

THE QUARTER

GREAT NEW GAMES ON THE WAY!



PROTECTING BIG WINNERS | NEW PROMOTIONS | ADDRESSING RETAIL CHALLENGES

THE PRESIDENT'S CORNER

Happy spring! This is my favorite time of year in Kentucky. I hope it is for you as well.

It's hard to believe that we now stand just weeks away from wrapping up another fiscal year. There have been so many starts and stops in FY22 that in some cases it feels like it's lasted much longer, and in others it feels like it's flown by. Our reps were out of the field and we were out of our corporate headquarters and working from home for awhile, but now all has returned to normal – and I know you join me in hoping it stays that way!

We'll be finishing FY22 with a solid line of products for your customers, which we very much hope will help us end the year on a high note. Inside these pages, you'll read about the new games and promotions we have on the way. Of note is our research article on page 13 – be sure and check this out for some great insights into how retailers can adapt to difficult times. And you'll find an article on page 12 that details how your hard work helps send deserving kids to college right here at home in the Bluegrass.

As always, thanks so much for all you do. Let's wrap up FY22 strong, and get ready to face the challenges ahead together for FY23!



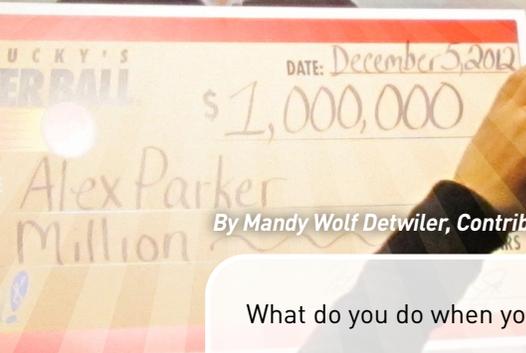
Mary B. Harville

Mary Harville
Kentucky Lottery
President and CEO



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PROTECTING YOUR BIG WINNERS



By Mandy Wolf Detwiler, Contributing Writer

What do you do when you sell a big winner?

Let's say you've got a player whose Scratch-off or draw game ticket has won big. What's your next step?

Mum's the word, says Chip Polston, senior VP of communications, PR and social responsibility for the Kentucky Lottery.

A few months ago, a player came into the Lottery headquarters with a million-dollar winning scratch-off ticket. While standing in an office area designated for winners, the player was getting calls from people who had been told by the retailer that the player had won. It was unnerving, as he hadn't even told his wife yet.

"It's really crucial for retailers to think when they have a really big winner come in because that ticket is what's called a bearer instrument," Polston explains. "Whomever brings in that ticket wins the prize, and I don't think [retailers] realize that they are putting a person at, potentially, a significant risk by disclosing who they are before they come forward and bring us that winning ticket to validate."



When a large draw game winning ticket is sold, staff from the Lottery's security department swing into action, says Greg Baird, director of security operations for the Kentucky Lottery.

Lottery security will get in touch with the retailer who sold that draw game ticket "pretty quickly after it's determined that they were the selling retailer," Baird adds. Once the Lottery's security team gets involved, the sale should be treated as a confidential matter. Even though the players may be well known to the retailer, perhaps even frequent players, retailers need to keep the identity of the buyer confidential until it is publicly released by Lottery officials.

"It's paramount to keep that all confidential and correspond only with us and our security division folks, the communications team and the player," Baird emphasizes.

New retailers are trained on what to do if they've got a winner in their store, Baird adds, "but in the excitement, that knowledge may be overlooked as the player and the retailer both celebrate."

The Lottery's communications team also gets involved with the retailer to help them publicize the winning ticket when given permission.

Baird cites a couple of situations in which players have won a significant amount and left the retailer only to be assaulted for the ticket. That's why it's important for retailers to advise players to sign the back of the ticket as soon as they get it.

If the ticket is a Powerball or Mega Millions ticket, the Lottery is notified within 45 minutes after a drawing where a winning was sold.

Scratch-off winners, however, usually arrive at the retailer seeking further instruction. Keeping that information confidential should be step number one.

Step two? Tell the winner to get to Lottery headquarters in Louisville immediately.





After that, Lottery security gets involved and a Lottery investigator steps in at that time. If it's a draw ticket, retailers should standby and not try to find out who the winner is. That information will come from Lottery officials as soon as it's clear to release that information.

"Contacting the player is absolutely the wrong thing to do because one, it could be wrong and two, it just gives the opportunity for too many people to know it and to unintentionally put someone in harm's way," Baird says. "I can't reiterate the confidentiality enough because the most important thing that (retailers) can do is keep that information quiet."

Lottery security conducts winner verifications on all draw game winners of \$50,000 and above. For draw games in excess of \$1 million, once security has completed their clearance, the Lottery's PR team releases the name of the retail store where the ticket was sold and attempts to contact the retailer, as the media begin to get involved and want to talk to both the retailer and the winner.

"The good thing for retailers to remember, especially when it comes to the media with a story like this, this is a good news story," Polston says. "This is a happy news story. It's good stuff, so it's not like reporters are confrontational. It's a happy, upbeat news story and they can have some fun with it. Lottery players are a very superstitious bunch, and when they find out that a big winning ticket has been sold at a retailer, that location will tend to see sales spike as a result of that publicity because people want to buy a ticket from what they consider to be a lucky store."

The same holds true for Scratch-offs, but it's up to the retailer to protect the identity of the winner until he or she is formally announced by Lottery officials.

Above all else, encourage the player to sign the back of the ticket and get to Lottery headquarters. Retailers should also advise their high-tier winners to call the Lottery's claims office in Louisville to schedule an appointment for their claim.

"The faster they get that ticket to Louisville, and out of their possession, the better off they're going to be," Polston emphasizes.



SCITRAK'S NEW ORDER CONFIRMATION, TRACKING INFO SET TO HELP RETAILERS IN BACK OFFICE

By Mandy Wolf Detwiler, Contributing Writer

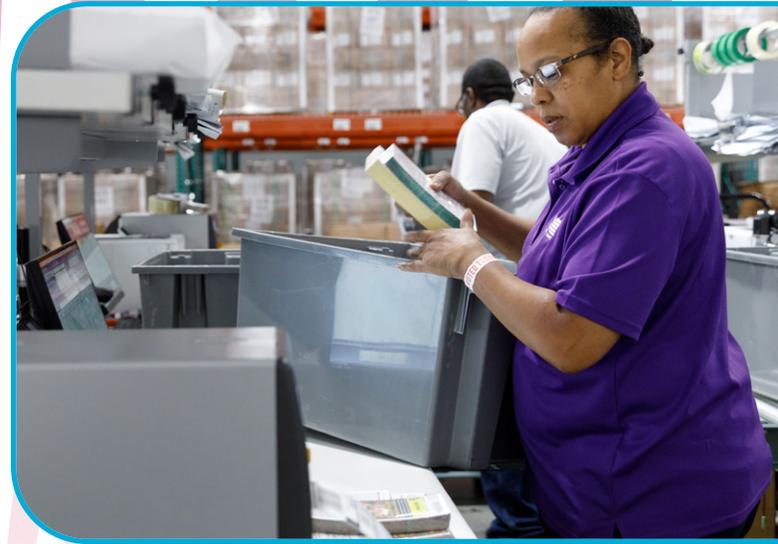
There's a new system feature about to launch from the Kentucky Lottery's primary Scratch-off games provider, Scientific Games. Called SciTrak, the technology enhancement now provides order confirmation. It was developed as part of the Scientific Games Enhanced Partnership program to help lottery retailers keep better track of their instant game orders.

