proud of what you've accomplished in truly helping us "fuel imagination and fund education"!

So here's a big thank you for your support during my first year. It's been a momentous one, and I'm confident fiscal year 2022 can be even greater as we have more fantastic games, enhancements, promotions and other initiatives teed up and ready to go (some of which you'll read about in this edition of The Quarter).

I firmly believe we're set very well for the future. Past performance is the best predictor of future success, and when looking at our past year you just have to feel good about this next one!

My B. Hance

Mary Harville Kentucky Lottery President and CEO









BELLS-WILL BERINGING

LOTTERY READIES FOR 2021 HOLIDAY SEASON

By Mandy Wolf Detwiler, Contributing Writer

The 2021 Kentucky Lottery holiday campaign will kick off at the end of October, and it's going to be better than ever, say Lottery officials. With new games, a return of a popular commercial and top prizes available, it's going to be a great season of sales. The Quarter talked to Edie Frakes, vice president of marketing and Rhonda Zimmerman, director of scratch games, to learn what's new for the upcoming holiday season.

"We're blowing it out in a big way with tickets," says Director of Scratch Games Rhonda Zimmerman. The past several years, the Lottery has done a family of games, but this year's Scratch-offs will feature a multitude of designs with individual holiday games.

"Instead of launching four holiday and winter games we're going to have seven this year," she said, including a \$1, a \$2, \$3, two \$5, and a \$10 and a \$20 ticket. The introduction of a game called Money that looks like a \$100 bill will be a "great stocking stuffer as well," Zimmerman added.

Zimmerman says this is the first time a \$3 Peppermint Payout ticket will launch for the winter season and "I think that will be a great success for that price point in particular," she says. "They're a little bit of a niche group, small but extremely loyal."

"Another thing we're really excited to get out there is one of the \$5 games. It's called Full of \$500's Holiday Edition and the top prize is \$500. We think this will be a huge success in our market based on some previous games that we've launched with the same idea and concept behind it. It's loaded with \$500 winners," says Zimmerman.

The \$2 ticket has a different format with the gameplay around the perimeter of the ticket itself and "we think that's going to be something different and new and appealing for our players," Zimmerman says. That game will also be used for a retailer store decoration contest to increase player awareness of the holiday offerings.

Holiday envelopes will be available at the retail level, as will downloadable scratch wraps that customers can print out and use as gift-wrapping for tickets. The ticket designs also have "To" and "From" on them, so they can actually be used as gift-tags, a clever way to increase sales.

"Because there's more variety, we just think we're going to give the players more choice and excitement," says Vice President of Marketing Edie Frakes. "We have more price points than ever launching in October, so we think it'll sustain us all the way through" the holiday season.

Frakes says the "fun, clever and cute" remote-control sleigh commercial from 2020 will make its return this year. "It was one of our most well-liked and well-received commercials, and so it had great likability and recall scores," she says. "Because it was so well liked, we're going to give it a spin again this year and repurpose it and use the same creative (aspects) but feature the new tickets."

The \$10 ticket will be the highlight of the commercial, but "it's a more general look at how you can gift Scratch-offs ... the holidays are a nostalgic time and since (the commercial) was so well-liked around the holidays last year and there are so many recurring themes around the holidays ... people are just looking for that familiarity." Frakes adds.

The RC sleigh commercial is "kind of a wink-nod to social distancing in that we use the sleigh to deliver tickets," Frakes says, "but it wasn't hey, in-your-face, we're in the middle of a pandemic. It was definitely more light-hearted than some of the things that we're seeing, and it was more humorous." The television marketing campaign will kick off Thanksgiving night.



For retailers to increase sales this holiday season, Zimmerman says to make sure ticket bins remain full. "If you keep the dispensers full, if you showcase all the tickets, the media traffic both in the digital realm and broadcasts are going to be driving folks to the store. So I think that will increase sales at all Lottery locations. If there's not any tickets in the bins, you're missing sales.," she says.

Zimmerman says don't overlook your counterspace this season with so many holiday items vying for competition. "Have a dispenser with all of our games at the point of purchase for those impulse buys and make sure that you have plenty of back-stock on hand because we think these are going to blow out the door."











"In over 20 years, I lived in 15 cities managing and consulting statewide campaigns. It's extremely taxing on a family lifestyle because you move and travel a lot," Hayden says. "You're always following the political calendar. I didn't stay stationary for any length of time."

Originally from Owensboro, he's now returned to his roots as a Lottery salesperson.

"When the wonderful opportunity came up to work for the Kentucky Lottery, I knew it segued nicely with my background" Hayden says. "The activities I do now with getting (point-of-sales) advertising out and training retailers about new issues are similar with what I did for campaigns. But the #1 reason I was excited to join KLC is its mission to generate funds for education."

