

# THE PRESIDENT'S CORNER

#### The Year of the Jackpot

Friends in Chinese Culture deemed 2023 "The Year of the Rabbit" and celebrated in late January and into February of this calendar year. The Year of the Rabbit is said to be a time of peace, harmony, and comfort. The rabbit is a gentle and nurturing symbol, bringing good luck and prosperity to those born under the sign. Long a symbol of luck, it's hard not to draw a parallel between the rabbit and the tremendous jackpots we've experienced in fiscal year 2023.

In November, Powerball grew to over \$2 Billion, the largest single jackpot ever. Then just after the holidays, the Mega Millions jackpot grew to over \$1 Billion before it was won on Friday, January 13. Surprisingly, in February, Powerball grew again and sparked attention rolling to \$747 Million. As you, our fantastic retailer partners know, nothing generates excitement in our business, by regular and occasional players alike, than the dream of a life-changing sum of money.

You, our retail partners, together with our sales team, have been able to capitalize on the new players that big jackpots bring into your stores. But that's not all. We have our Kentucky-only jackpot game, Kentucky 5, and other draw games, Fast Play games, and a wide variety of scratch-off games ranging in offerings from just \$1, up to the 500X \$50 ticket, that you will read about as our cover story this quarter. We offer players entertaining and meaningful games of chance that ultimately fuel imagination and fund education, benefiting all Kentuckians. Keep up the fantastic effort. We appreciate each and every one of you, all across the Commonwealth!

All the best.

My B. Handle

Mary Harville Kentucky Lottery President and CFO



## KLC IMPLEMENTS **CORE VALUES**

By the KLC Executive Team

The Kentucky Lottery recently defined and implemented a set of core values. Core values are what we stand for as a company and are the foundation for which we expect employees to work and represent themselves. They provide expectations around the behaviors we are expected to exhibit to meet our strategic goals. These core values will be woven into everything we do at the lottery including recruiting, employee recognition, performance evaluations and more. We are committed to exhibiting these core values to each other, our players, vendors and our retail partners like you.



#### Integrity

We do the right thing.



#### Accountability

We are accountable to the Governor, the General Assembly, the people of the Commonwealth and to each other.



#### Responsibility

We are a good corporate citizen, giving back to the community.



Diversity.

**Equity &** 

Inclusion

We value and respect our colleagues, our customers, and the communities we serve.



#### Teamwork

We believe in collaboration and the strength of people coming together to achieve something great.



#### **Innovation**

We embrace innovation, working to proactively see opportunities.



We have fun at work and enjoy a positive work environment.

#### CORE VALUE: DIVERSITY, EQUITY, AND INCLUSION

In this Quarter, we'd like to highlight the KLC's support of its Diversity, Equity, and Inclusion (DE&I) core value.

The KLC created a DE&I Committee to help keep DE&I top-of-mind when making decisions about operations, workplace culture, and employee development. The DE&I Committee works to champion the diverse identities and perspectives that make the KLC's overall mission possible.

To date, the DE&I committee to has worked to recognize Juneteenth as an official KLC holiday, supported minority and women-owned businesses during Black history month, and prioritize planning for women's history month. These events and policies help increase awareness about the contributions of all the backgrounds represented in our KLC family.

We know that DE&I is more than just holidays, programs, and policies. Moreover, we also know that diverse teams achieve great results, but that can only happen if they coexist in an inclusive environment where everyone feels comfortable and safe to express themselves. To help the KLC achieve its goal, the DE&I committee created the following vision and mission statement:

Our mission is to build a diverse, equitable and inclusive environment where everyone is valued. We're all winners when we

embrace our differences.

We have a high-performing workforce that fosters a feeling of belonging. We leverage our internal diversity to provide products that meet

demonstrates respect, embraces differences, and the needs of our customers and communities.

Please join us as we seek to promote self-confidence, encourage collaboration within teams, bring awareness about culture differences that ultimately leads to creation of an overall healthy and efficient working environment.

2 | The Quarter The Quarter | 3

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FOR RETAILERS, PLAYERS AND

SUCCESS

KENTUCKY COLLEGE STUDENTS

By Rhonda Zimmerman, Director, Scratch Games

The KLC'S first \$50 game, 500X, has been a huge success for the first 17 weeks of sales and we couldn't be more thrilled that our retail partners and their players love the game and keep coming back for more! Gross sales now (at the time of print) total over \$49.2 million, which breaks down to a weekly average of \$2.9 million and is currently running at 15.47% ahead of quota. Additionally, sales from this game alone equate to over 11% of total Scratch-off sales since launch, with 93% of our retailers selling the game. Of the 200 or so retailers that did not carry the game initially, approximately 50 of them have now come on board as a result of player demand.

Players are winning big time on this game as well! To date, over \$36.5 million in prizes have been awarded, including two of the four \$1,000,000 top prizes! Multiple \$10,000 winners are claimed daily with over half of the available 1,088 already claimed, and multiple \$50,000 winners are being claimed on a weekly basis. Not to worry though, there are still millions of dollars in prizes remaining. You'll continue to enjoy the sales and reap the benefits of the increased foot traffic this game drives into your stores as well as the incremental commissions and cashing bonuses with over \$2.6 million paid in retailer commissions thus far.