With the enhancement, retailers who opt in will now receive email confirmation and tracking info for game orders - just like a buyer would with any online order placed.

Kentucky is the first Lottery to utilize the new SciTrak order confirmation feature.

At the end of the day when orders have been shipped, any retailer who has opted into the program will receive an e-mail listing their pack quantity, order details, shipping information and a button to track their order through UPS. This is similar to email confirmations received after online shopping. It gives retailers a way to keep track of their orders all in one place and lessens the chance of needing a reprint if they lose their paper copy.

"For some retailers, it can help their in-house accounting for their Scratch-off games," says Sara McWhirter, director of sales and marketing for Scientific Games. "It simplifies their processes tremendously and streamlines their communications. It's more efficient for them to have this email as usually their orders come with a paper manifest, and this (helps them avoid) a reprint of that manifest should they happen to lose it or misplace it."



Amy Drooker, vice president of sales for the Kentucky Lottery, says lottery officials often hear that accounting processes can be cumbersome, and this will help lessen that burden.

One chain retailer has changed the way it accounts for its tickets. Before this change, stores in this chain had to physically mail the manifest to their corporate headquarters before tickets could be activated and made available in market.

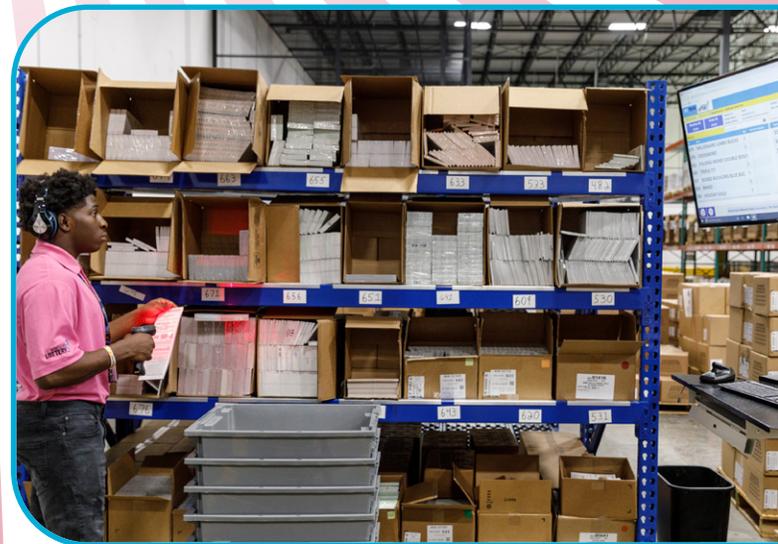
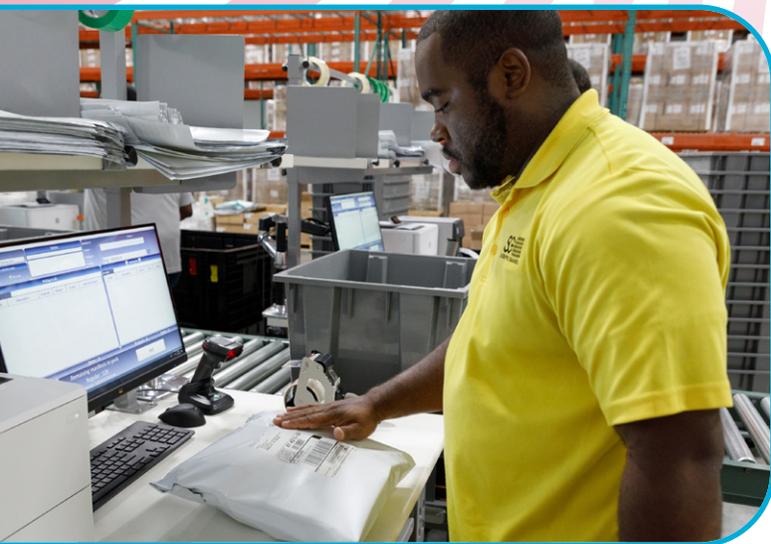
"This takes care of that," Drooker says. "With this new email confirmation feature, SciTrak can send those to the corporate office for immediate availability in market. They know what's been ordered for their stores, and opens up the opportunity to drive traffic on a new game launch, but also in their normal course of business."

Drooker said being able to go in and track orders – just as one would an Amazon package – cuts down on paperwork and makes it easier for the retailer. It can also help a retailer track misplaced or lost packages by alerting them as to when they were shipped.

"Efficiency-wise and customer service-wise, I think our retailers will love it," Drooker adds.

"We're always innovating new technologies for lotteries and retailers to improve efficiencies," says McWhirter. "This ultimately helps increase revenues for lottery beneficiaries, and in Kentucky, that's the KEES program which supports education."

Interested retailers should look to hear from Scientific Games' Inside Sales Agents in the coming weeks to sign up those who are interested.



SciTrak is a registered trademark of Scientific Games.

GREAT NEW GAMES ON THE WAY!

By Rhonda Zimmerman, Director, Scratch Games

IT'S MILLION DOLLAR MAY!

This year, May won't just be bringing May flowers but also a brand-new \$20 game ~ **MEGA MILLIONAIRE** ~ featuring three \$1 Million top prizes (\$50,000 a year for 20 years)! In addition to the top prizes, it's also loaded with mid-tier prizes from \$50 - \$500, including a \$30, a \$50 and a \$100 winner in every pack! With over \$60.4 million in total prizes and 23 chances to win on every ticket, your players will keep coming back for more with all of those winning tickets, so be sure to keep plenty of backstock on-hand to keep up with that demand.

A BRAND-NEW FAMILY OF GAMES THAT IS LITERALLY LOADED WITH PRIZES!

On June 9, the **LOADED!** family will launch with a full range of games including a \$1, \$2, \$5, \$10 and \$20 price point. Not only do these games offer typical top prizes for each price point, they also feature a ton of mid-tier winners in every game as well.

\$1 - \$50 LOADED! features a \$2,500 top prize with over \$2 million in cash prizes, including a \$50 winner in every pack and nearly 27% of the prize structure is dedicated to the \$50 prize tier!

\$2 - \$100 LOADED! features a \$25,000 top prize with over \$3.8 million in cash prizes, including a \$30 or \$100 winner in every pack, and nearly 28% of the prize structure is dedicated to the \$100 prize tier!

\$5 - \$500 LOADED! features a \$75,000 top prize with over \$16.4 million in cash prizes, including a \$30 or \$50 winner in every pack, and over 29% of the prize structure is dedicated to the \$500 prize tier!

\$10 - \$1,000 LOADED! features a \$200,000 top prize with over \$20.1 million in cash prizes, including a \$30 and a \$50 winner in every pack, and over 25% of the prize structure is dedicated to the \$1,000 prize tier!

\$20 - \$2,000 LOADED! features a \$500,000 top prize with over \$20.7 million in cash prizes, including a \$50 and a \$100 winner in every pack, and over 26% of the prize structure is dedicated to the \$2,000 prize tier!

A NEW \$30 GAME COMING IN JULY!

To kick off our brand-new fiscal year in style, we'll be launching a new \$30 game - **JACKPOT FORTUNE LIMITED EDITION** - on July 14. This will be the first time to launch two \$30 games within the same calendar year, so we're very excited to see how our VIP players respond to this new addition. Now that we've established this price point in the market, it's time to start adding more variety into the mix to drive continued sales of this premium category.

This is a "limited edition game", meaning that the quantity is much less than other \$30 games in market so it will sell through at a much faster rate than standard games. This tactic allows for increased variety at that price point, as well the opportunity for smaller top prizes so the game can be loaded with even more mid-tier prizes that are redeemable at retail.