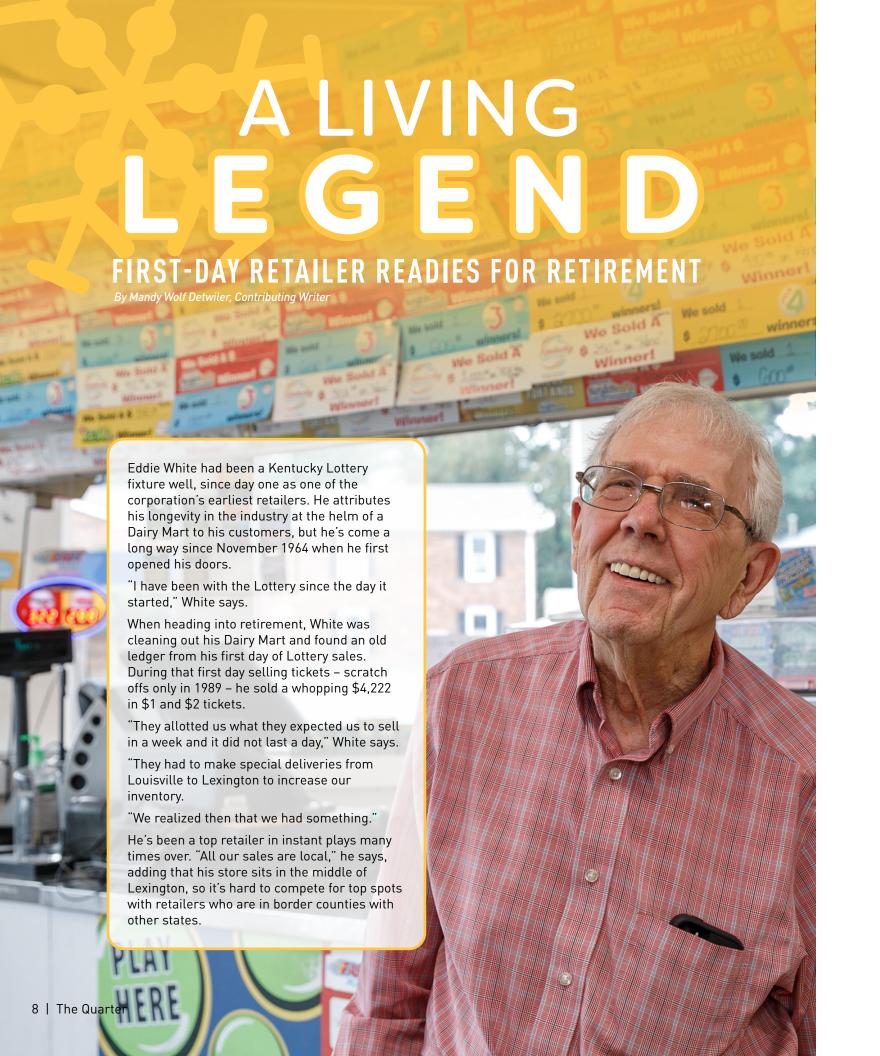
"Funding education isn't simply a sound bite to me but an actual career-long passion of mine," he said. "The candidates I worked with always made education their number #1 platform. So, working for the Kentucky Lottery is simply another extension of my passion. I work most days thinking it's a true blessing to be a part of what we do here."

Lisa Murphy, state sales director, says it takes a lot of hard work, dedication, and attention to detail to be the top salesperson of the year. "Lottery sales reps have a sales quota to reach each year and at times this can be a challenge to reach due to outside occurrences beyond their control," Murphy says. "Once you dive in and understand your business and 'why' you're there, then you're on the right track."

Being No. 1 has been a goal of Hayden's since day one, and he achieved Rookie of the Year his first year of employment. Murphy says: "He's the expert in his territory and his retailers trust him to grow their business."

"As a Kentucky Lottery salesperson, we have a great responsibility to protect our integrity while working with the public who doesn't understand the inner workings of a well-ran lottery," Hayden says. "They simply see what we do at face value, so educating the retailer with what extra value we add can be a challenge. Also, my territory has a large number of independents. And for many, English is their second language. This presents me with additional opportunities to understand their business and assist them in growing their sales. But it's an exciting challenge, and one I get great pleasure from doing."

For Kentucky Lottery sales people just starting out, Hayden suggests learning the "belts and suspenders of the back end of your business," he says. "Make sure you understand the processes to confirm and double-check that we're operating under the Kentucky Lottery's gold standards. The Kentucky Lottery operates at a way higher standard than the average business and relies on its sales team to implement its loftier expectations."



He actually sold then-Governor Wallace Wilkerson the first Lotto Kentucky ticket in the state.

"It was fun," White recalls. "He came in in his helicopter and landed a block or two away. I think it was about 7 o'clock in the morning. It was quite a spectacle."

His location was picked for the honor "because I had worked very hard to generate sales," White adds. "Back then, they started out with the draw games at a limited number of stores. The stores that were getting the online terminals were determined by their instant (sales), so I was determined that I was going to be one of the top ones of the instant sellers."

"I made a deal with my employees," White said. "The first time they hit \$10,000 (in sales) at the time, I'd give them a bonus. When they did \$10,000 a week for four consecutive weeks, I'd give them all a raise. So that was an incentive. We sold a lot of tickets, and we got the (online) terminal."

He's seen a lot of changes in his time but says the increase in the number of games is probably the biggest, including the addition and popularity of online games.

"Every ticket was a winner... We had to get special orders because we sold so much.

"The thing that amazes are the amount of \$10, \$20 and \$30 tickets we sell," White says, since tickets started at \$1 and \$2 in his earliest days with the Lottery. "When the first \$20 ticket came out, they were skeptical that it would be a success, so every \$20 ticket had a \$5 winner on it."

\$10, \$20 and \$30 games are his highest sellers, and "we try to maximize them as much as we can," White adds.

He said it didn't take him long to figure out that Lottery sales are a profitable venture for retailers. "Some people think it's not profitable because it's only five percent of sales," he says. "It's a volume business. You gotta sell a lot but the beautiful part is (that) I have no investment. I sell a ticket and I turn the money over to the Lottery. If I sell cigarettes or anything else in the grocery store, I pay for it and then sell it. With the Lottery, I sell it and then pay for it, so I have no financial investment. It didn't take me long to figure that out."

When asked if he has a piece of advice to give to retailers, he says working hard has been his goal for the past 56 years. "I've enjoyed every minute of it," White says. "You need to enjoy it. I'm competitive, if I'm going to do something, I'm going to do it as well as I can."

White encourages other retailers to make sure their machines are fully stocked at all times "and treat your customers right," he says. "Sometimes it can get hectic, but the thing is, just enjoy it."







SCRATCH-OFFS UPDATE

By Rhonda Zimmerman, Director, Scratch Games

OUEEN OF HEARTS

is the next \$5 doublesided ticket featuring a top prize of \$60,000. This game offers a \$10 entry prize and is loaded with mid-tier winners including a \$40 or \$80 winner per pack! And with the new pack size of 100 tickets, the low-tier winners have increased as well with this game having \$230 in low-tier prizes per pack.