Additionally, our ongoing research tracking report for FYQ2 on the \$50 game included some great consumer insights, further supporting our decision to launch this new price point. Per Greg Wood, our Market Research Strategy Director, some of those findings include:

- The \$50 game over-indexed for both Men and Women 18-34 (meaning that both men and women 18-34 were more likely to purchase the ticket than the average lottery player). This younger demographic is exactly the audience we strive reach, so our efforts are definitely working.
- The \$50 game over-indexed for higher income players (\$70k or more), even higher than the number for the \$20/\$30 price points.
- The price of the game didn't scare players away, as the % of "Never Played" for the quarter was lower than the previous years' % of "Never Played" for the \$30 game.
- While 500X has the highest payout % of any scratch game (79.90%), it also has the highest % satisfaction as reported by players (78%). That's huge!!!

KLC has been an early adopter of the \$50 price point as there are only eleven states currently selling one, and ten of those, including KY, launched in CY21 and CY22, and the above metrics, indicate that our market is ready and willing to support this price point moving forward. Stay tuned for what's next!



#### **GUIDANCE ON KLC-BRANDED ITEMS**

Got KLC swag? Be sure to wear and display it the KLC way! Properly wearing your KLC-branded apparel, and ensuring KLC signage, equipment, and other KLC-branded swag are displayed and used appropriately helps protect the KLC brand and reminds the Kentucky community to take pride in our mission of fueling player imagination and funding education.

Below are a few tips to help ensure that you properly wear or display, store, and retire any KLC-branded items in your possession, and what to do if you see KLC equipment or signage in an unexpected place.



#### KLC-BRANDED APPAREL/ SWAG SHOULD BE:

- Worn/used by adult members of the household
- Worn/displayed appropriately and professionally



#### KLC-BRANDED APPAREL/ SWAG SHOULD NOT BE:

- Donated to the Goodwill, flea market/thrift stores or online marketplaces
- Resold at garage sales
- Given to a minor



## KLC-BRANDED EQUIPMENT AND SIGNAGE SHOULD BE:

- Displayed and used at current KLC-licensed retailers
- Displayed and used according to KLC directives and best practices
- Returned to KLC when the retailer is no longer licensed or when the equipment/signage is being replaced

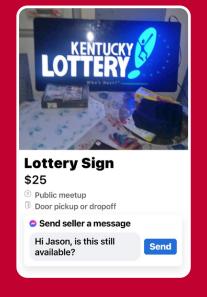


## KLC-BRANDED EQUIPMENT AND SIGNAGE SHOULD NOT BE:

- Displayed or used at non-KLC licensed premises
- For sale or trade at Goodwill, flea markets, garage sales, or online marketplaces
- For personal use







Help us keep the KLC brand strong. If you see KLC-branded equipment and signage (examples shown above) being used improperly, please inform the KLC Security Department at (502) 560-1804.

# SCRATCH-OFFS **FOUR NEW GAMES LAUNCHING MAY 11!**

By Rhonda Zimmerman, Director, Scratch Games

With just four games for the May launch, it may not seem like a big deal, but these games offer plenty of excitement and lots of new cash prizes up for grabs!

The \$5 GRILLIN' & CHILLIN' is a licensed property game with the Omaha Steaks® brand and features a top prize of \$75,000. In addition to over \$4.9 million in cash prizes, players can enter the Summer Sizzler Sweepstakes second chance promotion for a chance to win premium gas grills, Omaha Steaks® prize packages, gift cards and more! And if that's not enough to turn up the heat, a second \$5 game BOOM features a \$100,000 top prize and over \$16.4 in total prizes, with a chance to multiply your prize by up to 10 times!

The new \$10 game CASH DOUBLE DOUBLER features play areas on both the front and back of the ticket with a chance to win up to 25 times. It offers a top prize of \$225,000, with over \$15.1 in total cash prizes including a \$50 and a \$100 winner in every pack!

As you know, players love games with a low top prize as demonstrated by the extremely popular \$500 top prize games we've launched at both the \$5 and \$10 price points. With this in mind, we're adding to that mix with a new \$20 game HIT \$600 that is loaded with \$600 top prizes. That's right, all tickets for this game are cashable at retail so you'll want to be sure you have plenty of on-hand inventory for all that cashing and churn activity! This game is sure to become another player favorite that drives repeat visits to your store, as it offers exceptional odds to win \$100, \$200, and \$600!







#### SILVER, GOLD, PLATINUM...OH MY!

On June 15, the Precious Metals family will launch with a full range of games including a \$1, \$2, \$5, \$10 and \$20 price point. This family is printed on foil paper with a texturized touch called "micro-motion" that gives the look and feel of metal for an upgraded enhancement to these games. This limitededition family is designed to be in market for a shorter period than previous families with reduced print quantities so encourage your players to stock up while supplies last!









# **TERMINAL GAMES**

## THREE NEW FAST PLAY GAMES LAUNCH MAY 22!

By Monica Bischoff, Product Manager, Terminal Generated Games

#### MORE SUPPORT FOR KENO, CASH POP

We're nearing the end of FY23 and we've seen tremendous sales growth in Powerball and Mega Millions due to the high jackpots. While most games are on pace to achieve quota by the end year, our Keno and Cash Pop monitor games and Kentucky 5 continue to pace behind year-to-date sales projections. As we approach the remaining months in FY23, we will support these three games with extra advertising support, terminal and second chance promotions to end the year.