JACKPOT FORTUNE LIMITED EDITION has over \$24.5 MILLION IN TOTAL PRIZES with a top prize of \$750,000 and over 86,000 prizes between \$50 - \$75,000! It also features a \$100 winner in every pack and up to 30 chances to win on every ticket.



EXCITING NEW TERMINAL GAMES AND PROMOTIONS ON THE WAY!

Erica Williams, Director, Terminal Generated Games

Sales for terminal generated games have remained steady as we head into the final months of the fiscal year, with total sales in line with sales projections and only slightly below FY21 sales. 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 continue to pace behind year-to-date sales projections. Coming off the heels of the Keno and Cash Pop Power Hours DOUBLER promotion, we are also planning an additional terminal promotion in May to help give these games a final boost in sales before the end of the fiscal year. Players that buy \$10 in Cash Pop in a single transaction from May 23rd - 30th will receive a free \$2 Cash Stash Fast Play ticket.



In late summer, we will have three new exciting promotions for Keno and Cash Pop. These promotions include:

BONUS HOURS

Prizes won on qualifying Keno and Cash Pop tickets will be increased by 50% during the promotional period.

REDUCED 1X MULTIPLIER

The 1X multiplier will be removed from Keno's Multiplier add-on feature during the promotional period and the 2X and 3X multipliers will be increased.



NEW \$3 FAST PLAY GAME!

On Monday, May 2nd, a new Fast Play game will join the Fast Play category of instant win terminal games. The new \$3 game, Wildtime, gives players a chance to win 30% of the Fast Play rolling jackpot.

Planning is currently underway for the FY23 Fast Play game launch schedule. There will be five separate launches throughout the year, as opposed to the three we have launched per year since we introduced the Fast Play category. Each launch will include a variety of price points, as well as a variety of play styles and themes.

INCREASED BULLS-EYE PRIZES

The prizes available to win on Keno's Bulls-Eye add-on feature will be increased by a certain percentage during the promotional period.

These promotions are offered in several states and have proven very successful – not only in terms of increasing game sales, but also driving traffic to retail locations during the promotional periods. We are excited about the opportunities these promotions will bring to help renew excitement and drive new players to try Keno and Cash Pop!



FUELING IMAGINATION, FUNDING EDUCATION: HOW YOUR WORK SENDS PEOPLE TO COLLEGE

By Sara Westerman, Communications Specialist

Where does that lottery money go, anyway? That's a question you may often hear. Kentucky Lottery proceeds fund grant and scholarship programs benefiting students across the Commonwealth. This includes the popular KEES program, a merit-based scholarship program where students earn based on their high school grades.

If you ever get a question from a customer about this, you can direct them to our website (kylottery.com) where they can see how much money went to students in their county, how many grants and scholarships were funded at college and universities all across the state, and the different programs that the Kentucky Lottery funds.

If someone wants more information on the specific scholarship and grants or how to receive one themselves, please have them go to kheaa.com. While the Kentucky Lottery funds these programs, the Kentucky Higher Education Assistance Authority (KHEAA) distributes the grants and scholarships to those who have earned them based on their grades and/or on their financial need.

The Kentucky Lottery has funded over \$4 BILLION in grants and scholarships since 1999. One out of five Kentucky citizens have received grants and scholarships from our educational assistance funding.

FIVE STAR OUT-OF-STOCK CONTEST WINNERS

In an ongoing effort to reduce out-of-stocks, the Five Star chain had all stores participate in a contest to see who could reduce their out-of-stock levels the most. Any location was eligible for a gift card drawing if they were among the top 10 lowest out-of-stocks in the chain under 5%.

Thanks to the competition, there were 72 machines at Five Star locations which hit this goal. The top 10 locations crushed it with under 1% out-of-stocks for the 6 weeks of the competition. The winners are:



Five Star #1910
Bowling Green
Manager Melanie
6-week OOS .25%



Five Star #9140
Shepherdsville
Manager Brittany
6-week OOS .11%



Five Star #5125
Leitchfield
Assistant Manager Serena
6-week OOS .47%

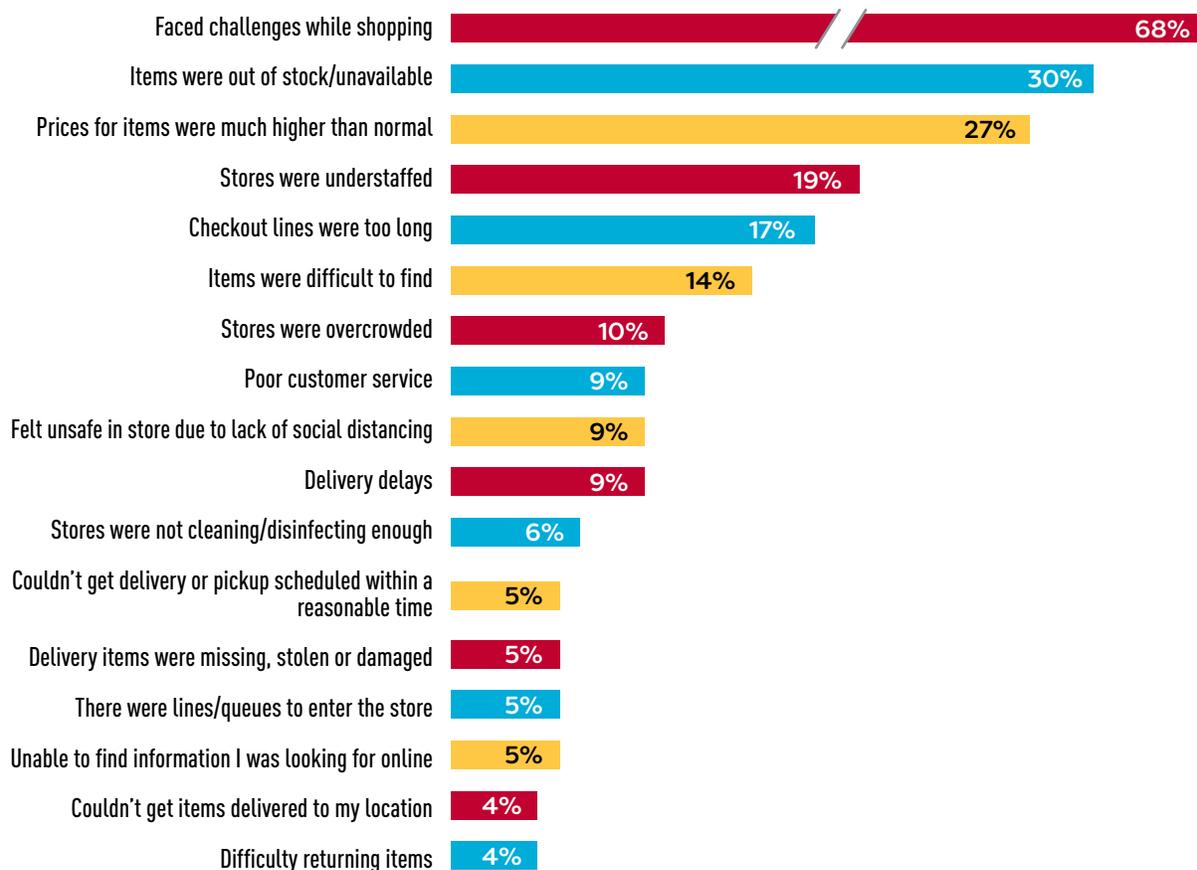
The first place store received a \$250 Gift Card, second place received a \$100 gift card, third place won a \$75 dollar gift card, and stores ranked #4 thru #10 each received a \$50 dollar gift card.