DECEMBER 2ND - THE FINAL **GAME LAUNCH OF 2021!** As we move into the last launch of calendar year 2021, we have a casinothemed launch featuring five new

games, four of which are \$5+ games

to really target your "indulge" players.

HOT 7'S. features the always lucky number "7" and offers a simple key symbol find play style and 36 chances to win on every ticket and a \$77 winner in every pack in addition to the \$77,777 top prize!

MEGA SUPER

Moving up the price scale to \$10. we have PAYOUT PARTY.

featuring various multipliers and \$100, \$200, and \$500 Instant Win Bonus Games. It's loaded with winners including \$250 in low-tier prizes and a \$60 winner in every pack and a top prize of \$225,000!

And for the high risk/ high reward players, **HIGH ROLLER** will be their go-to game featuring a \$1,000,000 top prize and is loaded with mid-tier winners including a \$30 and \$50 winner as well as a \$100, \$150 or \$200 winner in every pack!

"X" MARKS THE SPOT STARTING JANUARY 6TH!



excitement at whatever level they choose to play.

TERMINAL GAMES UPDATE

Erica Williams, Director. Terminal Generated Games

It's hard to believe we're nearly halfway through this fiscal year! While it has already been a busy year for terminal generated games, there's still much more to come in the second half of FY22!

UPDATE ON TERMINAL GAME ENHANCEMENTS

Lucky for Life moved from drawings twice a week on Mondays and Thursdays to daily drawings on July 18th. Since moving to daily drawings, Lucky for Life sales are up 69% through mid-October over the 13 weeks prior to launch.



KENTUCKY









Powerball added a new Monday drawing on August 22nd. Since the launch of the new Monday drawing, Powerball sales are up 81.5% through mid-October over the 8 weeks prior to launch. Coupled with a rolling jackpot that reached \$685 million before getting hit in early October, it has been an exciting fall for players!

NEW KENO DRAW ANIMATION

The Keno draw animation that displays on monitors and the Game Touch Draw Vending Machines is getting a makeover this month! The current draw animation has played at retail every 4 minutes for over five years, so to bring a refreshed look to the animation and attract more attention to the screens, we are updating it with a new color scheme.

The complete four-minute monitor "show" includes the Keno drawing and winning numbers display, the Cash Pop drawing and winning number display, and promotional slides between the drawings. The new Keno draw animation will not have any impact on the timing of the Keno draw animation or winning numbers display; however, there will be updated promotional slides when the new Keno animation launches. This will be more focused on Fast Play to drive awareness of the category, and promote the instant win cash prizes and the rolling jackpot.

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11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30
31	32	33	34	35	36	36	38	39	40
41	42	43	44	45	46	47	48	49	50
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	WIN	NING	KENO	UMBE	RS
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	46	47	52	60	62
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NEW FAST PLAY GAMES

10% of Jackpot

7 TPLAY

URRENT ESTIMATED JACKPOT \$140,000

11

21

On Monday, December 13th, a new family will join the Fast Play category of instant win terminal games! The FAST family features the following games at the following price points, with each game eligible to win a percentage of the rolling jackpot:

50% of Jackpot

TUPLAY



Match any of YOUR NUMBERS to the WINNING NUMBER, win prize shown for that GAME. Each GAME is played separately.					
GAME	YOUR NUMBERS	WINNING NUMBER	PRIZE		
1	9 3 17 30	20	\$100		
2	19 1 13 2	4	\$100		
3	29 19 37 23	22	\$500		
4	37 38 2 39	31	\$250		
5	29 23 27 22	19	\$100		
6	20 32 6 12	6	\$50		
7	34 7 21 22	24	\$100		
8	25 15 34 4	30	JACKPOT		
9	16 29 12 31	15	\$500		
10	14 11 15 37	7	\$100		

TO PLAY # FAST HOW TO PLAY 20 30 17 9 38 29 23 27 22 19 29 9 21 10 12 4 31 7 2 11 14 27 17 25 10 7 29 23 27 22 19

100% of Jackpot

With this launch comes the retirement of the Bluegrass Jackpot family, which launched in October 2020. All four price points (\$1, \$2, \$5, and \$10) will be retired.

Blazing Bingo, a \$3 game that launched in May 2021, will also be retired.

20% of Jackpot

HOW TO PLAY

20 32 6 12

3 4 3 29 31

6 9 33 17 12

12 1 24 14

19

2 30

36

10

6

JACKPOT

There will be two additional Fast Play game launches in the second half of FY22. The March launch brings with it an exciting new \$20 price point, as well as a new software platform that will provide more appealing ticket graphics to enhance the player experience. In May, we will launch a new \$3 game, Wildtime.

GAME RETIREMENT NOTICE

After a successful 10-year run, Kentucky's 5 Card Cash draw game will be retiring in March 2022. But never fear! We are launching a 5 Card Cash Fast Play game that same month to appeal to players who prefer this play style. Plus, by retiring 5 Card Cash, we are making way for an exciting new game we are planning to launch in FY23.

Stay tuned for more details!



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HOLIDAY DISPLAY CONTEST READY TO LAUNCH AGAIN!



Decorate your store and win! This is something we've all come to enjoy for the last few years, and we're always blown away by your creativity! Here's how things will work – you can start decorating at any time, but you must use voided Polar Payout Scratch-off tickets and/or any other lottery materials to create a festive holiday display. See your lottery sales rep for these materials – they'll be more than happy to help!

Once you're finished, take a photo of your display and submit it to us at **kylottery.com/holidaycontest** by December 10th. Then we'll open up all submissions for voting between December 14th-17th. Be sure and tell your customers to check out your entry and vote for your store! The photo with the most votes wins \$250, and the top voted display from each region will also win \$50!