#### **NEW FAST PLAY GAMES IN MAY**

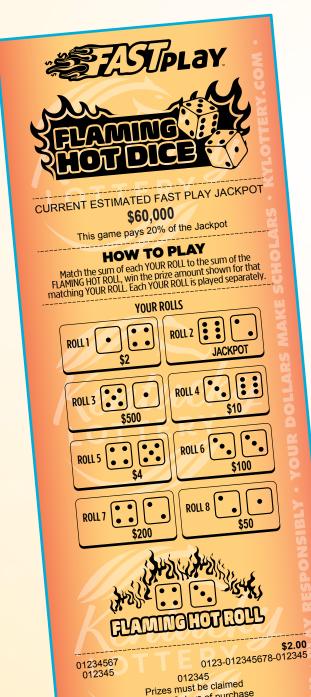
For our last Fast Play launch of FY23, three new games will join the Fast Play category of instant win terminal games on Monday, May 22nd! The new Fast Play games are at various price points with each game eligible to win a percentage of the rolling jackpot:

- \$2 Flaming Hot Dice -20% of the jackpot
- \$3 BBQ Bingo 30% of the jackpot
- \$5 Lightning Cash -50% of the jackpot

With this launch comes the retirement of the following seasonal Fast Play games: \$2 Lucky Clover and \$3 Winter Wildtime. The \$2 Lucky Clover game was launched in February 2023 and \$3 Winter Wildtime launched in December 2022.

Planning is underway for the FY24 Fast Play game launch schedule. There will be four separate launches throughout the year. Each launch will include a variety of price points, play styles and themes including some fun new seasonal games!









#### **KENTUCKY 5 UPDATE**

Our newest terminal-generated game featuring a rolling jackpot, Kentucky 5, had a jackpot reaching over \$400,000 in March! This game has already had a few jackpot winners since launching in November 2022. An awesome second chance promotion in May is sure to increase awareness of the Kentucky-exclusive rolling jackpot game. One lucky winner will win an experience of a lifetime with a private concert from Luke Combs! Read more about this in the promotions section of this Quarter!

To provide additional game support, we're planning a terminal promotion near the end of the fiscal year at retail locations.

#### **ADVERTISING SUPPORT**

Also for the Kentucky 5 game, we have three weeks of television broadcast and :30 radio flights advertising support at the end of April and beginning of May. We will return to advertising at the end of May and beginning of June with television broadcast and :30 radio flights for the Living Lucky with Luke Combs second chance promotion. During the last nine weeks of the fiscal year, ongoing digital efforts will support Kentucky 5.

By Susan Simmons, Marketing Manager, Promotions & Production

The Kentucky Lottery Promotions Team has lots of fun second chance promotions planned this spring and summer! We will kick off spring with the ultimate grill and chill prize pack, then move to a once in a lifetime country music fan's dream and round out the summer with fast cars and a chance at \$1 million. Players are sure to feel the excitement with these second chance promotions!

#### SUMMER SIZZLER SWEEPSTAKES SECOND CHANCE PROMOTION

The Summer Sizzler Sweepstakes second chance promotion has all Kentucky Lottery players will need to grill and chill with family and friends all summer long.

Summer Sizzler Sweepstakes Second Chance Promotion Details: Promotion Period: Thursday, May 11, 2023 - Sunday, June 18, 2023 Eligible Ticket: \$5 Grillin' and Chillin' (885) Scratch-off ticket The drawing will take place: Wednesday, June 21, 2023

#### Summer Sizzler Prize Package includes (valued at \$3,600):

- Gas Grill and Accessories
- Name Brand Cooler
- \$1,000 Omaha Steak Gift Card
- KLC-Branded Summer Swag
- \$500 Cash

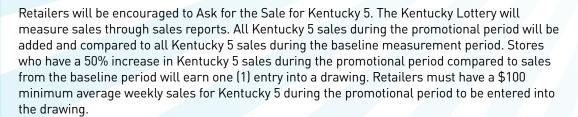


#### **KENTUCKY 5 RETAILER PROMOTION**

Here are the details of a Kentucky 5 promotion, just for you – our retailers! It'll be underway by the time you receive this publication so let your LSR know if you have questions.

#### **Kentucky 5 Retailer Promotion Details:**

- Promotional Period: March 19 April 29, 2023
- Baseline Period: February 5 March 18, 2023
- Winners announced: Week of May 1st, 2023



#### Prizes will be awarded as follows:

• One (1) retailer from each region will be drawn from qualifying retailers to receive a \$500 credit to their KLC account.

Remember, Kentucky 5 is a daily jackpot game that is only available for sale in Kentucky! An easy way to ask for the sale is to suggest it to your draw game players when they are making their draw game purchases. YOU could be the \$500 winner!



#### **NASCAR POWERBALL PLAYOFFS!**

The Kentucky Lottery will also be participating in the NASCAR Powerball Playoffs! In February, Powerball announced it has become an Official Partner of NASCAR and the "Official Lottery Game of NASCAR." To kick-off the new partnership and the 2023 season,

NASCAR and Powerball will create a season-long promotion that will culminate with one lottery player winning a \$1 million prize in a special drawing broadcast live from the Phoenix Raceway during NASCAR Championship Weekend, November 3-5. The Kentucky Lottery will draw 25 participants for the promotion. Further information and details of the promotion, as well as how to enter, will be announced later.

#### LIVING LUCKY WITH LUKE COMBS ULTIMATE SECOND **CHANCE PROMOTION**

Are you a Luke Combs Fan? What if you could win the ultimate Luke Combs experience? The Kentucky Lottery will be rewarding one lucky winner \$10,000 and a lifetime of memories at the Luke Combs fan experience in Nashville. Winners will not only have a private Luke Combs concert, but a shot at \$500,000!