ADAPTING TO DIFFICULT TIMES

By Rebecca Kubran, Research Marketing Specialist

Retail has changed a lot in the past year. As if Covid-19 wasn't enough, retailers are now facing a breakdown in the global supply chain along with inflation. This has led to empty shelves and frustrated customers. According to Numerator research, the average price per grocery item was up 7.1% in October 2021 versus a year ago, and up 11.6% versus two years ago. In a recent survey done by IPSOS, 68% of U.S. consumers faced challenges shopping over the last two weeks among other issues.

SHOPPING CHALLENGES FACED - PAST 2 WEEKS



Q: Which of the following challenges, if any, have you faced while shopping in the past two weeks? | Ipsos Essentials 11/4-11/7, 1000 U.S. Adults.

So how can retailers adapt during the difficult times? First, always be transparent with consumers. Being honest and upfront is crucial for customer loyalty. If the next shipment of \$20 Scratch-off tickets isn't coming until next week, make sure to set customer expectations to avoid further frustration. Next, have a good alternative ready for out-of-stock products. Make sure to always refill your vending machines and ticket facings at the counter. A filled Lottery vending machine is going to sell more than an empty one. And finally, make the in-store experience positive for your customers. Make sure all staff are trained on Lottery games and knowledgeable to answer any questions. An engaging experience will be remembered and make customers more likely to return to your store in the future.

WINNERS WINNERS EVERYWHERE!

By Jennifer Cunningham, Communications Specialist

EASTERN KENTUCKY BROTHERS STRIKE AGAIN WITH THIRD LOTTERY WIN

William Grace of Rush, KY and his brother Earl Grace of Coal Grove, OH aren't strangers to winning the Kentucky Lottery. The brothers were both part of a group that won \$200,000 on Powerball in December 2010. Less than three months after that win, another group they were in won \$400,000 on the Lottery's 3 Line Lotto game.

"When we won Powerball, we said we would be back and sure enough, just a few months later there we were," William said.

And they have now returned yet again, winning \$100,000 on a Kentucky Lottery Scratch-off ticket.

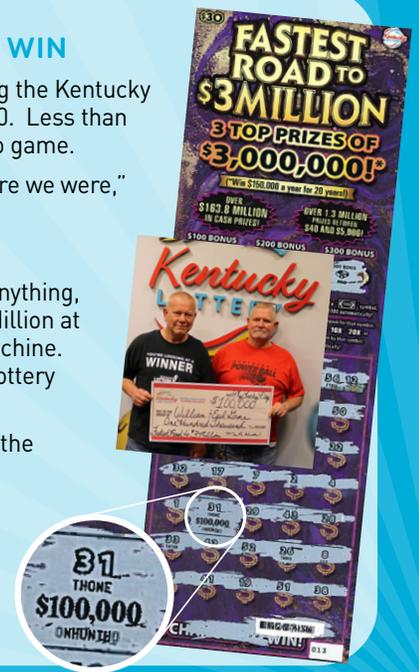
Earl had given William Scratch-off tickets as a birthday and Christmas gift, but after not winning anything, William decided to buy more. The next day (December 23rd) he bought a \$30 Fastest Road to \$3 Million at Summit Smart Stop in Ashland. "I scratched off the barcode in the store and scanned it on the machine. It said one hundred thousand dollars, but I thought, I'm not too sure about this machine," he told lottery officials.

That's when he decided to scratch off the ticket to see just how he had won. William had matched the number 31 in the fourth row and located directly below was the \$100,000 prize.

"My new favorite number now is thirty-one," William said.

The brother's split the \$100,000 prize, each receiving \$35,500, after taxes. They each said they plan to pay off bills with their winnings.

"We will be back again," they told lottery officials as they left the lottery office.



UTAH MAN FLYING HIGH AFTER WINNING \$50,000 KENTUCKY POWERBALL PRIZE

A well-traveled flight attendant stranded in Hebron, KY found good fortune after his flight was rerouted to the Cincinnati/Northern Kentucky International Airport.

The Salt Lake City, UT man (who wishes to remain anonymous) won \$50,000 on the January 1st Powerball drawing after his ticket matched four white ball numbers and the Powerball.

"I've traveled all over the world but the best place I've ever been is Hebron, KY," he told lottery officials.

After travel delays forced him to make an unexpected stop overnight in Hebron between flights, he took an Uber in search of something to eat early on the morning of December 28th as nothing was open in the airport. As they set out towards Cincinnati, the driver suggested a convenient store that was closer to the airport.

"I went in the store and while checking out, I thought, 'I'm going to buy three sets of numbers for three drawings,'" he said. He chose the Quick Pick option letting the terminal pick his numbers. Since Utah does not have a state lottery, he says he likes to play when he travels, especially when the jackpot is high.

It wasn't until he returned home several days later that he checked his ticket. "The number seven Powerball jumped out at me at first because my birthday is on the seventh. I looked at it (the ticket) some more and was like, 'Oh wait a minute, I matched five numbers!'"

Uncertain of how much he had won, he immediately went to the Reddit app where he posted, "I was one number away from winning the jackpot." Moments later, someone responded, "You won \$50K!" He proceeded to do research confirming the information he received was correct.

"This is crazy. I've never had this much money fall into my lap. It's amazing," he said.

He told lottery officials he put the winning ticket on his refrigerator until he could figure out how to get back to Kentucky. After switching assignments with a coworker so that he'd have a layover in Louisville, he made his way to lottery headquarters to claim his ticket.

After taxes, he received a check for \$35,500. "I'm still in shock. When I got the check, I was like, wow."

He says he thinks he'll use the winnings for a down payment on a house.





7'S PROVE LUCKY FOR FRANKFORT WOMAN AFTER WINNING BIG ON SCRATCH-OFF

The number seven proved to be lucky for a Frankfort woman (who wishes to remain anonymous) after scratching off a Kentucky Lottery Mega Super Hot 7's ticket, winning the game's top prize of \$77,777.

Just days before Christmas, she and her husband were picking up last-minute gifts. When buying a gift card, the couple stopped at the Five Star on Versailles Road in Frankfort. Her husband went in the store and bought two of the \$5 Mega Super Hot 7's Scratch-off tickets. He got back in the car and asked his wife to pick one to scratch.

"I started seeing all these sevens. I went on to scratch off the prize amounts under each one," she said. She uncovered a seven symbol under all thirty-five spots on the ticket winning the game's top prize.

"Oh, my goodness. I still didn't believe it," she said. "If we hadn't gone to that store, this would have never happened."

The couple drove to lottery headquarters where the Franklin County woman walked away with a check for \$55,221, after taxes.

She told lottery officials that she and her husband can now look for a house after winning the lottery. "This is definitely a godsend," she said.

STANFORD WOMAN CASHES IN ON A HUNCH; WINS \$50,000 ON POWERBALL

A Lincoln County woman (who wishes to remain anonymous) has won \$50,000 from the January 5 Powerball drawing – and said it was the first time she's ever followed up on a hunch and won.

"I play when the jackpot gets big. I started playing around Christmas and I told my husband if it's still going, I'm going to keep playing until my birthday," she told lottery officials. Her birthday was January 8.

"I had gotten a Quick Pick ticket from one drawing and another one for the next drawing and noticed the Powerball numbers were very similar. I just had a hunch about those numbers, so I decided to play those lines again. What a birthday gift!" she said.

"A lot of people play but no one expects to win. You almost don't feel like it's real. I was in so much shock," she said.