Check with your sales rep for materials and any additional details. Happy decorating!











FUELING IMAGINATION, FUNDING EDUCATION:

HOW YOUR WORK SENDS PEOPLE TO COLLEGE

By Sara Westerman, Communications Specialist

Sometimes you don't have to look too far to find someone impacted by the scholarship and grant programs funded by Kentucky Lottery proceeds. This was the case with one of the Kentucky Lottery's newest employees, Monica Bischoff. She's a marketing specialist with a focus on Scratch-off promotions in our Marketing Department.

Monica graduated from Manual High School in Louisville in 2010. "I came from a single mother household where my mom worked between 2-4 jobs at any given time to make ends meet. It was my responsibility to pay for my college education," she said.

Monica attended Jefferson Community and Technical College for 2 ½ years to get her general education courses completed. She then transferred to Bellarmine University in Louisville to complete her bachelor's degree in Communications.

She received KEES funding, and well as scholarship support from both of the need-based programs funded by the Kentucky Lottery – the College Access Program and Kentucky Tuition Grant program. "Because of the money I was awarded from the Lottery-funded grants and scholarship, I was able to finish my degree at a private university for only \$10,000," said Monica.

While at Bellarmine, Monica worked full-time, went to school full time, worked at the college newspaper and radio station, participated in honor societies, was on the Dean's List each semester and graduated Magna Cum Laude with a 3.8 GPA in 2015.

"I'm so grateful for the scholarship as I would have not been able to go to Bellarmine, for that matter, or likely finish my dreams of being the first college graduate in my family," she added.

"It's come full circle working at the Kentucky Lottery and I'm excited to work for a company that gives back to students like me," said Monica.



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HAND-PICKED FOR THE HOLIDAYS THE SCIENCE BEHIND OUR HOLIDAY TICKETS

By Greg Wood, Research and Analytics Manager

While it's well known that Scratch-off tickets make great last-minute stocking-stuffers and holiday gifts, the process to determine which ticket or family of tickets to offer during this magical time of year begins well before the lights are hung or the tree is trimmed.

In early May of this year, the Kentucky Lottery conducted multiple focus groups to review different individual Holiday game tickets in each price point and rank them according to player preference.

In addition to these focus groups, a 421-person panel study was conducted to objectively identify player preferences and provide feedback about the holiday concepts, and a KY Lottery Fun Club survey was sent out to over 1000 members asking the same questions. Participants were shown five or six potential holiday ticket designs at each price point and asked to provide feedback on which was their favorite and why.

While many factors go into the final determination of lottery offerings, here's just a small sample of the focus group feedback that helped us provide keen insight on our holiday products for 2021:

1. Out of five \$1 tickets tested, "Gnome for the Holidays" was by far the most popular among the Lottery Fun Club. This ticket had the highest topprize amount call-out for this price point and was preferred by both Male/Female respondents as well as Past Month and Past Year (less frequent) Scratch-off players.



2. "Branded" Holiday images appealed more to Panel respondents (6 month/ yearly) than to Fun Club respondents (monthly/weekly), and familiar holiday characters helped "Polar Payout" stand out among the five \$2 tickets tested.





3. Out of six \$5 price point tickets, "Frosty Cash" ranked as one of the top two responses. Like the \$1 price point, this ticket had the highest top-prize amount call-out for the \$5 price point. "Full of \$500's" was the top choice among male respondents in the Fun Club, while "Frosty Cash" did very well among light players.



4. Prior survey respondents indicated that simple, clear, and festive designs that speak directly to the holidays are better received by all groups than generic holiday/ seasonal designs. This was apparent with preferences among the six \$10 price point tickets, as "Tree-Mendous Winnings" performed very well with the panel group -especially men. It performed well with both monthly and yearly players.

When giving Scratch-off tickets as gifts, respondents have previously indicated they are more concerned with how tickets look visually because they are viewed as a direct reflection on the giver. They care less how they look however, when they receive them as gift from someone else.

Each year all these factors and more go into the determination of holiday scratch-off offerings from the Kentucky Lottery. Thank you in advance for continuing to look for ways to make KY Lottery products prominent, visible & distinctive in your displays this holiday season!

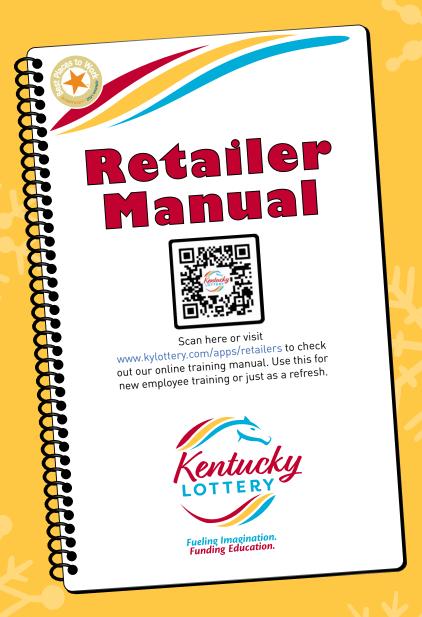
TIPS FROM THE TRAINERS

By Sales Operations Staff

DID YOU KNOW – taping ticket packs together saves you twice the amount of time with filling your bins and controls out of stocks? Taping during the holidays is a great way for retailers to boost extra sales dollars. This saves the retailer time and money by having these tickets readily available for your customers. We recommend taping the top 5 selling games to start. Click on the QR code (right) to see a video on how to tape books!

Also, be on the lookout for holiday ticket coupons coming your way in October. They're easy to redeem – just check the Coupon Quick Reference Guide on our website. To access this and all the other great information available online in our retailer training manual, just scan the QR code below!