#### The Living Lucky with Luke Combs Second Chance Promotion Details:

Promotion Period: Monday, May 22, 2023 - Sunday, July 9, 2023 Eligible Ticket: \$5 or more eligible Kentucky 5 tickets The drawing will take place: Thursday, July 13, 2023

#### The Kentucky Lottery Living Lucky with Luke Combs prize package includes (Total value of \$34,400):

- (1) One person will win the opportunity Living Lucky with Luke Combs. Each experience will be for the Grand Prize winner and a quest.
- Round trip airfare to Nashville
- 3-Nights at the Sheraton Grand Nashville
- Daily breakfast buffet
- Round trip group transportation in Nashville
- \$500 spending money
- \$10,000 guaranteed grand prize winner
- Custom Luke Combs welcome gift (\$50 retail value)

#### The Kentucky Lottery winner prize package will also include the following events with all other state lottery winners:

- Private welcome reception, entertainment, drinks, and tour of Country Music Hall of Fame & Museum
- Private BBQ lunch and entertainment at Martin's Bar-B-Que Joint Downtown Nashville
- Private dinner and drink at The Sheraton Skye Bar
- Private buyout of the iconic Ryman Auditorium
- Private concert with Luke Combs
- (1) One prize winner from all state winners will be randomly selected for a \$500,000 guaranteed grand prize on the evening of the concert.
- (20) Twenty VIP seats will also be randomly selected from all winners and quests on concert night

12 | The Quarter The Quarter | 13

# **BLOWOUT GAMES!**

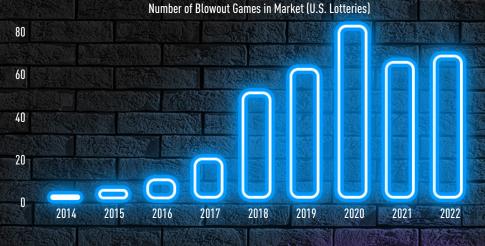
By Greg Wood, Director of Market Research Strategies

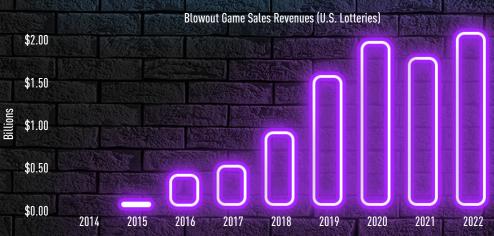
In the last issue of The Quarter magazine, we reported on the importance and appeal of licensed property scratch-off games. Licensed properties are just one type of scratch-off game that appeal to different players in your store. However, we know that offering a variety of game styles with games at different prize tiers is vital to creating a balanced portfolio of scratch-off games. One prize structure variation that has emerged as a player favorite and has recently enjoyed a surge in popularity is the 'blowout' game prize structure.

#### WHAT IS A BLOWOUT GAME?

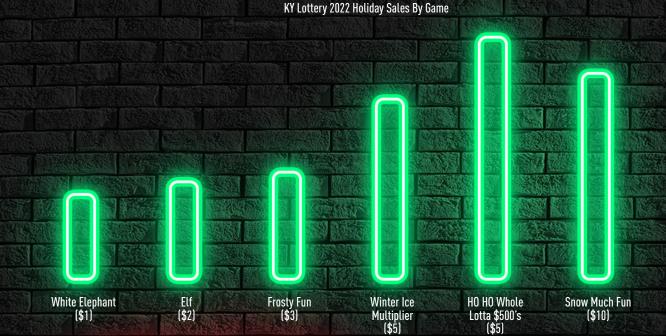
A blowout game is defined as having three or fewer prize levels but a much greater chance of winning those prizes versus a traditional instant scratch game. A \$10 blowout game, for example, might only offer prizes of \$100, \$200, and \$500, but the odds of winning those prizes are far better than they would be on a traditional \$10 scratch game. This enables the lottery to market the game as having better (or the best!) odds of winning those prizes, creating excitement at retail and among players.

This definition of a blowout game – a small number of prize levels that can be won with much greater frequency than a traditional instant game – has an impressive sales record. As the charts below show, the number of blowout games in U.S. markets grew from 2014 to 2019, peaked in 2020, and then experienced a slight decline over the past two years. Despite this modest decline, however, sales revenue for blowout games continues to grow with 2022 being the strongest sales year to date for these games.\*





While these games may not offer the largest payout amounts, the increased odds and ability to cash at retail make these games very popular for our players, especially during uncertain economic times. This past holiday season, the Kentucky Lottery's \$5 blowout Scratch-off game, "Ho Ho Whole Lotta \$500's" had the highest sales among all holiday scratch-off offerings:





In February, the Kentucky Lottery launched our newest Blowout Game option, "Full of \$500's Spring Edition". We're confident that this game will provide the same excitement and winning experiences that your customers have come to expect from the Kentucky Lottery. As always, if you have any questions regarding "Full of \$500's" or any of our other lottery offerings, please don't hesitate to reach out to your LSR today!

## **WINNERS WINNERS EVERYWHERE!**

By Jennifer Cunningham, Sr. Communications Specialis

## LOUISVILLE WOMAN WINS \$175,000 KENTUCKY LOTTERY SCRATCH-OFF PRIZE AT COMPANY HOLIDAY PARTY

Lori Janes, who works as a dental office manager and treatment coordinator, was participating in a white elephant gift exchange with her coworkers when someone "stole" a \$25 TJ Maxx gift card she had received. Lori was disappointed at first since she loves to shop at TJ Maxx. Being that her gift was taken, she then had to choose another one. That's when she took \$25 dollars in Scratch-off tickets from someone else.

Since the tickets had already been "stolen", the tickets were no longer available for anyone else to steal. "Once it got to me, it was done and mine to keep. That's when everyone was telling me to scratch them off." Lori said.

