

#### THE PRESIDENT'S CORNER

As the first half of fiscal year 2022 and the holidays are behind us, Kentucky Lottery sales continue to look extremely strong – thanks in large part to your hard work and efforts!

You've continued to succeed even in light of numerous challenges you've faced over the past year, including the issue of hiring and then keeping new employees. In this edition of The Quarter, you'll read about how some Lottery retailers are thriving in this area and how they manage this crucial part of their business.

Lots of new games are on the way, and you'll read about everything we have planned for you to close out the year in a strong manner.

One of the favorite parts of my job is getting to talk about how lottery proceeds fund college scholarship and grant programs. It couldn't be done without you, and as a result, we've been able to turn over more than \$4 BILLION to help Kentucky's best and brightest stay at home to pursue their degree. Colleges all across Kentucky allow us the opportunity to say thanks at football games by presenting them with a ceremonial check

marking how much we've been able to provide to their institution. At each stop, the administrators from these schools can't say thank you enough for what YOU do to help students here in Kentucky. Please know how much you are appreciated.

Thanks as always for everything you do, and let's keep those tickets moving!

My B. Handle

Mary Harville Kentucky Lottery President and CEO





Sara McWhirter, director of sales and marketing for the Kentucky Lottery's longtime Scratch-offs partner Scientific Games, says Zimmerman's team is proficient and proactive when it comes to ordering games in advance. For instance, holiday games were tested with panel studies and Fun Club member tests in late March and early April and ordered accordingly. They're produced at Scientific Games' global Lottery headquarters in metro Atlanta. The company, one of only a few lottery instant game providers in the world, supplied 100% of the Lottery's Scratch-off games in 2020-21.

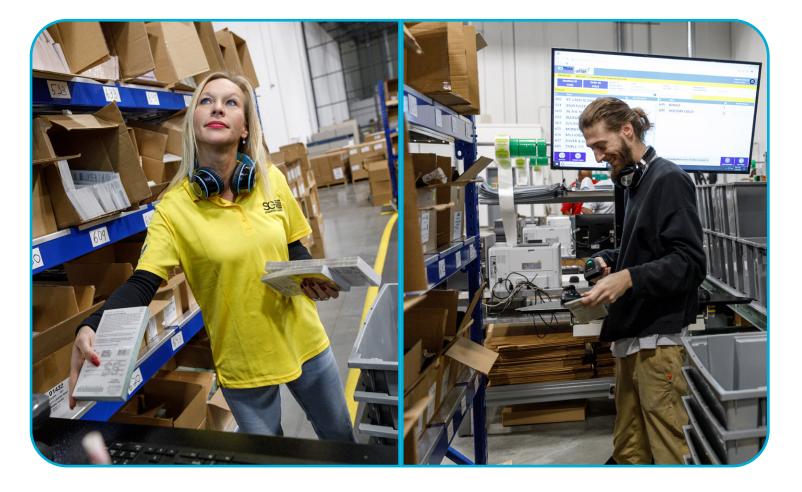
"We have nine game launches a year, and we already had our holiday plan in place," Zimmerman says, all which require advance testing and planning. "From a planning standpoint, we were in good shape because we do start planning so early."

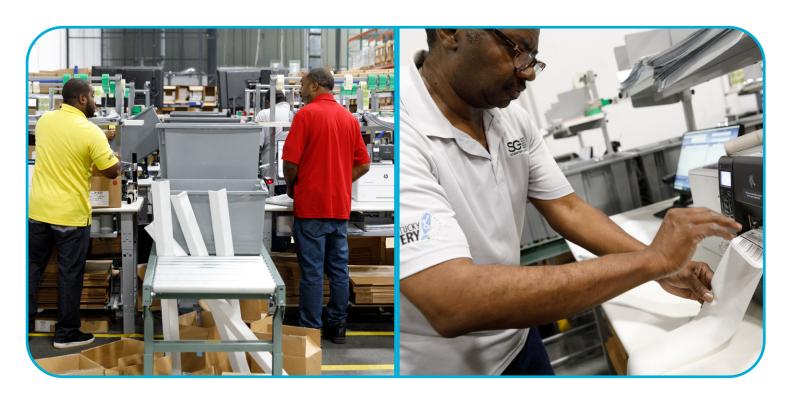
"Our team was able to deliver on the Kentucky Lottery's needs well in advance," McWhirter says. "We could get all of the materials that we needed in time for production, as well as coordinate the logistics of getting the products shipped to our Scientific Games Enhanced Partnership (SGEP) facility in Louisville."

The company's SGEP team of 21 in Louisville, including a data analyst and inside sales staff, supports the Kentucky Lottery's Scratch-off team to help manage the full life cycle of the products – from advanced logistics to retail optimization, and even digital engagement of Kentucky players to connect their retail and digital experience. A team of analysts and data scientists also provide support from Scientific Games in metro Atlanta.

A key component behind the scenes is the company's Infuse™ business intelligence platform that provides valuable sales analytics and reports across the Lottery's retailer network. Scientific Games shapes the retailer orders weekly and the Lottery's sales team takes over from there, Zimmerman says.

Over the last year and a half, there's been a spike in Kentucky Lottery Scratch-off sales, but supply beats demand with Scientific Games' predictive ordering system which tells the teams when stores are getting low on stock and what's needed where. "Our SciTrak™ with Ordercast™ system uses a proprietary algorithm that helps understand retailer inventory and their needs," McWhirter says. "It helps us get the right Scratch-off products to the right retailer at the right time, which is very important."