The Stanford resident received \$35,500 after taxes. She says her and her husband have a couple of small bills to pay off, a few remodeling projects they'd like to tackle, and they'll put the rest in savings. "He's close to retiring so it couldn't have come at a better time," she said.



SCRATCH-OFF GIFT NETS \$60,000 FOR IRVINGTON WOMAN

For an Irvington, KY woman, a gift from her son and daughter-in-law turned out to be worth a lot of money - but she didn't know it for over a month.

The couple gave her a \$5 Queen of Hearts Scratch-off ticket from the Kentucky Lottery for Christmas, and she won the game's \$60,000 top prize.

The woman, who wishes to remain anonymous, told lottery officials, "I know nothing about the lottery. I didn't think I won anything. I packed that ticket around for weeks."

She went to a store recently to check the tickets. "The clerk scanned the first one and said I won like \$3 and then scanned the next one. She said, 'You won big.' I said, 'What?' The clerk said, 'You won big, I can't cash this here, you need to take it to another store,'" she told lottery officials.

She had her daughter look at the ticket, and she thought her mom had won \$50,000. "I just couldn't believe it."

"I've just been carrying it (ticket) in my purse. At one point it even fell out while I was getting my wallet out and I said, 'let me get these tickets up off the ground,'" she said.

The Queen of Hearts ticket is double-sided, and her ticket had wins on both sides. On the front of the ticket, she revealed ten 5X symbols indicating the prize is multiplied by five. Located on each of the ten spots were \$1,000 prizes. On the back of ticket, she matched both the ring and emerald symbols for an additional win of \$10,000.

After taxes, the Breckinridge County woman received \$42,600. She said she has no plans for the money yet. "I have to sit down and let it sink in."



JEFFERSON SPOTLIGHT

By Minna Sung, Louisville Regional Sales Manager

Greetings to all our Lottery Partners in the Jefferson Region! It's hard to believe that we are almost halfway through the year!

Here are a few tips to maximize lottery sales:

- **Inventory:** Your location needs to have the appropriate number of tickets to keep up with rate of sales. The goal is to always have each bin full to ensure there are no missed sales.
- **Battling Out of Stocks:** Simply put if the product is not there, it is a missed sale. Empty Bins are causing lost sales for your location.
- **Product Mix:** Does your store have the right product mix? We make this easy for you. The KLC provides plan-o-grams designed with the fastest selling games.

Team Jefferson is here to support you. We truly appreciate all our retail partners, as together we continue to generate scholarship dollars for all Kentuckians!

Top 3 retailers in the Jefferson Region, Scratch sales percentage increase Q3 FY22 VS. Q3 FY21:

#1 ST ANDREWS LIQUORS
209%

#2 ASIAN BAZAAR
170%

#3 SHORTY'S LIQUOR STORE
161%



Mike and Chris, at Beech Grove Market in Shepherdsville, are committed to keeping their Gemini and dispensers full. Scratch-offs sales are trending up at 23% with the 13-week average of out-of-stocks at 4%.

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Sparta Quick Stop owner Laurie Lea Miles has quadrupled the store's lottery sales since purchasing the business from a family member. Her strategy was to incorporate marketing strategies to generate foot traffic into the store and thus an increase of lottery sales.



Sav A Mart manager Mike says his LaGrange store thrives from area regulars who come to see him and buy their tickets. He knows that relationship matters along with understanding that being proactive and utilizing KLC best practices when it comes to ordering, activating, helps drive his store sales.



Tom, at Lee's White Lighting in Mt. Washington, does an excellent job with lottery. Scratch-offs sales are trending up at 38% and with out-of-stock average of 3.7%.



Navi of Friendly Mart in Louisville is always striving to do his best by providing customers with numerous instant game options from the counter or vending machine.



Circle K #3400 store manager Sarah proudly shows off the fully stocked vending machine! A full machine means full purchasing options for players!



Jan, from Cox's Smokers Outlet #12 in Louisville, does a great job at asking for the sale and keeps the store on plan-o-gram. This will often lead our players to buy the \$10 price point which has shown a 67% increase over last year.



Steve at Dongar Food Mart & Deli #0534 in Louisville has done a great job with managing his out-of-stocks and his hard work has helped increase Scratch-offs sales and decrease their out-of-stock average.

BLUEGRASS SPOTLIGHT

By Rusty Reid, Bluegrass Regional Sales Manager

Greetings Bluegrass retailers! Spring brings a feeling of excitement, and to help with that feeling we have two new game launches this spring! Look for even more new games in May. Your players love to see new games and no doubt will be anxiously awaiting these games when they launch. More details to come from your Lottery Sales Rep.

We also wanted to share a few interesting “did you know” facts about lottery sales and its impact on your business. Did you know:

- Lottery players spend 65% more than non-lottery players in store.
- 95% of lottery players purchase at least one extra item in store.
- If you're concerned about counter space for lottery compared with the money made on products like lighters and energy shots? - on average, retailers make \$24K in annual gross revenue on Lottery games in comparison to lighters which make \$5700 and energy shots which make \$6600.

Any way you look at it, selling Lottery tickets in your store helps drive your business and has the added benefit of helping students across the Commonwealth achieve their dreams of a higher education. Now that is what we call a Win-Win!!

Top 3 retailers in the Bluegrass Region, Scratch sales percentage increase Q3 FY22 VS. Q3 FY21:

**#1 TRIPLE R MINI MART
2,116%**

**#2 HWY 127 LIQUOR
275%**

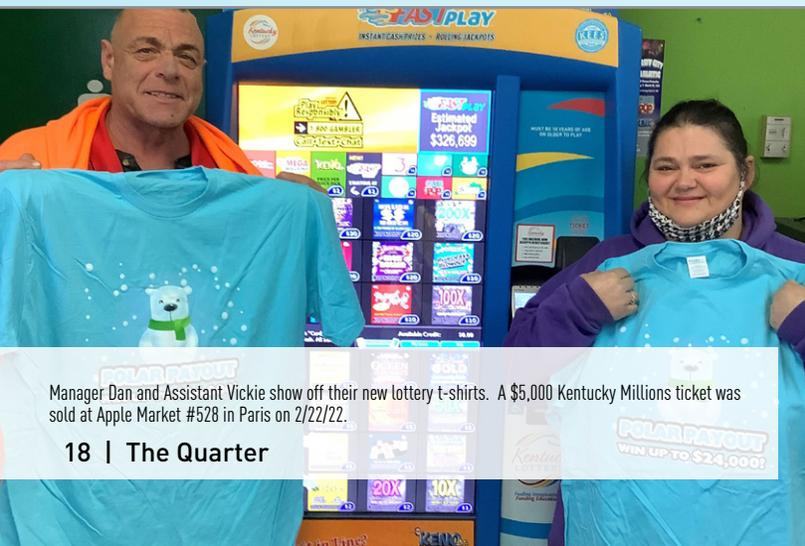
**#3 DELI MART GEORGETOWN RD
155%**



Minit Mart 671 in Lexington now has two vending machines and 32 games on the counter, for a total of 80 facings. Scratch-off sales are up 30% since adding the second vending machine. Manager Jackie does a great job at always keeping both machines on plan-o-gram and her out-of-stocks well under 5%.