With everyone sitting around the room, Lori began to scratch the tickets off. As Lori scratched off the \$10 Hit The Jackpot ticket, she continued to reveal a win on all 15 spots on her ticket, winning the game's \$175,000 top prize.

"Everyone was going insane. People were getting their calculators out and double checking. A couple of people even scanned the ticket on the lottery's app, just to make sure," Lori said. "I couldn't believe it. It was a twenty-five-dollar gift exchange, and I won one hundred seventy-five thousand dollars!"

Lori called her husband and kids to share the news, but they had a hard time believing her at first. "We figured she didn't look at it right, but then we heard people in the background celebrating, it became real," her husband told lottery officials.

Lori showed up at lottery headquarters just hours later where she received a check for \$124,250, after taxes. "This is so crazy. I'm truly blessed," she said.



## TRUCK DRIVER WINS \$1 MILLION LOTTERY SCRATCH-OFF PRIZE IN ALEXANDRIA, KY

Michael Allen and his wife Sheila are Kentucky Lottery's newest millionaires after cashing in the \$1 million top prize of a \$20 Mega Millionaire Scratch-off.

Michael drives a truck and travels throughout Kentucky often.

"I stopped at a couple of places. At the first one, I bought a couple of Scratch-offs but didn't win. Then I stopped in Speedway in Alexandria and bought the ticket," Michael said, referring to his winning Scratch-off. "I usually just scratch the bottom and then scan them to see if I've won."

The clerk scanned the ticket to see if it was a winner and told him she hadn't seen the message before. "She said, 'It says See KLC.' And I said, 'What does Kentucky Fried Chicken have to do with this?'" Michael said jokingly. KLC stands for Kentucky Lottery Corporation and is displayed when a prize is too large to be paid at a retail location. Michael then scanned it at the ticket checker and saw \$871,000. "I took a picture of it three times because I was afraid it would go away."

Michael then called his wife, who didn't believe him. "He's always joking around so I thought for sure it wasn't true," she said. "But then he got home and showed me. I said, 'Oh my God.' I was so shocked, I couldn't sleep."

Michael on the other hand, wasn't so shocked. He had just been talking about when he was going to win it big and felt it was coming soon. The couple made their way to Louisville headquarters to claim the prize. "Can you pinch me?" Michael asked Kentucky Lottery officials.

Michael chose the lump sum cash option and walked away with a check for \$622,765 after taxes. "It won't change a thing," he said when asked about how they plan to use the money. "We'll still work, and life will stay the same."

## PULASKI COUNTY MAN'S JOKE ABOUT A BAG OF MONEY BECOMES REALITY WITH \$50,000 POWERBALL WIN

Earlier this year, William Zunda of Science Hill was visiting with his dad. Zunda's father was heading to Jerry's Market on Main Street in Evarts, when he asked him if he wanted something from the store.

"Sure, bring me back a pop and a bag of money," Zunda jokingly said.

His dad purchased a \$2 Powerball ticket for Saturday's January 28 drawing worth \$572 million. "I quess he figured that was the closest thing to a bag of money," Zunda said.

Little did the family know, the ticket was just that.

"On Monday I get a call from my dad telling me I need to come and get my ticket," he recalled. "The owner of the store came to my parents' house to see if they still had the ticket and that it was a \$50,000 winning ticket. I left work and headed that way."

"I don't play," Zunda said. "I really thought it was a hack."

Zunda walked away with \$35,750 after taxes. He plans to use the winnings as 'emergency money'. "And to think, I was one number away from retirement."





## FRANKFORT MAN'S DREAM COMES TRUE AFTER WINNING \$225,000 CASH BALL

"I always dreamed of doing this," a Frankfort man said after he and his wife won \$225,000 on a Kentucky Lottery Cash Ball 225 ticket.

The couple had stopped at a Circle K on Schenkel Lane in Frankfort to cash in a previous win off a Scratch-off ticket when the husband bought five sets of Cash Ball numbers for the January 7 drawing.

The next morning, he checked the tickets. "I pulled up the winning numbers when I saw the Cash Ball number, twenty-three matched in the first line," he said. "I looked at the next line and that's when I saw where all the numbers matched. I looked at it about three times. I had a hard time believing it."

He couldn't resist waking up his wife so she could look at the ticket. "I was in a dead sleep and thought something bad happened when he told me we had won \$225,000," she said. "I'm not a morning person but I sat up in bed real fast. He handed me the ticket and said, 'You've got to look at this.'"

The couple couldn't wait to claim the ticket, so they drove to lottery headquarters where they received a check for \$160,878.57, after taxes.

The retired couple had returned to work part-time. They say they're now going back to retirement and spend more time with family. They also told officials they look forward to being able to pay off their house and be debt free.

## MUHLENBURG COUNTY MAN WINS \$75,000 ON KENTUCKY LOTTERY SCRATCH-OFF

Troy Kimmel of Drakesboro had just finished working a 12-hour shift when he purchased a \$5 Kentucky Lottery Scratch-off ticket winning \$75,000.

Kimmel stopped at Eagles VII on North John Prine Avenue in Drakesboro and purchased four \$500 Loaded! tickets from the vending machine.

When he got to the third ticket, he scratched off a "5X" symbol with a \$1,500 prize. By the time he was finished, he revealed 10 of the same prizes, totaling the game's \$75,000 top prize.

"It took a while to hit me," Kimmel said. Kimmel brought the tickets to the store owner to confirm his winnings and said the owner may have been happier than he was. "He even came up and gave me a hug," Kimmel said.

He called his wife to tell her the news, but she had a hard time believing him. Her reaction at first, was, 'you're lying.' Kimmel sent her a photo of the ticket and she realized it was real.