The Kentucky Lottery, one of the first U.S. lotteries to ever participate in the Gift Responsibly campaign more than a decade ago, is once again joining with more than 80 other lotteries and community organizations from across the US, Canada and around the world in the effort.

The campaign is organized by the National Council on Problem Gambling (NCPG) and the International Center for Youth Gambling Problems and High-Risk Behaviors at McGill University. It is endorsed by the World Lottery Association (WLA) and the North American Association of State and Provincial Lotteries (NASPL).



The message is a simple one - lottery tickets are appropriate gifts only for adults. Kentucky's campaign involves encouraging age-appropriate play through social media, ESMM messaging and media opportunities. The campaign will run throughout December.

"We are very appreciative of Kentucky Lottery's efforts to educate adults and retailers about the potential consequences associated with underage lottery play," said NCPG Executive Director Keith Whyte. "The evidence clearly shows that exposure to gambling as a youth increases the probability of gambling problems later in life. Regardless of what time of year it is, adults should find gift options for children other than lottery tickets."

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WINNERS WINNERS EVERYWHERE!

By Jennifer Cunningham, Communications Specialisi



Tammy Griffith of Mt. Washington said she was overwhelmed after discovering she had won \$225,000 on a Kentucky Lottery scratch-off. She purchased a \$30 Million Payout Spectacular ticket at Speedy Mart #2 on Bardstown Road in Mt. Washington, driving away with the game's top prize.

Griffith was in her car scratching off the \$10 ticket when she realized she had matched all 15 spots to the winning numbers on the ticket. "I'm thinking I probably won \$5 for each spot, when instead I scratched off \$15,000," she said.

"Oh my gosh, I just won \$225,000! I started freaking out," Griffith said.

"It still didn't feel real," she told lottery officials. That was until she claimed the ticket at lottery headquarters, receiving a check for \$159,750, after taxes.

"It was a little overwhelming but I'm handling it okay," she said.



Jeannette Corum of Crestwood considers herself lucky after scratching off a Fastest Road to \$3 Million ticket winning \$100,000.

Corum was shopping at the Walmart in Crestwood when she bought the \$30 ticket out of the vending machine. "I didn't even bother scratching it off. I scanned the barcode when I got the message, 'See KY Corp.' I went up to a worker and told them I thought their machine was broken." Corum said.

She then scratched the ticket off to try to determine what the message might have meant when she saw she matched the number one in the third spot on the first row. The prize amount located below - \$100.000.

"I'm so happy. Nothing bothers me right now. It's a lie money doesn't make you happy," Corum said jokingly.





A Cynthiana man, who wished to remain anonymous, was feeling magnificent after winning \$1,000,000 on a \$20 Kentucky Lottery Scratch-off ticket, Max-A-Million.

"I won \$20 on a Max-A-Million ticket so I bought another one from the vending machine. I scanned it without scratching it off, and it said, 'Claim at Lottery', so I knew it had to be something. Then I scanned it at the self-ticket checker, and I saw \$1,000,000. I went out to my car immediately and I was in tears," he said. "It feels magnificent to win!"

On his ticket he revealed the MAX symbol on the first row indicating he had won the game's million-dollar prize.

HARTFORD MAN POWERS UP WITH POWERBALL WIN

A Hartford, KY man who wishes to remain anonymous is glad he chose to pay the extra \$1 for the Power Play feature on a recent Powerball ticket. This decision paid off in a big way, doubling his prize won on the July 17th drawing to \$100,000.

On the morning after the drawing, his wife called the Kentucky Lottery's winning numbers hotline to check his ticket. While listening to the numbers being called off, she said to her husband, "We got one number, got two numbers, three numbers, four numbers, and the Powerball and we have Power Play."

"Oh my, we've won quite a bit," he said.

"I think my wife called three times to make sure we had the numbers right. It's hard to believe," he said.

He made the drive to lottery headquarters in Louisville to cash in the winning ticket. After taxes, he received a check for \$71,000. He and his wife have started shopping for a new vehicle, something that they've needed for a while. "It's the first big money we've ever won. We're still stunned," the Ohio County man said.





SOMERSET MAN HITS BULLSEYE WITH BIG KENO WIN

A Somerset man who wishes to remain anonymous has hit the bullseye playing the Kentucky Lottery's Keno game, winning \$130,030.

On August 6th, he stopped at Slate Branch Super One Stop in Somerset to purchase his Keno ticket. Keno drawings are every four minutes. He didn't see the winning numbers as they were drawn so before leaving the store, he scanned his ticket to check to see if he had won.

"There it was," he said, as he saw \$130,030 pop up on the self-ticket checker.

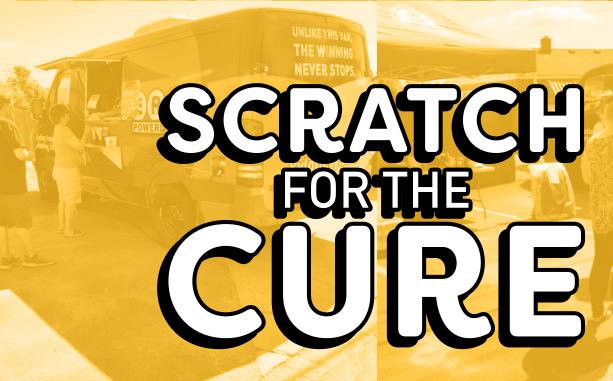
"I was excited. My adrenaline kicked in and I was shaking," he told lottery officials.

The Pulaski County man drove to lottery headquarters where he walked away with a check for \$92,321, after taxes.

He told lottery officials he planned to invest the winnings in his children's college education.

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The Daughters, from left to right - Jennifer, Rose, & Pauline Deters

For 13 years now, Northern Kentucky Retailer Deters & Daughters Liquor has hosted an annual fundraiser they call Scratch Out Cancer. It's held to raise money for cancer research in memory of Rose Merritt's husband, Mike. "My husband died in 2001 of esophageal cancer. We started this event in memory of Mike and we continue it because of all the others affected by cancer," said Rose. Rose is one of the daughters of Deters & Daughters and is also part owner of the store.

The Kentucky Lottery mini-winnie was on-site for the fundraiser, and all of Deters proceeds from Lottery sales that day go to the charity. The Fort Wright store also has various raffles, as well as free food and drinks. The bourbon raffle is the biggest money maker for the event, Rose said.

In just four hours, they reached their highest amount ever raised - \$10,879! The money was donated to the University of Cincinnati Cancer Research, specifically for esophageal cancer research.

Rose is proud of the funds they've raised from the event. "Over the years, we have raised \$59,743 for cancer research and charities," said Rose.



JEFFERSON SPOTLIGHT

By Minna Sung, Louisville Regional Sales Manager

It's hard to believe we're almost at the halfway point for FY22. Time sure flies when we are having fun!

Be sure to keep in mind that high out of stock levels in our vending machines robs your store of missed lottery sales. The Jefferson Region is continuously working with our lottery partners to help combat this.

Here are some important things to consider:

- Ensure your store has enough inventory to keep up with the rate of sales.
- Check your vending inventory levels often through the Altura/ Front Terminal to ensure the machine is full.
- Load multiple packs and tape these packs to avoid games selling out.

We'll continue to work together to help drive out of stock levels down and to ensure that we are maximizing lottery Scratch-off sales at our vending machines. Let's continue to maximize sales to produce additional scholarship opportunities for all of our young Kentuckians. Thank you to all our Jefferson Region Lottery Partners!

Top 3 retailers in the **Jefferson Region, Scratch** sales percentage increase Q1 FY21 VS. Q1 FY20:

> #1 WALMART #2968 279%

#2 LIQUOR HOUSE 278%

#3 STOP & SAVE 198%



job on keeping his out-of-stock down with a 13-week average of 3.86%.



ship when it comes to out-of-stocks. With their dedication to keeping their machine full, they are one of the best retailers in the region at maintaining low out-of-stocks and they also enjoy the benefits of increased instant sales



Brittany, manager at Five Star #9140 in Shepherdsville, does an excellent job focusing on the Gemini. By staying on plan-o-gram, the 13-week average on out-of-stocks are trending down at 3.96% and overall sales are trending up at 16%.



Happy from JC Food Mart in Louisville always keeps the Geminis full, on plan-o-gram for his players and his out-of-stock percentage is 1.0%. His consistency for customers has boosted sales for the location and the retailer is one of top in the state.



they have seen an increase in their instant sales. Their out-ofstocks are always under 5% each month. They know that lower out-of-stocks equals higher sales!



Victor from Dixie Food Mart has an out-of-stock average of 0.2% because his biggest goal is to keep his dispensers full at all times. The Louisville retailer is the Jefferson Region's top retailer because of his efforts. Scratch-off sales are up 5% from last year and he's always looking for ways to improve. Victor is pictured with his LSR Tyler Dobbs.



Whitley at Kroger L-777 in Shelbyville has made a tremendous effort to bounce back from a struggling Q3 in out-of-stocks to one of Kroger's lowest in out-of-stocks. This includes a combination of taping packs of tickets together and being proactive when 24 | The Quarter



Chrissy is the store manager for Speedway #9639 Shelbyville. This retailer is one of the top performers in the state by keeping dispensers full, out-ofstocks low in the Gemini and taping packs of tickets.



Logan and Brandi from Kroger Fuel L-729 in Louisville are great lottery partners. This location is set to plan and always activates new games on the first day. Total sales are up 19% and Scratch-off sales are up 24%



Aux at Mini Mart in Louisville has been a committed retailer and has seen sales growth during the last year due to a low out-of-



Cierra and Donna manage one of the Kentucky Lottery's newest retailers - Cox's Smokers Outlet #36 in the heart of Nulu in The Quarter | 25

BLUEGRASS SPOTLIGHT

By Rusty Reid, Bluegrass Regional Sales Manager

Bridgette with Speedway #9692 in Florence has been

26 | The Quarter just 1.28%.

selling lottery for more than 20 years. She does a fabulous

job of keeping the Gemini full with an out-of-stock rate of

Season's Greetings Bluegrass retailers! Can you believe that the holiday season is quickly approaching? That means leaves changing, lower temperatures, and the rush of the holiday shopping season. The Kentucky Lottery is here to support your business this year with our new holiday themed games that give players the opportunity to win prizes from \$5,000 up to \$500,000!

As we approach the holiday season we know your time will become more valuable as you to try to capitalize on the increased traffic in your locations. The Kentucky Lottery offers some tools to help you manage your time during this busy time of year. Are you concerned about staying in stock of the bestselling games? If you are not on auto order with Scientific Games, talk with your Lottery Sales Rep about being placed on auto order. Scientific Games will make sure that you always have the stock you need, based on how fast games are selling in your location. Do you have a vending machine that requires you to fill out of stocks multiple times daily? Talk with your Lottery Sales Rep about taping multiple books together in the vending machine so out of stocks occur less frequently. This will free up more of your time to concentrate on other areas of your location or servicing your customers.

We are proud to partner with each you as we strive to maximize dollars for education here in Kentucky. Thank you for helping us fulfill our motto of "Fueling Imagination, Funding Education." We hope each of have a joyous and safe holiday season and a Happy New Year!

Top 3 retailers in the **Bluegrass Region, Scratch** sales percentage increase Q1 FY21 VS. Q1 FY20:

> #1 WALMART #1190 389%

> **#2 SUPERMERCADO AGUASCALIENTES** 203%

> > **#3 GALLOPS** 142%





Alexandria Carryout is celebrating a recent big winner. Owner Mike says everyone was talking about his Alexandria store selling a \$1,000,000 ticket from the 200X Scratch-off game. He was very excited to sell the big winner at his lottery-friendly store.



Rochelle and Debbie, clerks at Hardy Market in Falmouth, are holding their goody bag, a prize for maintaining an average of



Speedway #9534 manager Sarah keeps her Covington store's Gemini Raj at Ameristop Food Mart in Crescent Springs takes pride stocked and the out-of-stock average low. She takes pride in her in always filling his machines as soon as a bin is empty and double stacks packs of tickets so his customers always have game stock organization. District Manager Kelvin is always ready to a full machine to choose from. His out-of-stock average is assist with any of the Speedway locations he oversees and making sure new games are activated on launch day before 11 a.m.



Brandy Gordon, manager of Williamstown Hop Shop, saw a 171% increase in Scratch-off sales during FY21. Placing the playcenter near the front counter, following plan-o-gram, and making sure face cards are always in the dispensers contributed



Minit Mart 653 Store Manager Devan Royce credits keeping new POS and following the plan-o-gram for their increase in sales. Devan is always one of the first retailers to activate new games on launch day and promotes new games to customers weeks in



Piyush Patel, manager at Evergreen Marathon in Frankfort, likes the new addition of the Gemini 24. Along with the new vending machine, they also have 56 dispenser facings. Their sales are up 43% compared to last year.



Mrs Bertie, manager at Speedway #9651 in Lexington, activates new games on launch day by 6 a.m. so her associates can win the early bird swag bag given out by her sales rep. She also has dispensers set to plan-o-gram by then too!



Shinderpal Singh (right), the owner of Versailles Marathon and his father, Narajan Singh (left) display the store's quarterly bonus. This Versailles retailer follows all the KLC's best practices and is a

The Quarter | 27

CENTRAL SPOTLIGHT

By Garrett Trabue, Central Regional Sales Manager

Greetings to all our lottery partners in the Central Region! We are off to another great start in FY22 thanks to your efforts in keeping bins full and out of stocks low.

Keep an eye out for our new \$20 ticket called High Roller which is sure to be a player favorite featuring a \$1,000,000 top prize!

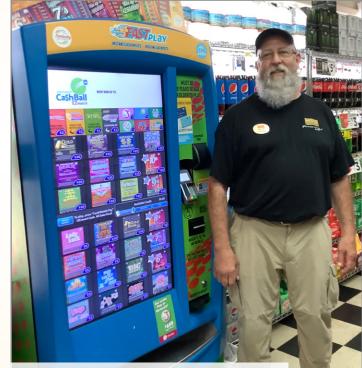
The Central Region would like to wish everyone a safe and happy holiday season! Thank you again for your partnership in helping to Fuel Imagination and Fund Education for Kentucky scholars.

TOP 3 RETAILERS IN THE CENTRAL REGION, SCRATCH SALES PERCENTAGE INCREASE Q1 FY21 VS. Q1 FY20:

#1 MAIN STREET VALERO 1330%

#2 TOBACCO SHOP #239 471%

#3 SLATE BRANCH TOBACCO 297%



Five Star 2240 in Columbia has increased their lottery sales during the first quarter of FY22. Steven says that keeping his machine full by taping tickets and double loading is the key. His out-of-stock percentage is below 1%.



At Fort Logan Trading Post in Stanford, owner Vijay Patel starts every morning by ensuring his vending machines are full so his players can find their favorite games. Staying on plan-o-gram and keeping the bins full has contributed to his increase in Scratch-off sales.



Danita at JC's Cigarettes #32 in Elizabethtown has increased her Scratch-off sales 47% compared to last year. Staying on plan-o-gram and keeping the dispensers full has contributed to her success.



Gary from Danny's Tobacco in Elizabethtown has an out-of-stock average of less than 1%. Always having tickets

for players to purchase has increased overall sales by 25% and Scratch-off sales by 27%.

Nayan Patel, manager at Daily Stop in Horse Cave helped his store become a \$1 million dollar account in FY21.

He accomplished this by keeping both his counter and vending machine full. He maintains less than 2% out-of stock on his vending machine by taping and double loading tickets.



Stacy, Denise, Allison, Kayla and Travis from Boston Food Mart in Boston hold their "We Sold a Winner" banner after selling a \$100,000 Gold Rush Scratch-off winner. Overall sales are up 35% and 45% on Scratch-offs

28 | The Quarter



Jay at 1247 Pantry in Somerset attributes a 46% Scratch-off sales increase to keeping all 40 dispensers full, following plan-o-gram at both the counter and in the newly added Gemini. His out of stock 13-week average is 2.25%.



Angie at Kroger #745 in Somerset does a fantastic job and has the keys to success! She follows plan-o-gram and tapes tickets in the Geminis. Scratch-off sales are up 46% and out-of-stocks are 1% for a 13-week average in both the store's Geminis!

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EASTERN SPOTLIGHT

By Wes Hardin, Eastern Regional Sales Manager

The Eastern Region would like to thank all of our retailers for activating their new games on the 1st day of launch! This practice not only benefits retailers by offering these new games to their customers as early as possible, but also boosts sales to offer more "DOLLARS FOR SCHOLARS" with the KEES Scholarship program.

Powerball is now drawn 3 times a week which gives your customers another reason to visit your stores to buy their lucky ticket and other store offerings. Advertising jackpot amounts on signs and at drive thru windows is a great way to remind customers that you sell Powerball tickets and boost sales.

Remember to check your vending machine inventory daily to prevent lost sales due to out of stock games. Being out of popular games sends players to your competition in search of them.

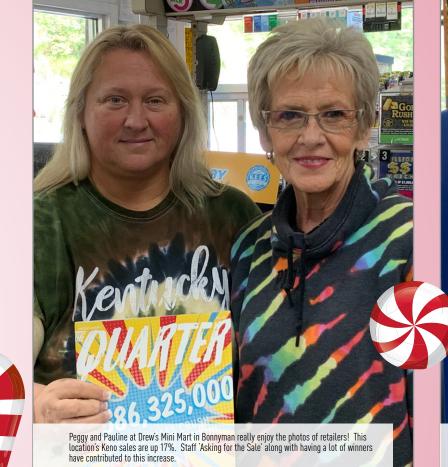
Thanks again for all that you do to make the Eastern Region the #1 sales region in the state and generate DOLLARS FOR SCHOLARS!

TOP 3 RETAILERS IN THE EASTERN REGION, SCRATCH SALES PERCENTAGE INCREASE Q1 FY21 VS. Q1 FY20:

> **#1 RON MEGA MART** 202%

#2 PRESTONSBURG DOUBLE KWIK #23 167%

#3 MAYSLICK VALERO 164%



Lottery sales are up 18% at OMM LLC in Olive Hill. Owner Dan received a swag bag for being an early bird promotion winner and activating new tickets early on launch day. His out-of-stock average is 1.26% with two

ENTER TO WIN \$25,000









Carol, the manager of Grumpys Exxon in Mt. Sterling, has kept out-of-stocks in the vending machine 3.2% for the entire quarter resulting in a 16% increase in Scratch-off sales! She also attributes placing winner awareness in high visibility locations as a contributor to her increased sales. The Quarter | 31

087-NQ-5129

WESTERN SPOTLIGHT

By Chris Green, Western Regional Sales Manager

Hello Western Region retailers. All of us want to say a big THANK YOU!!! Our retailers are the backbone of our business. You all continue to make strides with every challenge that is thrown at you. We are going into the holiday time of year, and we know that all of you are going to rock the holidays with record sales. We have tremendous games coming at this key time of year.

Our game launches are the best in the country when compared to any other lottery. That's right, the BEST by far and it is not even close. We continue to have above 95% activations on the first day across the state, and most of the time have 100% activations. Other states are lagging behind Kentucky by not posting the sales growth in Scratch-Offs that we've seen. One thing record Scratch-off sales leads to are the need for more inventory. We offer four game towers to help maintain proper inventory for the busy time of year/month. If you need additional facings because of your increase in sales, please talk to your sales rep and they'll get you some additional bins permanently.

With all of these exciting times at the Kentucky Lottery, we're looking forward to what the back half of the year has in store for all of us. Once again, thank each of you for all you do, and I hope everyone has a Merry Christmas and happy holiday season.

TOP 3 RETAILERS IN THE WESTERN REGION, SCRATCH SALES PERCENTAGE INCREASE Q1 FY21 VS. Q1 FY20:

#1 WALMART #5059 NM 714%

> #2 WALMART #204 359%

#3 WALMART #736 208%





Nancı is a very dedicated manager at Minit Mart 532 in Ledbetter. She knows her support phone numbers and calls IGT and Sci Games when an opportunity/need arises. She takes pride in her Gemini Ultra and keeps it full. She also always provides customers with the best service and "asks for the sale."



Kentucky Lottery President and CEO Mary Harville stopped by Huck's #291 in Morganfield while she was visiting her hometown. Manager Valerie Workman has overcome a lot of challenges over the past 18 months but has a great attitude and makes sure her customers have the best service and selection of Lottery games available.



Once Raj Patel moved his Touch 28 (with the help of IGT) to a more eye-catching space within his Big O Stop 1 store in Owensboro, his vending sales soared. Listening to the recommendation from his lottery rep, led to increased sales and an increased sales incentive.



Shelly is a Guest Services Leader at Kroger 435 in Murray. She takes care of the Gemini Ultra, counter dispensers and the fuel center's inventory. Scratch-off sales are up almost 140%.



Full dispensers are what keep regular customers coming back to Twice Daily's in Cadiz according to Manager Annette Noblock. Both registers have 24 games for players to select from.



Tonna and Andrea, employees at EZ Shop 5 in Madisonville, are happy for players to know the store sold over \$1 million in Lottery tickets last fiscal year.









Romy and Pinky at Chevron Food Mart in Henderson are very pleased that their players no longer have to wait in line to make Lottery purchases since they have a recently installed Gemini Ultra vending machine. The store has seen a 40% increase in Scratch-off sales since the new addition.

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FACES

WELCOME TO THESE NEW FIELD SALES REPRESENTATIVES!



Justin Lincey
Jefferson Region



Jenna Cionko Central Region



Courtney Augustine Field Sales Support Rep

AND CONGRATULATIONS TO THE FOLLOWING SALES EMPLOYEES FOR THESE PROMOTIONS:



Robert Laurenson Field Sales Rep Bluegrass Region



Alfredo Santana Senior Field Sales Rep Central Region



Jennifer Muchmore Key Account Manager



Wow. Can you believe we're already in the holiday season? I know I can't.

What a whirlwind 2021 has been. This year has us all facing many challenges and changes at retail and beyond...still! But no matter the challenges we have much to be thankful for.

August brought us an additional weekly Powerball drawing and a 13% year-over-year sales increase. Additionally, we made a strategic decision to launch our new Scratch-Off games on Thursday. Great suggestion – you asked, and we listened! Just remember, activate your tickets on launch day. Your players are looking for them and we want you to receive your retailer incentive monies.

On October 21st we launched our Holiday Scratch products. If it seemed a little different this year...it was. We launched seven games. It was a holiday extravaganza.

How about those Polar Payout t-shirts? You may have noticed that we didn't have a "family of games" this year, but we did have an amazing variety brought to you by our Scratch-off Director and our vendor partner, Scientific Games. We will round out December with an additional launch and new Fast Play games!

As we look back on 2021, one thing has remained constant, and that's the Kentucky Lottery's gratitude for you, our partners. All your hard work and tenacity has resulted in record sales, revenue and additional KEES money. We can't thank you enough! Happy Holidays and here's to a wonderful 2022.



Amy Drooker

Kentucky Lottery Vice President of Sales