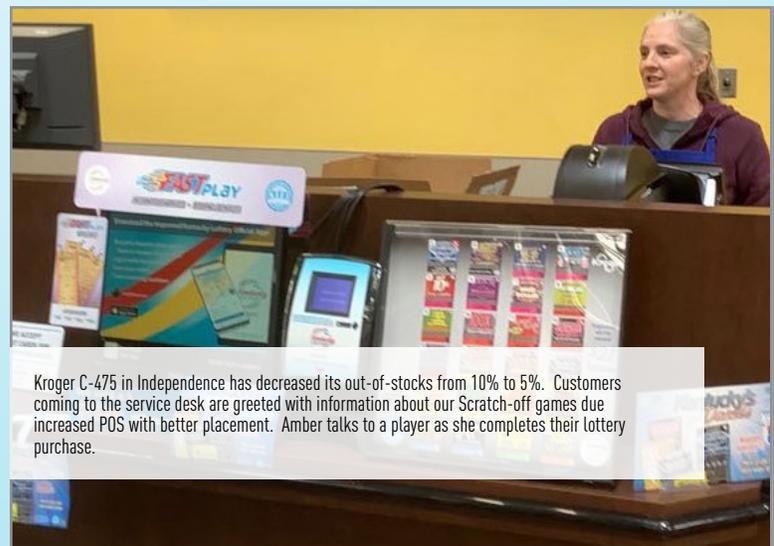


Deters and Daughters Liquor owner Rose enjoys interacting with regular customers like Rick and James. The Fort Wright lottery retailer is one of the top sellers in the state. This is partly due to following the best practices, finding ways to increase sales, along with their great customer service.



Manager Dan and Assistant Vickie show off their new lottery t-shirts. A \$5,000 Kentucky Millions ticket was sold at Apple Market #528 in Paris on 2/22/22.

18 | The Quarter



Kroger C-475 in Independence has decreased its out-of-stocks from 10% to 5%. Customers coming to the service desk are greeted with information about our Scratch-off games due increased POS with better placement. Amber talks to a player as she completes their lottery purchase.



Siuraj KC, owner of New Circle BP in Lexington, takes advantage of his LSR visits. He discusses how to increase sales, learns about new games coming and other sales opportunities.



Debbie, store manager of Bluegrass BP in Richmond, is a true ambassador of the lottery. She takes pride in keeping the Gemini filled and her out-of-stocks are always under 2%. Not only does she follow the best practices but her LSR says she makes the best roast beef and mashed potatoes for lunch every Thursday!



General Manager Steve and associate Lori like to keep the vending machine full at Pilot #353 in Georgetown.



Less than a year ago, HWY 127 Liquor owner Hiren Patel added ten dispensers to his counter. Not only have his Scratch-off sales tripled, but he now qualifies for our retailer incentive plan because he has 30 games on the counter. The Frankfort retailer always keeps his dispensers full and on plan-o-gram!



Mike, owner of Foodland in Lexington, always keeps his dispensers full. His out-of-stocks are always under 2%.



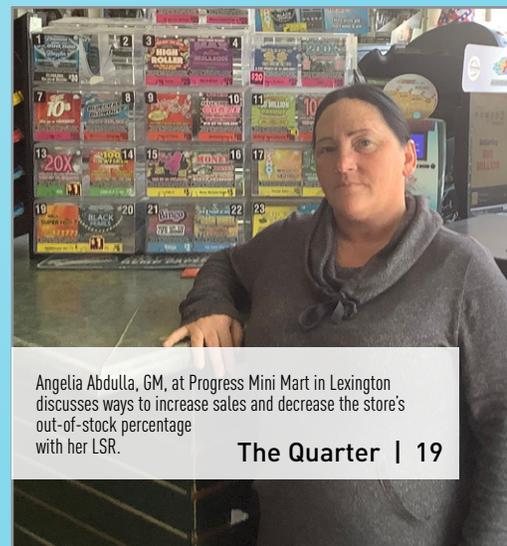
Randy, owner of Beni Corporation in Lexington, took advantage of just one of the winner awareness pieces available to retailers. He makes sure his customers know his store sold a big winning Scratch-off ticket recently.



Nicole may be the new manager of Speedway #7408 in Alexandria but it didn't take her long to realize a full Gemini leads to an increase of sales. Nicole said, "If I keep the Gemini full, more people will buy Scratch-off tickets. People want a bigger selection, and they get a big selection if the Gemini is full."



Super Clerk "Grandma" and Bonnie, store manager, at Route 17 Express in Covington love to see new lottery games arrive. Grandma recently sold a \$100,000 winning Scratch-off ticket. The store's winner banner is posted prominently for all customers to see that Grandma sells winning tickets.



Angelia Abdulla, GM, at Progress Mini Mart in Lexington discusses ways to increase sales and decrease the store's out-of-stock percentage with her LSR.

CENTRAL SPOTLIGHT

By Garrett Trabue, Central Regional Sales Manager

Hello again to all of our lottery partners in the Central Region! Sales continue to climb largely due to your part at keeping bins filled and on planogram showcasing our best-selling games.

Coming in June will be a new family of scratch-off games called "Loaded" featuring new \$1, \$2, \$5 and \$10 tickets. Retailers in the Central Region are doing a fantastic job on activating new games on Launch Day. Don't forget, new game launches now begin on Thursday. Be sure that you have all new games activated on the first day to maximize sales.

Thank you again for your partnership in helping to support education for scholarships and grants that benefit students in Kentucky.

TOP 3 RETAILERS IN THE CENTRAL REGION, SCRATCH SALES PERCENTAGE INCREASE Q3 FY22 VS. Q3 FY21:

#1 MAIN STREET VALERO
625%

#2 BOOTLEGGER WINE SPIRIT
253%

#3 DISCOUNT LIQUOR & WINE
187%



Boohmi and Raj say they became "small town famous" after selling a \$100,000 Gold Rush ticket and being featured in the local newspaper. The Railton General Store in Smiths Grove is a small store with a huge customer loyalty base. One of those loyal players was the winner of the big Scratch-off prize.



Mandy at Liberty Shell Mart has the blueprint for growing sales and having success with the Kentucky Lottery. This location maintains plan-o-gram at both the Gemini and on the counter. Scratch-off sales are up 90%!



Vish and his wife Mittal at Doe Valley Express in Brandenburg have built a regular customer base of local players that love the lottery. Sales are up over 17% compared to this time last year.



Andy and Kokila, owners of Burgin Express, are always eager to ask for the sale and keep their out-of-stocks under 4%.



Ajay at Bootlegger Wine and Spirits in Brandenburg attributes new Scratch-offs to his overall sales increase of 144%. His prominent counter display gets customers' attention at the register.



Benny from Corner Mart in Willisburg always keeps his dispensers full and on plan-o-gram. They are currently up 30% on overall sales and are up 41% on Scratch-off sales.



Ravi from High Grove Store in Cox's Creek next to his newly installed Game Touch Draw (GTD) machine! He is ready to increase Keno and Cash Pop sales at his store and take advantage of the cashless features that comes with a GTD machine!



Bhargav at Scottville Food Mart helps increase his stores sales and quarterly incentive bonus by keeping his machine full. The out-of-stock average at this store is 0.71%.



Sam Patel at Grand Mart in Tompkinsville keeps his customers happy with a nice variety of lottery tickets between the two vending machines. He also keeps his out-of-stock percentage below 1% maximizing his sales by making sure his machines are never empty.



Kelsey, at Five Star #3000 in Danville, is one of the top retailers in the state! She does a great job at keeping both of her Gemini's out-of-stocks under 2%.



Jackie, at Slate Branch Tobacco, has seen a 191% increase in sales over last year! Asking for the sale has proved to be a big win for Jackie and the staff at this Somerset retailer.



Heta and Daxa at Flex Market in Bowling Green say they have a big player base of our daily games. One of the owners, Paul, has two children who he hopes will eventually benefit from our **The Quarter | 21** lottery-funded grants and scholarships.