The couple drove to lottery headquarters the next day where he walked away with a check for \$53,625 after taxes. As they were leaving, Kimmel told officials he hoped to be back again one day.



16 | The Quarter | 17

# KEY ACCOUNTS

The Kentucky Lottery has three Key Account Managers who are responsible for the relationships with each chain.



**Shelby Biddle** 

KROGER (Nashville DIV)

KROGER LP I

KROGER (Louisville)

KROGER LP I (Cincinnati DIV)

KROGER LP I (Delta DIV)

JR FOOD STORES

**HOUCHENS FOOD GROUP** 

**DOUBLE KWIKS** 

**MEIJER GREAT LAKES** 

**RACETRAC** 

**VIP FUELS** 

1ST STOPS

STOP AND GO

**CLARK'S PUMP N SHOP** 

SUPER QUIK FOOD STORES

LEE'S FOOD MART



Alfredo Santana

**FAS MART** 

APPLE MARKET

WALMART

**HOP SHOPS** 

ESTEPP'S

**CERTIFIED OIL** 

MINIT MART

**FAST LANE** 

FAST LANE DISCOUNT TOBACCO

**FOOD CITY** 

TRIUMPH ENERGY

**MURPHY USA** 

MAC'S, CIRCLE K

COX'S SMOKERS OUTLET

LOVE'S TRAVEL STOP

**REDI MART** 

MAPCO EXPRESS



**Michael Hayden** 

**SPEEDWAY** 

FIVE STAR

**HUCK'S** 

PILOT TRAVEL CENTERS

MAX ARNOLD & SON'S LLC

CASEY'S GENERAL STORES

FOOD GIANT SUPERMARKETS

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GIANT INDIANA

ROCKET OIL CO

THORNTONS LLC

## FEATURED CHAIN



With 198 locations, Kroger is the largest Kentucky Lottery chain retailer. They broke the record in Fiscal Year 2022 for the largest chain annual scholarship/grant contribution of \$21,278,233!

Kroger continues to innovate and optimize, with a shared goal of exceeding sales and scholarship/ grant amounts for FY23. Their initiatives for the year include optimization of vending placement, driving lottery growth at fuel, and alignment of marketing campaigns. Kroger has been a valuable partner to the KLC and has tested many concepts, including in-lane lottery purchases, social media influencer campaigns, and expansion of lottery to liquor stores. Their commitment to best practices such as vending out-of-stock reduction, new game activation performance, self-return processes, and continued training give lottery a strong presence at their locations. Thank you to all Kroger employees for Fueling Imagination and Funding Education!

To kick-off the Holiday season, Key Account Manager Alfredo Santana completed two "Ask-for-the-Sale" retailer promotions. One with GPM Investments stores and another with Hop Shop Convenient Stores. Congratulations to both winning locations!



VERONA HOP SHOP in Verona Matt, Sue, Heather and Caley. Scratch-off sales increased 47%!



FAS MART #5260 in Maysville
Melanie, Kristy, Jessie, Casey and Mike.
Scratch-off sales increased 57%.

18 | The Quarter | 19

# JEFFERSON SPOTLIGHT

By Minna Sung, Louisville Regional Sales Manager

Greetings to all our lottery partners in the Jefferson Region! This year is going by very guickly. Time goes guickly when you are having fun!

Here are a few tips to maximize lottery sales:

**Space:** Is the counter display and vending machine placed in the most visible and most highly trafficked area? The tickets need to be easily visible to drive sales.

**Inventory:** Are you carrying the right number of games? 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.

Your LSR will work with you on placement, inventory, out-ofstocks, and right product mix to ensure your store is set up for success. The Jefferson Region has the best retailers in the state! We truly appreciate each one of you. Together we continue to generate scholarship dollars for all Kentuckians!



SCAN FOR A DIGITAL COPY OF THE QUARTER TO SEE WHO **CAME OUT ON TOP!** 





Nick Patel and wife at Rockford Mini Mart are always focused on lottery and does small

offs. Scratch-off sales are up 11% and terminal generated game sales up 52%.

things like adding rope lights around counter bins to draw focus and attention to Scratch-



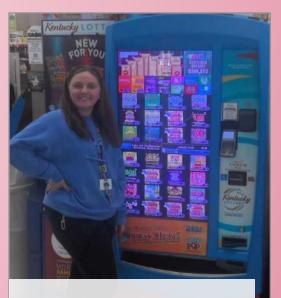




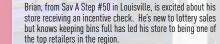
Anil and Raju from Fastway Food Mart #5 in Shepherdsville are great partners with the lottery. They always activate the new games on launch.



Cheryl and Paige at Cox's Smokers Outlet #18 in Louisville do a great job of keeping both counter and vending full and on plan-o-gram. Their out-of-stocks are always under 5%.



Sales have increased by 30% and out-of-stocks are under 5% for

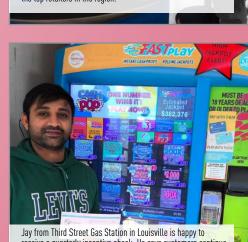


Soni and Anu at E-Z Food Mart in Louisville love when they

receive an incentive check.