Other lotteries in the country have also seen a boom in Scratch-off sales, and McWhirter says they're all angling for game production time before holiday games launched. For some lotteries, the holidays represent a significant percentage of sales.

"We have a very good support team in Atlanta where our instant games are produced," McWhirter says. "They are willing to do what it takes to deliver for our lottery customers across North America during this busy time of the year at retail."

Planning well in advance allows the Lottery time to shift with production schedules, McWhirter adds, "You have to be on top of the predictive ordering, sales analytics and game launch schedule and work with the Lottery's team to respond to the market and keep the product pipeline flowing to its retailers around the state."

Every game must meet security and audit approval before it can go on sale at retail. "In some cases, due to challenges created by the pandemic and rapidly changing supply and demand, we were receiving the game one day, and it was approved and ready to go the next day," Zimmerman says. "Both our team as well as Scientific Games' teams were really on point and on the ready so they could make all of this happen."

The fact that the Kentucky Lottery was not required to shut down during the pandemic helped. "Scientific Games was able to maintain production and operations as we supported our lottery customers and their retailers," McWhirter says. "Given the scale of our game creation, production and logistics network, we also had a business continuity plan in place in case we were impacted by COVID. We are very proud that we were able to help keep the Kentucky Lottery going strong."

"The Lottery's retailers were able to sell Scratch-offs to players that had discretionary entertainment income that they couldn't spend in other places like restaurants and movie theaters," she explains. "Through close collaboration, Scientific Games and the Kentucky Lottery were able to maintain the game schedule to meet market demand on inventory, retailers were able to earn commissions on game sales, and vital Lottery beneficiary funding was generated."

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# ATTRACTING & RETAINING EMPLOYEES

LOTTERY RETAILERS SHARE SECRETS
ON HOW TO STAY STAFFED

By Mandy Wolf Detwiler, Contributing Writer

2020 has been the Year of the Great Resignation. If you haven't heard the term, you've probably felt it – the mass exodus of employees from retailers following the worst of the COVID-19 pandemic. Kentucky saw an unemployment rate of 4.2% in October, which is the same as it was prior to the pandemic and down from a high of 16.9% in April 2020 as COVID-19 first started to take hold.

The outlook is promising, retailers say. And those employees who have stayed are loyal, said Donna Anderson, manager of the Quality Mart in Grayson, Kentucky.

"Most of the people who have been here have been here over two years," Anderson said, "which says a lot. I think there's six or seven of us who have been here throughout COVID, and I think we run a good store."

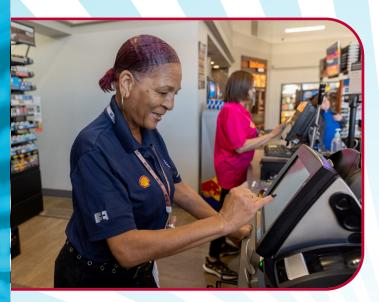
Anderson said she tries to treat all employees fairly and on the same level, especially since she calls several of them good friends. "On the store level, I'm the boss," she added. "They're the employees. I don't waver. I definitely don't play favorites. We've just got a good place to work."

When a manager runs a store, he or she has to be on call and available to employees, Anderson said.

It's not just a paycheck to Anderson, who takes the job personally and runs a tight ship.

"They put me in the store to make sure it runs from daylight to dark and I take it more personal than I see out of most" other managers, Anderson said. "You have to give respect to earn respect."

She recognizes that employees have homelives and tries to work with her employees to balance their home and work lives.







Listening to her employees is key, Anderson added. "I was raised that people depend on you."

Steve Estepp, owner of Estepp's Energy and Estepp's Friendly Shell in central Kentucky said: "Retention is really important to our operations because it's a lot less expensive and a lot easier to keep a good employee than it is to hire and train a new employee and hope that they're a good one."

"We're a locally owned family business and we treat our employees like family. I understand the market in terms of what people are getting paid. Benefits and compensation are important and we try to provide those things as a baseline every day."

"We try to align our goals with our vendors like the Kentucky Lottery. We take the out-of-stock percentages and use those as part of our manager monthly audits so their goals are aligned with ours and the Lottery."

"We have performance based-type bonuses that come into play across the entire store."

"We've kept the main core of our staff. You're going to have some attrition and turnover – people come and go – but the biggest part of our staff stayed (during COVID)." Estepp said.

The Bureau of Labor Statistics reported retail trade employment is 176,000 lower than in February 2020. "I think maybe there's a smaller pool of folks for the same jobs, so you're definitely seeing some wage inflation," Estepp said, adding that that has partially played into the increase in product prices in some stores as well.

Jay Malli owns a BP in Frankfort, Kentucky, and said it's hard to keep good employees, but he tries to be flexible with his employees when it comes to days off, hours and pay. He offers benefits and holiday gifts for longevity.

"We see what the other businesses are paying and we try to up our pay rate," he said. "It's hard to hire. Sometimes, I have to work a full shift to cover when there is no one else available."

The National Association of Convenience Stores (NACS) partnered with the nonprofit Good Jobs Institute in January 2020 to bring the Good Jobs Strategy to the convenience store industry. The Good Jobs Strategy, which is a combination of investment in people and smart operating choices, increases employee productivity, motivation and contribution and promotes operational excellence. Case studies show that implementing the Good Jobs Strategy can grow a business and increase customer loyalty. More information on this initiative can be found at https://goodjobsinstitute.org.