EASTERN SPOTLIGHT

By Wes Hardin, Eastern Regional Sales Manager

The Eastern Region would like to express our gratitude to all our amazing retailers for supporting our new games & keeping our dispensers full, resulting in a record amount of funds generated for KEES scholarships.

Spring is here and we will be visiting stores to "freshen up" POS items. If you have any POS needs or requests, please ask your sales rep. Look for our State Sales Director Lisa Murphy and I to be out and about visiting as many of your stores as possible this spring. I look forward to seeing you!

TOP 3 RETAILERS IN THE EASTERN REGION, SCRATCH SALES PERCENTAGE INCREASE Q3 FY22 VS. Q3 FY21:

#1 WALMART #4461
304%

#2 ELKHORN WINE & SPIRITS
146%

#3 TENN-K CIGARETTE STORE
89%



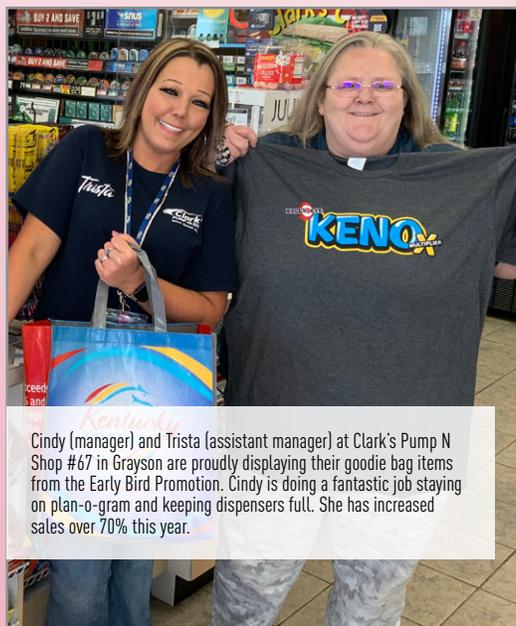
Bob at Ryan's Farm Supply in Maysville says he's seen a significant increase in sales after having a big Scratch-off winner. Bob says keeping his dispensers full was the key to increasing sales and selling a big winning ticket.



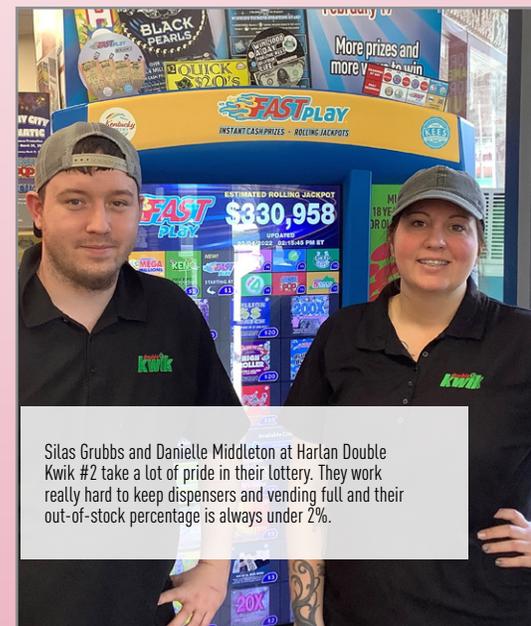
Krishan Sehgal, owner of Pine Ridge Mart, proudly displays tickets on his front counter for locals and travelers to see and purchase.



Diwash and Maya Bhattarai from SK Mart in Jeffersonville were Early Bird promotion winners. They do a great job activating the new games early for their customers. They are always on plan-o-gram and keep the vending machine and counter full but the most impressive is their winner 22 | The Quarter awareness wall!



Cindy (manager) and Trista (assistant manager) at Clark's Pump N Shop #67 in Grayson are proudly displaying their goodie bag items from the Early Bird Promotion. Cindy is doing a fantastic job staying on plan-o-gram and keeping dispensers full. She has increased sales over 70% this year.



Sitas Grubbs and Danielle Middleton at Harlan Double Kwik #2 take a lot of pride in their lottery. They work really hard to keep dispensers and vending full and their out-of-stock percentage is always under 2%.



Donna at Zoe Food Mart does a great job of keeping her dispensers full. Her Scratch-off sales are up 63% and her out-of-stock average is 0.11%.



Melissa, manager of Zip Zone #20 in Staffordville, was a winner of the early activation contest. She received a goody bag and coupons for getting her new games activated early on launch day.



Beth, manager of Fast Lane 327 in Paintsville, received a goody bag and coupons for getting her new games activated early on game launch day.



Paul (AKA Flyin Brian) at Circle K in Mt. Sterling has steadily increased sales to become a Top 5 retailer in the area. Paul said the key to growing sales is keeping all dispensers full and maintaining sufficient inventory to do so.



Grumpy's manager Tom Rains does a great job keeping his Gemini full and on plan-o-gram. This leads to big sales at the Williamsburg retailer.



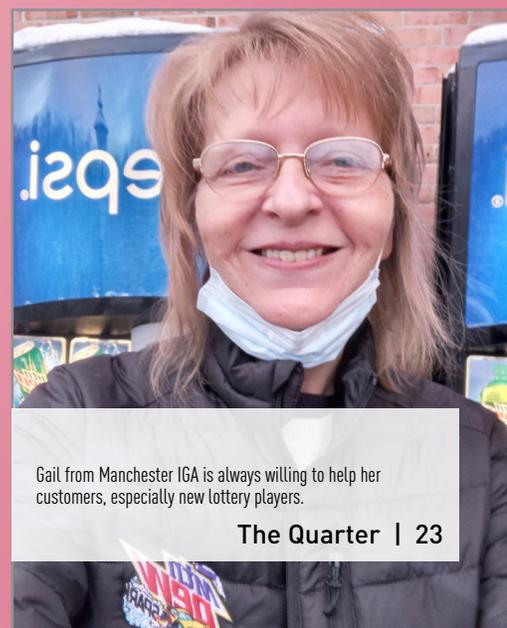
Manager Ricky Patel of EZ Mart in Williamsburg does a fantastic job keeping his Gemini machine full and on plan-o-gram.



Chelsey Davidson at Couch's Shell Mart in Hyden always keeps the dispensers full and no one can beat her on early activation of new tickets.



Tabitha is the new manager of Apple Market #527 in Irvine. She's made big strides by making sure lottery is a daily priority. Tabitha has decreased the store's out-of-stock average by more than 10% in just a few months. She says her success is due to a daily plan for every task she needs to complete, delegating duties & receiving lottery training from her LSR Josh Rothermel.



Gail from Manchester IGA is always willing to help her customers, especially new lottery players.

WESTERN SPOTLIGHT

By Chris Green, Western Regional Sales Manager

Hello to all of our Western Region retailers. You all are doing a fabulous job selling the many Kentucky Lottery products in the market. We continue to look forward to serving our retailers in the only way we know how, and that's keeping you our #1. As always, if you need anything sales-related please contact your sales rep.

Our fiscal year ends June 30 2022, and we want to finish the year strong. We now have Powerball going 3 days a week on Monday, Wednesday and Saturday, and we want the jackpots to roll. Scratch-off sales are strong and we plan to finish strong. The June new game launch will have a great family of games to create excitement and drive strong sales. Once again thank you for all you do and let's finish the fiscal year strong!