Raj, owner of JYOT in Louisville, continues to improve his sales every year due to his dedication to selling our product. He always follows our best practices and consistently has his out-of-stocks under 3%



receive a quarterly incentive check. He says customers continue to play at his store because he keeps bins filled to alleviate The Quarter | 21



# **BLUEGRASS SPOTLIGHT**

By Rusty Reid, Bluegrass Regional Sales Manager

Greetings from the Bluegrass region! Thanks to your continued efforts, we 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 move into the spring and summer, the new \$30 game launched in February is sure to be strong seller and along with the spring refresh of the very popular "Full of 500's!" Later this spring we will have a new \$50, \$100, \$500 Blowout ticket and a new family of games called "Precious Metals" in June. Our goal is to support your business, drive sales and to make our partnership as successful as it can be. With your continued support, we will always Fuel Imagination and Fund Education!

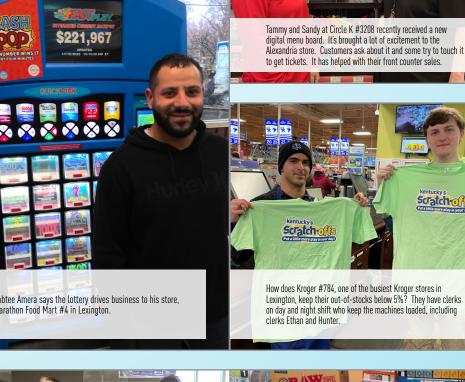


**SCAN FOR A DIGITAL COPY OF** THE QUARTER TO SEE WHO **CAME OUT ON TOP!** 















Donna stands in front of the dispensers at Alexandria Wine and

customers to play the Kentucky Lottery.

Liquor. The store's dispensers are kept full, and the staff loves their

lottery customers. They have fun selling tickets and encourage their

its territory. This year, Scratch-offs sales have increased by 32% and terminal-generated game sales have increased by 58%. The Kentucky Lottery is very grateful for this front-end crew: Jacob, Ashley (pictured), Isaiah, Rita, Lauren, and Megan.



Brooke and Christi, at Kroger 364 in Florence, do a great job of keeping their Touch 28 full and set to plan-o-gram. They have increased weekly sales by 3% and have increased yearly sales by 12%. They hope to continue to improve and increase sales as they follow the KLC's best practices.



Kristy is pictured filling the vending machines at Kroger L-705 in Richmond. The store has two machines and has the highest vending sales with the lowest out of stocks in the region. The team, led by Sheila, Kristy, and Matt, take pride in having the lowest the out of stocks and are always under 2%. They can be seen filling the machines as often as three times a day. They have set the example to other Kroger stores by following the KLC's best practices.



Gaurav (left) and Gobinda (right) from Main Street Marathon in Lexington are holding the retailer incentive check from the second quarter. This location added a 2nd vending machine a few months ago, increasing their facings to 100, and their



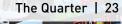








Since H Tiwana, in Lexington, started following the plan-o-gram and keeping their bins full, their Scratch-off sales are up 97% and 99% overall for a 13-week average. Clerk Kayla is pictured.





# CENTRAL SPOTLIGHT

By Garrett Trabue, Central Regional Sales Manager

**Greetings Central Region Lottery Partners!** 

Spring is in the air as we approach the end of Fiscal Year 2023! They say time flies when you are having fun and we have had a lot of fun this year funding education across our great commonwealth.

Winners, winners! Can you believe all the winners we have had on the \$50 scratch off ticket, 500X? Since its launch in October of 2022, our region alone has had 81 \$10,000 winners and 6 \$50,000 winners!

Remind your players to try their luck for a buck with Kentucky's very own jackpot game, Kentucky 5. With increased odds of winning and drawings every evening, it's a game worthy of excitement. Since its launch in November of 2022, the jackpot has been hit four times!

**SCAN FOR A DIGITAL COPY OF** THE QUARTER TO SEE WHO **CAME OUT ON TOP!** 

Our last game launch of the fiscal year will be in June to introduce a new family of games called "Precious" Metals". Let's finish out the fourth quarter strong!

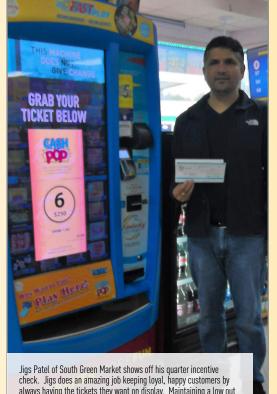
We can't thank you enough for all that you do each and every day. With great partners like you, we will continue to Fuel Imagination and Fund Education!





bins filled and staying on planogram, store sales continue to rise.





always having the tickets they want on display. Maintaining a low out of stock percentage equates to more money for the Glasgow store.



Bipin Patel, the manager of D&D Shell in Science Hill, proudly holds his retailer incentive check. Bipin is an all-star partner with the lottery. His scratch off sales are up 15% and terminal-generated sales are up 32%! By following our vending best practices, his out-of-stocks are 0.15%!





Sonny and Paula own 2 Way Stop N Go in Lawrenceburg. They are very proud of their lottery sales and work hard to keep their vending machine and counter full of tickets. As a result of their hard work, their out of stocks are at 1.8%! They believe that being on auto-order is a major part of their success, enabling them to always having the right inventory when they need it.



to maintaining low out of stocks in their vending machine. By keeping bins filled, they are able generate impressive sales. Their out-of-stock average over the last 26 weeks is



machines full, resulting in an increase in sales and low out of stock percentages. Thanks to Whitney, sales are up 15% and the vending machines average less than 1% 00S for the past 6 months



Vaishali Patel is the new manager at Russell Shell Mart in Russell Springs. Since taking over this location, her great personality along with her drive to grow lottery sales has made a big statement. Terminal-generated game sales are up an impressive 108%, while Scratch-off sales are up 14%. The Quarter | 25

# EASTERN SPOTLIGHT

By Wes Hardin, Eastern Regional Sales Manager

I wanted to remind our Eastern retailers about our new Kentucky 5 draw game & the retailer promotion associated with it!