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## SCRATCH-OFFS UPDATE

By Rhonda Zimmerman, Director, Scratch Games

This February, we'll once again launch a new \$30 game - and this one is sure to be a customer favorite right from the start, especially for those VIP and High Roller players. \$2,000,000 DIAMOND DAZZLER will be the fourth \$30 game to launch, and we've shaken things up a bit to offer some new features at this price point!

The black background and bright blue highlights makes this ticket really pop, and will definitely catch customers attention immediately upon seeing it. Secondly, the entry prize on this game is \$40! This is the first time we've offered this feature on a \$30 game so it will appeal to both frequent as well as lapsed players.

Another major difference in this game is we've lowered the top prize to \$2 million and redistributed those funds into mid-tier prizes of \$50 to \$500, to create even more winning experiences for players.

This new ticket also features three top prizes of \$2,000,000\*(\*win \$100,000 a year for 20 years) and up to 35 chances to win with over \$95.5 million in total cash prizes! It's loaded with play value, autowins, multipliers, and a chance to double your prize in the Diamond Bonus game. It's full of mid-tier wins with over \$52 million in prizes between \$50 and \$50,000, most of which are cashable at retail, including a \$50 and \$100 winner per pack as well \$330 in GLEPS (quaranteed low-tier prizes), which means more churn and cashing activity to boost your bottom line.

This is the second stand-alone \$30 game to be introduced, meaning it is NOT tied to a family of games as we've done in the past. Additionally, the concept was tested in Focus Group and Fun Club studies last March which resulted in a #1 ranking among concepts tested, so we are anticipating big sales from this game, which means big commissions for you!

In addition to the \$30 game, we'll also be launching a \$2, two \$5 games and a \$10 game on February 17th as well.



#### MORE NEW GAMES IN MARCH

March not only brings March Madness to Kentucky but also a whole new line-up of fun and entertaining games as we head into Q4 of FY22.

Starting on March 31, 2022, we will have a big launch of six new games at almost every price point including a \$1, \$2, \$3, \$5, \$10, and \$20 game.

DID I WIN? the latest \$1 game offers a fun new way to play and has a chance to win up to \$2,000. This brightly colored ticket has five different color scenes in each pack as well as a \$30, \$50 or \$100 winner in every pack.

A new \$2 game, CRAZY LUCK HD, also offers a new way to play and features High Definition Symbols, which are larger in scale than standard play symbols, and an easy key symbol find play style. This one is guaranteed to be a hit among all players!

The \$5 game will now be a new version of the extremely successful holiday game FULL OF \$500'S HOLIDAY EDITION, that sold out after only 21 days in market. This one will also be a short run "limited edition" game like its predecessor, so be sure to order extra inventory to keep up with market demand while supplies last!

Rounding out the March launch, is the \$10 game -TRIPLE JACKPOT with a top prize of \$200,000 and a \$20 game - MEGA MILLIONAIRE, offering a top prize of \$1 Million (win \$50,000 a year for 20 years).



















### DRAW GAMES UPDATE

Erica Williams, Director, Terminal Generated Games

Sales for terminal generated games have remained strong into the second half of the fiscal year, with sales up 6.9% over last year and 2.9% over sales projections as of December 31st! While most games are on pace to achieve quota by end of the year, our Keno and Cash Pop monitor games and Fast Play instant win terminal games are behind year-to-date sales projections. To help drive sales and bring additional awareness to both game categories, the following promotions, enhancements and advertising campaigns are planned for the third quarter and beyond.

#### TERMINAL PROMOTIONS



Various terminal promotions have already been executed this fiscal year promoting cross play between Keno, Cash Pop, and Fast Play at Touch vending machines. In March and April, we plan to bring back the popular Power Hours promotion where Keno and Cash Pop players who purchase a qualifying ticket and receive a DOUBLER message on their ticket will receive double their prize winnings. Promotion details are being finalized, but we believe this promotion will bring renewed excitement during the peak sales season for these two games, especially within our social establishments.

#### SECOND CHANCE PROMOTION



Once again this year, we will offer players a chance to be named the Kentucky Derby Festival's "Derby City Fanatic". The winner of the promotion will receive a prize package that includes VIP treatment at a range of experiences around Louisville and become the "Thundernator" - the person who starts the fireworks for Thunder Over Louisville.

Players can enter this promotion by submitting non-winning Keno or Cash Pop tickets worth \$5 or more. The promotion will run from Monday, February 7th - Sunday, March 20th. The drawing will be held Tuesday, March 22nd.

#### EXCITING CHANGES COMING TO FAST PLAY!

On Monday, March 28th, four new Fast Play games will join the Fast Play category of instant win terminal games. With this launch brings an exciting new \$20 price point, which offers players a chance to win 100% of the rolling jackpot amount AND an additional \$250,000!

The following games are being introduced with this launch, with each game eligible to win a percentage of the rolling jackpot:

20% of Jackpot



50% of Jackpot



100% of Jackpot



100% of Jackpot + \$250,000



To support the new Fast Play game launch, we will utilize three weeks of television broadcast and radio support. The thirty-second television spot will focus on where you can play Fast Play (as well as Keno and Cash Pop), and features playing on one of our vending machines. The fifteen-second television spot will explain the features of Fast Play games. We will also utilize three weeks of digital advertising to feature the new games that are launching.



Also, with this launch comes the retirement of the following games which launched in May 2021:







current Fast Play platform in March. This will ultimately provide more appealing ticket graphics to enhance the player experience. In addition to the four new games shown above, all four of the "Fast" family of games that launched in December will be converted to this new platform. Notice the impact to the ticket graphics with this new platform:

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In order to implement the new Fast Play platform and the disable the current platform, there will be no Fast Play games available for sale on Sunday, March 27th. All Fast Play games will be available starting Monday, March 28th.

#### **GAME RETIREMENT REMINDER**

Kentucky's 5 Card Cash draw game will be retiring on Sunday, March 27th. The last day to purchase tickets will be Saturday, March 26th. The last drawing will be held on Saturday, March 26th.



## FUELING IMAGINATION, FUNDING EDUCATION:

### HOW YOUR WORK SENDS PEOPLE TO COLLEGE

By Sara Westerman, Communications Specialist

Kierra Wilson is a sophomore at the University of Louisville. The Louisville resident majors in Sports Administration and hopes one day to work in sports marketing with a professional sports team. That goal wouldn't be possible without the Kentucky Lotteryfund Kentucky Educational Excellence Scholarship (KEES) though.

"KEES helps with my tuition. It takes some of the weight off my family," Wilson said.

Wilson added, "I think KEES makes a difference to a lot of middle-class families. KEES is important to a lot of kids, especially those who don't qualify for financial aid but need it. A lot of kids won't go to school if they don't have the money to attend verses taking out student loans."

The KEES program provides scholarships to students who earn at least a 2.5 GPA each year of attendance at a certified Kentucky high school. The higher their grades, the more money earned.

"Knowing I got KEES money definitely motivated me to work harder in school to get better grades," Wilson said

That work ethic continued into college for Wilson. "I know I need to maintain my grades in college to continue to receive KEES so it motivates you to keep working hard," Wilson said. "I know I'm very appreciative for the KEES scholarship. Financially, and for the motivation it has given me to work hard for my education."

## MARCH IS PROBLEM GAMBLING AWARENESS MONTH

As March Madness reaches a crescendo with an estimated \$10 billion in bets placed on the NCAA basketball championship games each year, calls to 1-800-GAMBLER in Kentucky increase. Nationally, help lines go up around 30% during the month.

For the nineteenth year, the Kentucky Lottery (in collaboration with the Kentucky Council on Problem Gambling and the National Council on Problem Gambling) dedicates the month of March to raise awareness of the problem. The campaign theme "Awareness + Action" is all about taking specific action and having conversations about problem gambling issues and directing people to the help they may need.

Approximately 2 million U.S. adults (1% of the population) are estimated to meet criteria for gambling disorder. Another 4-6 million (2-3%) are considered to meet criteria for problem gambling. These percentages hold true for the last tracking survey conducted in Kentucky. And yet for many residents of the US, gambling remains a hidden addiction.

If you ever encounter a player who is struggling or someone comes to you with questions about the disorder, please encourage them to call 1-800-GAMBLER for help. If you'd like help on how to handle a situation with a player who has you concerned, reach out to your KY Lottery sales rep. They can connect you with resources who can give you insights and assistance.







## THE RESULTS ARE IN...

By Greg Wood, Research and Analytics Manager

Thank you to all retailers who participated in our recent phone-based Retailer Survey! The infographic below represents a small sample of your feedback, which is instrumental in helping us determine our strengths and potential areas of improvement. Contact your Sales Representative if you have any questions regarding this information.

## **SGEP Sales Associate** Satisfied with service received from SGEP Sales Associate

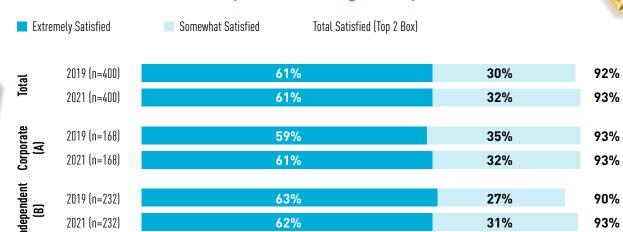
#### Satisfaction with IGT

IGT, the company that services your terminal and/or vending machine

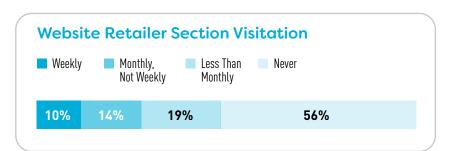
90% 94%

The amount of supplies received from IGT for your terminal and/or vending machine

#### Satisfaction with Overall Experience Selling Lottery



#### **Opinion of Number of Promotions** Too Many Right Amount Not Enough 78% 15%





#### **Overall Experience**

Satisfied with overall experience of selling tickets on behalf of Kentucky Lottery



#### **Service Contacts Used**

86%

IGT Hotline (machine issues)

Retailer Hotline (all other issues) 36%

None of the above 2%

**Sales Representative** 

88%

Satisfied with service received from Kentucky Lottery Sales Representative



#### "Play Responsibly" Program

Aware of Kentucky Lottery's "Play Responsibly" program



#### Sales Rep Improvements - Top 3

1 More frequent visits

**2** Provide explanations/increase training (on new games/how to operate machines/etc.)

**3** Improve communication/increase contact

#### **Additional Comments - Top 3**

1 Satisfied with service/no need for improvements

Assist with stock/inventory

**3** More professional service







#### TIPS FROM THE TRAINERS

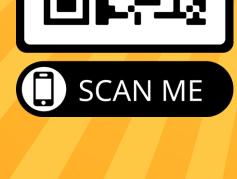
By Sales Operations Staff

Ever wish there was an easy way to access information about your KY Lottery store account? You can now do so online! Existing retailers may submit the Retailer Web Access Form which grants them access to accounting and billing information via the web portal and/or to online cashing agent claim processing. Just scan this URL for the form, submit the information and you'll have everything you need in no time.

We know a lot of you have had quite a bit of turnover during the pandemic, and we stand ready to help with any new training needs you may feel would be beneficial. If you have new staff at your retail location and would like to request a refresh training on how to sell our tickets, just shoot us an email at **Training@kylottery. com**. One of our regional trainers will contact you to schedule a training.









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Great creativity was on display yet again this year! This time around, retailers were encouraged to use voided Polar Payout Scratch-off tickets and/or any other lottery materials to create a festive holiday display. KY Lottery social media followers voted on their favorite displays between December 14th-17th. The top vote-getter was Giant Oil 829 in Morganfield, and they'll receive the first prize of \$250. The top voted display from each region will receive \$50.



GRAND PRIZE WINNER
Western Region
Retailer Name: GI 829
Sales Rep: Glenn Pruitt



Retailer Name:
Fast Lane Tobacco 304
Sales Rep: Pam Harvey



WESTERN REGION WINNER
Retailer Name: Lotto Xpress
Sales Rep: Chad Frank



CENTRAL REGION WINNER
Retailer Name:
In'n'Out Food Mart #16
Sales Rep: Alfredo Santana



JEFFERSON REGION WINNER Retailer Name: Kroger L-309 Sales Rep: Gregory Casebeer



BLUEGRASS REGION WINNER
Retailer Name:
Estepp Friendly Shell #1
Sales Rep: Haley Mcintyre

#### **WINNERS WINNERS EVERYWHERE!**

By Jennifer Cunningham, Communications Specialis

#### HART COUNTY MAN "RIGHT TIME. RIGHT PLACE" WINNING \$100.000 SCRATCH-OFF PRIZE

"Around my town you don't hear about somebody winning the lottery." Now Lewade Vincent of Horse Cave is that somebody. He recently purchased a Kentucky Lottery Scratch-off ticket, winning the game's \$100,000 top prize.

"Right time, right place, pure luck," Vincent said. He told lottery officials he doesn't play the lottery often, maybe 10 times a year.

He and his fiancé Haley along with another couple drove to Cave City to pick up pizza. While out, they stopped at a Five Star in Cave City where Vincent bought five Amethyst 8's Scratch-off tickets and drove back home.

While they were eating, Haley decided to scratch off the tickets. As she scratched off the first one, she noticed she'd matched the number 33. While scratching off the prize amount, she thought it was a \$50 winner. It wasn't until she scratched off the second ticket that she thinks she remembers seeing a comma after the \$50 and goes back to look at the first ticket. Sure enough, there were more zeroes.

"She had a look on her face, like she'd seen a ghost," Vincent said.

They were so excited they had to go show the tickets to his parents who live close by.

"It just tore us up to think we'd won \$50,000," Vincent said.

Later that night, his dad was scrolling through photos on his phone when he came across a picture he had taken of the winning ticket. It was then that his dad noticed there was a second number on the ticket that matched.

"I got a call from my dad telling me I had two matches on the ticket. I thought he was messing with me, but it was the truth," Vincent said.

"Sure enough, we matched the number 22 and next to it was another fifty-thousand dollars" Vincent said.

"We were so excited, we overlooked the other number," he said. "It was pretty amazing."



Michael Switzer of Morehead, KY purchased a Powerball ticket – and ended up winning \$50,000.

The Powerball ticket he purchased at Viking Fuel & Foodmart in Morehead matched the first four white ball numbers and the Powerball to win the game's third prize.

"I was one number off winning the whole thing but still consider myself lucky," Switzer told lottery officials.

Switzer said his wife checked the numbers on the ticket and told him, "You've got to look at this, you've won something."

The couple didn't know for sure how much he had won so they took the ticket to Kroger and checked it on the scanner. "It said. 'You've won \$50.000.'" Switzer said.

"We got so excited we could hardly walk out of the store. I was totally amazed," he said.



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\$50,000

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\$50,000

#### LESLIE COUNTY WOMAN WINS \$350,069 JACKPOT WITH FAST PLAY TICKET

Tiffany Andro of Hoskinston, KY purchased a \$10 Lucky 7's Fast Play ticket at One Stop Market in Hoskinston. Moments later, she discovered she had won \$350,069.

"I went to the store with my fiancé's mom to buy a few things when I decided to buy the ticket. I scanned it and I was shocked," Andro told lottery officials.

"I never ever buy lottery tickets. I don't know why I bought this ticket," she said.

Andro, along with her fiancé Jimmy, made the drive to lottery headquarters where she received a check for \$248,549 after taxes.

"I'm excited because our home burnt down seven years ago and we've been trying to rebuild it," she told lottery officials.

#### PERSISTENCE PAYS OFF FOR FLORENCE MAN WINNING \$250,000 ON KENTUCKY LOTTERY SCRATCH-OFF

A Florence man (who wished to remain anonymous) bought a Kentucky Jackpot ticket while at a Kroger in Union, KY.

He was at home with his wife when he scratched off the ticket. It was the last row on the game where he discovered he matched the number 36. It was then that he revealed the game's \$250,000 top prize.

"I reacted a little different than usual and she thought something was wrong," he said.

"I quickly signed into my Kentucky Lottery account and scanned the ticket. That's when I saw 'Congratulations you won \$250,000," he said.

"My persistence has finally paid off. I'm a regular player and the Kentucky Lottery has been good to us," he told lottery officials.



#### LOUISVILLE MAN BECOMES CITY'S LATEST MILLIONAIRE WITH SCRATCH-OFF WIN

A Louisville man (who wished to remain anonymous) purchased a Break Fort Knox Scratch-off at Cox's Smokers Outlet in Louisville, revealing the game's \$3 million top prize.

While at home in his kitchen, he scratched off the \$30 ticket. "I scratched the ticket off from left to right when I got to the bottom row. It was the third number to the last I matched That's when I yelled, 'Yahtzee,'" he told lottery officials.

He proceeded to scratch the prize amount located below the number 27 when he uncovered \$3 million.

"Wow, I've won. I doubled looked at it and then called my significant other," he said. "She initially thought it was a scam."

He said he took a picture of the ticket with his phone and looked at it every day.

He chose to take the game's lump sum cash payment of \$2,244,000, receiving a check for \$1,593,240, after taxes.

"I'm planning to retire next year so it (winnings) will help," he said.



## JEFFERSON SPOTLIGHT

By Minna Sung, Louisville Regional Sales Manager

Did you know Lottery tickets are typically the third top-selling category in the C-store retail space? Over 90% of Lottery customers purchase at least one extra item inside the C-store in addition to their tickets. The total basket purchase by lottery customers averages around \$10.35, versus the total basket purchase by non-lottery customers averages around \$6.29.

Here are a few simple things to help drive lottery sales at your store:

- Lottery Counter Displays Is it placed in the line of your customer's sight near the registers?
- Lottery Vending Machines Are they placed in a highly visible and highly trafficked area?
- Right Product Mix Is your display set to plan-o-gram? The plano-grams are designed with the top selling games.
- Counter and Vending Displays These need to be always full. If the product is not there, the sale cannot be made.
- New Scratch Off Game Activations Early Day One Activations are important. Your Lottery customers are coming to your store to purchase these new games.
- KY Lottery Brand Awareness Can your customers say that your store is in the Lottery business? We have outdoor and indoor advertisement that will create the KY Lottery brand awareness.

The Jefferson Region Team is here to assist you in all these areas. We want to maximize lottery sales and continue to produce scholarship funds our Commonwealth.

Happy 2022 to all our wonderful retail partners! Thank you for all that you do!

Top 3 retailers in the Jefferson Region, Scratch sales percentage increase Q2 FY22 VS. Q2 FY21:

> **#1 MANSLICK ONE STOP SHOP** 263%

**#2 WALMART #4524 NM** 181%

**#3 TIMES LIQUORS STORE** 123%



Ebony and Jenni always make sure customers get their lottery tickets, especially for big jackpot drawings!

Mandy, at Cut Rate Liquors in Mt Washington, is committed

to keeping their Gemini and dispensers full. Overall sales are

trending up at 14% and the 13-week average for out-of-stocks



Darianny of Mulet Family Cuban Store in Louisville is a new lottery retailer. She has really enjoyed bringing lottery products to her customers! She does a great job keeping her display on plan-o-gram and full.



Janelle and Chris, front end leads at Middletown Kroger 356 in Louisville, are outstanding lottery teammates. They maintain an out-of-stock performance of 3% weekly and their sales are up 33% in Scratch-offs and 9% in Draw games!

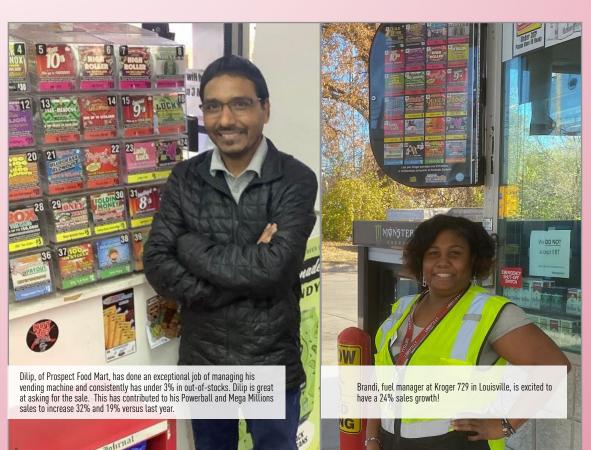


Moe, the store manager of Speedway #9643 in Louisville, was recently promoted from an assistant. He is a lottery champion - his vending machine out-of-stocks have never gone above 3% and he treats his



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## **BLUEGRASS** SPOTLIGHT

By Rusty Reid, Bluegrass Regional Sales Manager

Happy New Year from the Bluegrass region! Thanks to your efforts (and despite the obstacles you face daily) you continue to find ways to adapt and be successful. For that, we are very thankful for your support as are the students of Kentucky and our mission to fund education.

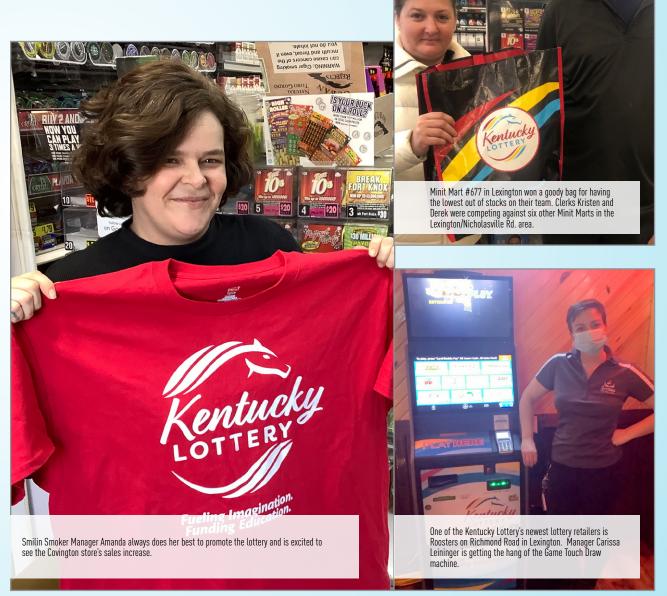
As we begin the new year, we have some exciting things planned! The very popular "Times the Cash" family of Scratch-offs returns in January to kick off the new year. We also have a new \$30 game coming in February with a \$2 million-dollar top prize! For a sneak peek at what is coming in the first half of 2022, we are bringing back Full of 500's (like the Holiday themed ticket that sold out) and a new family of games called "Loaded" in June. Our goal is to support your business, drive sales and to make our partnership as successful as it possibly can. With your continued support we will always Fuel Imagination, Fund Education!

Top 3 retailers in the Bluegrass Region, Scratch sales percentage increase Q2 FY22 VS. Q2 FY21:

> **#1 TRIPLE R MINI MART** 2227%

**#2 LANSDOWNE MARATHON** 331%

> **#3 MARCO'S MARKET** 130%









David, manager at the Meijer Gas Station #168 in Cold Spring, has a great relationship with his customers, welcomes lottery questions and asks for the sale



he has 68 counter dispensers for a total of 92 facings. Alpesh

always follows KLC's best practices by keeping dispensers full



pride in keeping their touch 28 machines full. They go above and beyond by following best practices to keep out-of-stocks under 1%. They always greet their LSR with a big smile and always have candy



Woodhill Food Mart Owner Parth Patel added more facings, bringing the store's total offering to 42. The increase has really helped sales at the Lexington retailer. Sales are up 26% overall The Quarter | 23





### RAL SPOTLIGHT

By Garrett Trabue, Central Regional Sales Manager

Greetings to all of our lottery partners in Central Region! Wow, can you believe how fast 2021 went by? The new year of 2022 is sure to bring lots of excitement!

Coming soon will be some new games that are sure to be player favorites. Mega Millionaire is a new \$20 game that will feature 3 top prizes of \$1 million. The \$5 game Full of 500's will also be returning so be sure to keep adequate inventory to meet demand.

As a reminder, don't forget to check the inventory in your vending machine daily to reduce out of stocks and lost sales.

Anna at Five Star #1910 in Bowling Green maintains less than 2% out-of-stocks on both of their

favorite games in stock.

vending machines. This retailer avoids missed sales by taping packs and keeping their players'

\* FASTPLAY

NOT NO WAY! NO PLAY!

24 | The Quarter

The Central Region would like to thank you again for your partnership in generating dollars for Kentucky scholars!

**TOP 3 RETAILERS IN THE CENTRAL REGION, SCRATCH SALES PERCENTAGE INCREASE Q2 FY22 VS. Q2 FY21:** 

> #1 WALMART #430 1678%

#2 WALMART #5059 NM 247%

#3 WALMART #333 205%





Bobbi Jo at East Way #6 in Somerset has been working really

hard to keep every bin full, from the counter to the Gemini.

Scratch-off sales are up 31% at this location! The Gemini

out-of-stock average for 26 weeks is 1.98%!



Rocky from In'N'Out Food Mart in Bardstown is all about giving players more game choices. He has 72 dispensers on the counter plus two vending machines. He always keeps his dispensers full and both his vending machines are under 1% out-of-stock.



sale! He always suggests lottery at checkout. His upselling technique has his total sales up 56% versus last year.



Lakhwinder Singh at S Mart in Elizabethtown recently reset his display by adding 8 facings. His Scratch-off sales are up over 20%





Daily Stop in Horse Cave reached \$1 million dollars in sales

added more lottery signage to generate awareness.

during last fiscal year. They recently completed a remodel and

Kenny at Chills Quickmart in Danville has been a lottery retailer for over a decade. He maintains a less than 3% out-of-stock The Quarter | 25





## EASTERN SPOTLIGHT

By Wes Hardin, Eastern Regional Sales Manager

Hello again, Eastern Retailers!

Spring is just around the corner and Lottery sales haven't been HOTTER than they are right now! You folks are doing a fantastic job with getting our new games out on Launch Days and for that I say THANK YOU. Your sales generate dividends to KEES and other college scholarship and grant programs which will help send many more Kentucky students to school.

"You can't sell what you don't have" is so true! Keeping those vending machines full is so important to retaining customers & generating sales, so please check your machine daily for out-of-stock bins. Take advantage of the expertise of your Kentucky Lottery Sales rep, and check with them for tips on saving you time and increasing your sales from vending machines.

**TOP 3 RETAILERS IN THE EASTERN REGION, SCRATCH SALES PERCENTAGE INCREASE Q2 FY22 VS. Q2 FY21:** 

> #1 WALMART #2548 400%

#2 WALMART #545 259%

#3 WALMART #1233 240%



pride in the store's lottery business. She is always one of the first to activate new tickets and has reduced the out-of-stock to 3%.



Brandi, manager of Apple Market #523 in Beattyville, does a fantastic job of recommending lottery to customers and keeping bins full. Scratch-off sales are up 97% and draw game sales are up 182%.



Mike, of Village Market in London, does a tremendous job of keeping his dispensers full - a total of 96! His out-of-stock average is below 1% in his vending machines.



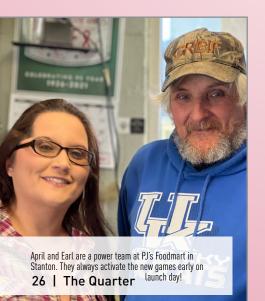


Featured are Heather Rose and Shanna Spurlock (manager) at Highway 23 Ashland #3 in Greenup. The LSR for this store has been working with Shanna to show the importance of staying on plan-o-gram and reducing out-of-stocks to maximize quarterly incentive money. It's working! The store now has a four-week average of 2.32% in weekly out-of-stocks.

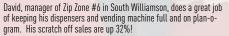




Sam, manager of Tobacco & Lottery in South Williamson, asking for the sale for the holiday games and offering the gift envelopes for holiday gifts.















Donell, manager of Speedway in Mt. Sterling, is an out-of-stock reducing champion. Sales are up 42% since she has taken over this very busy location. This is a direct result of her following the plan-o-gram and keeping out-of-stocks below 4%.

## WESTERN SPOTLIGHT

By Chris Green, Western Regional Sales Manager

Hello to all of the fabulous retailers in Western Kentucky!

We look forward to finishing this year very strong in both online and Scratch-off sales. Our Scratch-off sales are #1 in the state at year-over-year sales. That is fabulous! Our sales reps are continuing to look at ways to drive sales with outside-the-box thinking, adding dispensers for more games, adding four game towers to help inventory levels at key times of sales increases, and many other things.

Please get with your sales rep if you need any kind of update on your sales. Also, your rep can provide information on upcoming new games, new point-of-sale materials, and new ideas for increasing sales. We here in the Western Region are ready to serve you. By us continuing to be great partners in this area, there is no limit to what we can do!

**TOP 3 RETAILERS IN THE WESTERN REGION, SCRATCH SALES PERCENTAGE INCREASE Q2 FY22 VS. Q2 FY21:** 

> **#1 MAIN STREET VALERO** 823%

**#2 DISCOUNT LIQUOR & WINE 2** 438%

**#3 SLATE BRANCH TOBACCO** 407%



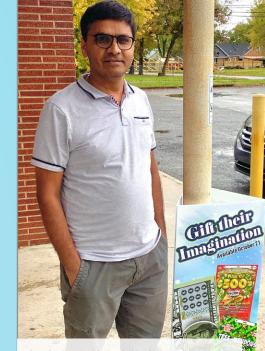




is consistently below 5%, his counter selection has expanded from 24 to 32 and his sales are currently 54% ABOVE last year!



Mike's Mart manager Nikki takes pride in the lottery and the way the Mayfield store looks. For a new store, she is doing a great amount of volume and keeps up with her tickets staying full and on



Peter Patel owner of Coffman's Value Plus in Hopkinsville consistently exceeds quota by keeping his dispensers full and having plenty of point of sale.



items to give as prizes to her lucky customers.

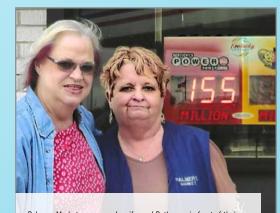
Hucks #368 in Madisonville is 111% over their Scratch-off quota

and 46% over last year. They focus on keeping tickets full and



Express Mart staff members Breean and Crystal are ready to offer their lottery players a wide selection of games at this new





Palmers Market managers Jennifer and Beth pose in front of their newly updated dual jackpot sign. Their store is one of the top selling



Chandni Patel & Jashodaben Patel, a mother and daughter team from Charlie's Family Market in Hartford, are always smiling and giving the best customer service in the area! They are excited to hang their new banner for selling a \$100,000 Scratch-off. The Quarter | 29

## REW FACES

#### WELCOME TO THESE NEW FIELD SALES REPRESENTATIVES!



**Frances Kurre**Field Sales Support Representative



Ben Walker
Lottery Sales Representative, Central Region



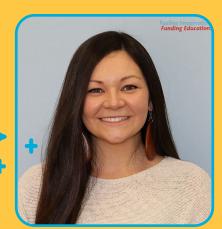
Kaleb Johnson
Regional Training Coordinator



Amy Lannan
Lottery Sales Representative, Jefferson Region

AND CONGRATULATIONS TO SHELBY BIDDLE, WHO WAS RECENTLY PROMOTED TO KEY ACCOUNT MANAGER!







## CLOSING THOUGHTS

Welcome to 2022, I can't believe it is already February! YOU, our retail partners delivered another record-breaking year and after our fantastic January launch, this year will no doubt deliver the same. The Kentucky Lottery and our fantastic product managers have delivered another exciting lineup that will continue to support your tremendous efforts and commitment to our players and your customers!

We launched the X's family in January and featured The Cash Wheel, a \$3 game. In the middle of this month on February 17th we will launch a new \$30 price point, \$2,000,000 Diamond Dazzler along with \$2, \$3, \$5, and \$10 price points!

On March 31st we will launch six new games that will surely add to the fun and "MADNESS" that is always a buzz in Kentucky! If that weren't enough to keep our players engaged, we will introduce three more new games in May.

Since the introduction of our Retailer Incentive Plan, we went from 77% of new games in the market on launch day to 98% in the market on launch

day. Thank you for offering our players and your customers the earliest possible playing experience at each launch.

Be on the lookout for our new Fast Play games in March and the addition of the \$20 Jackpot Fortune on March 28th. We'll also be promoting Cash Pop and Keno!

Our field staff continues looking for ways to ensure we meet your needs and provide excellent customer service while you continue to serve and engage your customers. Thank you again for your commitment to excellence and being world class partners in our continued mission of "Fueling Imagination and Funding Education".

amy

Amy Drooker

Kentucky Lottery Vice President of Sales