TOP 3 RETAILERS IN THE WESTERN REGION, SCRATCH SALES PERCENTAGE INCREASE Q3 FY22 VS. Q3 FY21:

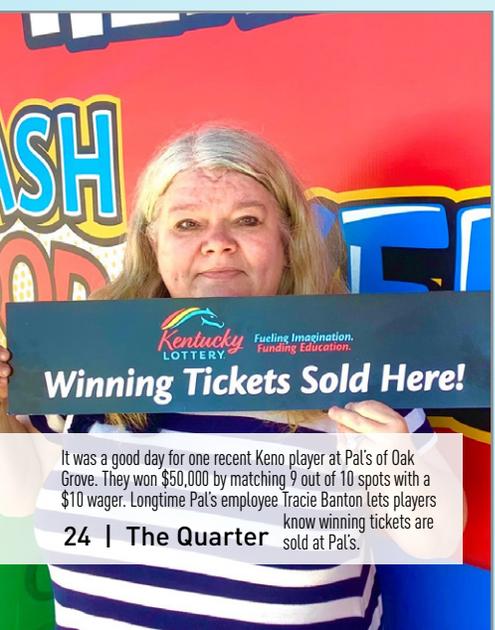
- #1 WALMART #257**
14,648%
- #2 KROGER D-435**
271%
- #3 WALMART #694**
169%



The drive-thru at the Tobacco Patch in Cadiz gives players the option of purchasing Scratch-offs without getting out of their vehicles. Instant sales are up 62% due in part to displaying a drive-thru window sticker that alerts players of the newest instant games. Kim Peebles says customers ask for one or all of the newest games after noticing the new game alert sticker



Hetal Patel, owner of Doodlebugs Foodmart in Philpot, makes certain to promote winnings and upcoming games at the counter. With these best practices and asking for the sale, Hetal and her wonderful employees have grown her store's lottery business by more than 200% in the last year.



It was a good day for one recent Keno player at Pat's of Oak Grove. They won \$50,000 by matching 9 out of 10 spots with a \$10 wager. Longtime Pat's employee Tracie Banton lets players know winning tickets are sold at Pat's.



Sonu Mehta, manager of Jumpin Jacks #417 in Owensboro, makes certain he places the newest games out immediately and promotes winnings at the counter. He finds these best practices help him consistently grow his store's lottery business.



Darrin at Kroger 718 in Owensboro makes sure the main store and the fuel center are ready for new game activations. He earned a goody bag for activating new games by 8 a.m.



Jordan at Max Fuel #138 in Paducah did self-returns for the first time in February and said it was a breeze and very easy. It will help continue to drive her sales by doing self-returns and placing new games out as soon as possible on new game launch Thursday.



Valerie, manager at Huck's #291 in Morganfield, is pictured here with her goody bag she won in the early activation drawing for activating the new games before 8am. Valerie knows her customers will be looking for the new games on launch day and keeps the Gemini fully stocked at all times.



Sam at Jumping Jacks #425 in Morgantown really wanted to boost Scratch-off sales. He was able to add a Gemini Ultra and began asking for the sale. His Scratch-off sales have increased 19%.



Assistant manager Katrina (L) and manager Crystal at Five Star #6561 in Marion show off their goody bags for being a top performer in the out-of-stock promotion Five Star participated in recently. This store finished with just 1.02% out-of-stock average for the six-week promotional period.



Jack at Adairville Market has a big draw game player base but he wanted to increase his Scratch-off sales. He added a Gemini and started asking for the sale. Jack is up 33% in Scratch-offs because of this action.



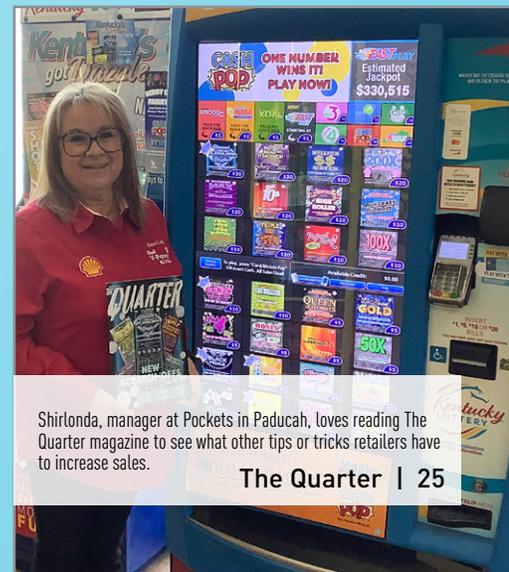
Gloria at Fastway 4 in Livermore always activates her tickets on new game launch day.



Jamie, store manager for Casey's 3537 in Murray, always follows best practices, she keeps her dispensers full and on plan-o-gram and gets her tickets activated first thing in the morning on launch day! Jamie's current Scratch-off sales are up 24%!



Maureen and manager Kristen of GL 829 in Morganfield show off their goody bags for winning the holiday decorating contest. Their entry received the most votes earning them a \$250 gift card as well.



Shirlonda, manager at Pockets in Paducah, loves reading The Quarter magazine to see what other tips or tricks retailers have to increase sales.

TIPS FROM THE TRAINERS

By Lisa Latham, Regional Training Coordinator

Coming soon! QR Code stickers will be added inside your Kentucky Lottery vending machine to help provide training on how to operate the external functions, internal operations, and management menu of each machine. All you need to do is scan the QR code and view the menu of our Gemini 24, Touch 28, Touch 20, GTD and Altura videos. You can then choose the video that represents your vending machine and begin training.

Use this QR code to access our retailer training webpages!



NEW FACES

WELCOME TO THESE NEW
FIELD SALES REPRESENTATIVES!



Chanz Weaver
Lottery Sales Representative
for the Bluegrass Region



Brooks King
Lottery Sales Representative
for the Jefferson Region



AMY'S CLOSING THOUGHTS

It's unbelievable that we have only months left to go in our fiscal year. Not to mention that summer is almost here, and we have returned to our "somewhat new normal". You executed another fantastic launch on March 31st, and we cannot say thank you enough.

But that's not all. While we marched into spring with promotions and new Fast Play graphics and the first Fast Play \$20 game (Jackpot Fortune), we also said goodbye to an old friend. That's right, we retired Five Card Cash. While we were sad to see it go, I am certain our product directors have big plans. Enough with the past - and now on to the exciting future!

On May 12th we will launch \$2, \$5, \$10 and \$20 price point Scratch-offs. The \$20 Mega Millionaire will be the star of that show. Not to be outdone by May, June will be "Loaded" with a family of five at the \$1, \$2, \$5, \$10 and \$20 price points.

Please be on the lookout for your lottery sales representative. They are searching for EVERY opportunity to drive traffic to your store. They are the "curb to counter" captains of their territory and the experts in "lottery best practices". Ask them how to make sure you qualify for the our Retailer Incentive Plan and how important being "IN STOCK" at vending and the counter and not "OUT of STOCK" is to maximizing revenue.

Don't forget our Kentucky Lottery training team - they are always available for refreshers, updates for new employees or any quick reminder trainings that may help you or your customers.

Thank you again for being the kind of business partners that continue to maximize revenues for college scholarship and grant programs - and for all the Commonwealth of Kentucky. Simply put, we couldn't do it without your hard work and dedication. As always, thank you for your commitment to Fueling Imagination and Funding Education.



Amy Drooker
Kentucky Lottery Vice President of Sales





HOW'D THEY DO IT?

ACTIVATE NEW GAMES BY 8 AM ON LAUNCH DAY

**“I offer new games to my players as soon as possible.
Having what customers are looking for is my key to success.”**

- Key Modi, Store Manager, Quality Quick #9, Henderson

Scratch-off sales at Quality Quick see a 22% increase in the two weeks following the launch of new games thanks to fast activation.