#### Kentucky 5 Retailer Promotion:

- Promotional Period: March 19 April 29, 2023
- Baseline Period: February 5 March 18, 2023

Stores are encouraged to Ask for the Sale for Kentucky 5. The Kentucky Lottery will measure sales through sales reports. All Kentucky 5 sales during the promotional period will be added and compared to all Kentucky 5 sales during the baseline measurement period. Stores who have a 50% increase in Kentucky 5 Sales during the promotional period compared to sales from the baseline period will earn one (1) entry into a drawing. Retailers must have a \$100 minimum average weekly sales for Kentucky 5 during the promotional period to be entered into the drawing.



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#### Winners will be announced the week of May 1st, 2023. Prizes will be awarded as follows:

• One (1) retailer from each region will be drawn from qualifying retailers to receive a \$500 credit to their KLC account.

Remember, Kentucky 5 is a daily jackpot game that is only available in Kentucky! An easy way to ask for the sale is to suggest it to your draw game players when they are making their draw game purchases. YOU could be the \$500 winner!











Q Zone #2 Manager Victor Patel and his employees, including Barbara Brown, do a great job keeping the





counter display and vending machine are never empty.



full and on plan-o-gram at the Gray location.



# WESTERN SPOTLIGHT

By Chris Green, Western Regional Sales Manager

Hello everyone from the Western Region. By the time of this printing, we should really be excited to have made it through another winter and bring on the excitement of sunshine and roses. Well speaking of sunshine and roses we have had a lot of winners in our region. We have had over 50 \$10,000 winners from the 500X game.

We still have a lot of excitement around our newest draw game, Kentucky 5. The Kentucky-only jackpot game has rolling jackpots that start at \$40,000. We are looking forward to seeing many more winners in our games whether from Scratch-offs or our terminal games like Kentucky 5. We will continue to celebrate the winners with each of you. If you have questions about the games or winners, please ask your lottery sales rep.



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Amber is pictured with the banner 101 Lotto in Oak Grove received for selling a

\$25,000 Keno ticket.







Sanjay from C Store Food Mart, in Owensboro, always has

with anything. He follows our best practices and earns an

a smile on his face and is willing to help his customers

incentive check for his efforts.



The crew, Ashley, Lexie, Store Manager Gwen, at Circle K #3346, in Hopkinsville, wear stickers to let players know about the Mega Millions and Powerball high jackpots. Their LSR Shannon Knight is pictured far right. The Quarter | 29

# REW FACES

WELCOME TO A NEW FIELD SALES REPRESENTATIVE IN THE JEFFERSON REGION!

**Anthony Randle** 



# TIPS FROM THE TRAINERS



We would like to remind you that our Retailer Manual is located on our website:

KYLOTTERY.COM

RETAILERS

TRAINING MATERIALS

You can also scan this QR Code to view the manual.



Need to know how many packs of tickets you have in inventory?

JUST SIGN IN YOUR ALTURA TERMINAL

REPORTS

PACKS ON HAND REPORT

**SELECT AND PRINT** 

The letter **'T'** is for in Transit

'B' is for Backstock

**'A'** is for Activated.

Also, under the Altura Reports Key is report for the Top 25 Selling Scratch-off games in the state.



# AMY'S CLOSING THOUGHTS

April showers definitely brought more than just May flowers! Especially at the Kentucky Lottery.

In the Spring and Summer your players will be "Grillin and Chillin" at the \$5 dollar price point and sparkling like a beautiful warm body of water at other price points. That's right our family of games will have a special foil treatment to appeal to your customers in June at the \$1, \$2, \$5, \$10 and \$20 price points. New Fast Play games will launch in May and there will be plenty of second chance opportunities for your players to win.

Along with showers and flowers, there is usually some 'Spring Cleaning' too. Below you will find a few reminders that can assist with lottery products.

- Daily logs for inventory tracking Your Sales Rep can order these
- Top 25 Scratch-Offs Terminal Report
- Packs on Hand Report Actual Inventory/Terminal Report
- Vending Bin Report on Terminal/Keep out-of-stocks low

All of these and many more "best practices" plus "tips and tricks" can be found at kylottery.com/retailers on our website. If you haven't checked it out, please do. It's loaded with helpful information.

The Kentucky Lottery has adopted 'Core Values' to continue to grow as a company and to grow with you, our business partners. Teamwork, fun, innovation, integrity, diversity, equity & inclusion, accountability, and social responsibility are values that you display and practice every day. We are happy to be able to practice these beside you.

Our field staff, corporate account team, and sales operations team are constantly looking for ways to provide excellent customer service and grow your business. Thank you again for your commitment to excellence in execution and partnering in our continued mission of "Fueling Imagination and Funding Education".

Amy Drooker

Kentucky Lottery Vice President and Chief Revenue Officer

30 | The Quarter | 31

## WHERE THE MONEY GOES

Do you know where lottery proceeds go? Check out our website at kylottery.com/wherethemoneygoes to see how many students in Kentucky have benefited from the sale of Kentucky Lottery tickets.

You can also search by county and college/university.

## **SHARE THE WINS!**

Share your store's wins! If a Kentucky Lottery player wins on a Scratch-off, ask if your store can share it on social media. Ask if the player is OK with a photo and then post to your feeds. If the winner doesn't want a photo, you can always include a picture of the winning ticket. Our players love seeing how others have won. Don't forget to tag @KyLottery in the post, we love celebrating wins!

Here are some examples of Kentucky Lottery wins shared by retailers:

