

THE PRESIDENT'S CORNER

It's hard to think of a more difficult and challenging landscape than the one we've faced together in the year and a half since I was named president and CEO of the Kentucky Lottery. That's what makes the records we've been able to break even more amazing as we've wrapped up Fiscal Year 2022.

Thanks to your hard work and efforts, more students will be able to access more dollars than ever before in our college scholarship and grant programs. You truly are a key part of our "fueling imagination and funding education" initiatives.

And as much as we celebrate the success of FY22, we're full steam ahead for FY23 with new initiatives and products ready to grow your sales. In the coming pages, you'll read about our first dual channel game we'll be launching, as well as a rundown of great new Scratch-off games on the way. You'll also find an article about the benefits of being at Kentucky Lottery retailer, and what selling our products can bring to your business besides just the commissions.

As we move into a short-term future filled with economic uncertainty and high gas prices, our work and helping deliver customers to your stores and driving sales is more important than ever. Please know how much we appreciate you as a partner as we push to break more records together in the year ahead!

My B. Handle

Mary Harville Kentucky Lottery President and CEO





Want to see The Quarter online or share it with someone you know? Follow the link with this QR code for a downloadable version!



FISCAL YEAR 2022 RECORDS BROKEN

*1,676,502,000

HIGHEST SINGLE DAY SALES (10/21/21)

\$17,699,198

HIGHEST FY AMOUNT OF PRIZES PAID

\$1,152,007,000

HIGHEST ANNUAL CASH
TRANSFERS TO THE GENERAL FUND
(AND THE TRUST AND AGENCY ACCOUNT)

\$347,343,000

LOTTERY'S NEW MULTI-CHANNEL GAME GIVES PLAYERS TWO WAYS TO PLAY AND WIN INSTANTLY!



Late this summer VIP Platinum launches in Kentucky for Fast Play and Scratch-off players alike. This effort is designed to drive cross-play between the channels. Currently, there's only a 17% likelihood that Scratch-off players also play Fast Play games, whereas there is a 90% likelihood that Fast Play players also play Scratch-off games.

"This game has been over a year in the making," says Erica Williams, director of terminal-generated games for the Kentucky Lottery. Williams adds Lottery officials have been attending virtual Lottery conferences to gain ideas for new games, and they noticed multi-channel strategies were a common theme as several states have launched licensed games as a Scratch-off and an Instant Play game or as a Scratch-off and a Fast Play game.

Williams got together with Rhonda Zimmerman, director of scratch games, to see how Kentucky could introduce its own multi-channel game. They reviewed multiple game concepts, both licensed properties and non-licensed game titles.

The result was VIP Platinum, which is played two ways. "With its key number match play style, it's a game that works well within our two product lines," Williams says.

Pollard Banknote Limited was the vendor chosen to create the Scratch-off version of VIP Platinum.

The \$10 game has an upscale look with a new kind of paper. "We're excited to see how the players respond," Zimmerman says. "The ticket has an upgraded feel that goes with that upscale look."

Point-of-sale material will feature a velvet curtain and other luxe items. "We just want our players to feel like they're VIPs when they're playing," Zimmerman says.

The Scratch-off game has a \$250,000 top prize and is loaded with various mid-tier prizes as well.

Williams says the exciting thing with Fast Play is, unlike Scratch-off games, which have a fixed top prize, all Fast Play games have a chance to win a percentage of the rolling jackpot affiliated with the Fast Play category.

"With VIP Platinum, at a \$10 price point, if a player matches one of their numbers to the winning numbers on their ticket and the word "Jackpot" is printed below that match, they win the entire jackpot amount," she says.

The VIP Platinum game launch also has a second chance promotion opportunity for players. Here's how it works.

With each entry of a Fast Play or Scratch-off ticket into the promotion, a player is entered to win a second chance drawing with prizes up to \$10,000. One of the \$10,000 prizes will go to a Scratch-off player, and another \$10,000 to a Fast Play player.

In addition, players can earn an additional free play the first time they enter a ticket into the second chance promotion. For example, a player buys a VIP Platinum Scratch-off ticket, he or she then enters the **winning or non-winning** ticket into the promotions page on the Lottery's microsite being developed for this promotion, kylottery.com/vip. The player then receives an email with a \$10 Fast Play coupon. The player then goes back into the store to redeem their coupon for a VIP Platinum Fast Play ticket.

VIP Platinum provides players with two different experiences playing the same game. Whether they prefer the thrill of scratching their ticket to reveal their winnings, or the excitement around the Fast Play rolling jackpot, this multi-channel experience is the future of gaming and an indication of how the world is evolving, meeting customers where they play.

TOP 10 BENEFITS OF BEING A KENTUCKY LOTTERY RETAILER

By Contributing Writer Mandy Wolf Detwiler

Being a Kentucky Lottery retailer has its advantages – you're impacting lives with every ticket sold. Whether it's the students receiving funding from the popular KEES scholarship program, the need-based college grants funded by our proceeds, or customers winning on a ticket sold at your store, you're both supporting the state of Kentucky and serving as the retail face of the Kentucky Lottery.

Your lottery support system doesn't stop when the vending machines and counter displays are installed. From training to security education, you have a behind-the-scenes network available. Vice President of Sales Amy Drooker and Vice President of Corporate Accounts and Business Development Pete Ramsey offer up to 10 benefits of being a Kentucky Lottery retailer.

1. YOU SUPPORT GOOD CAUSES

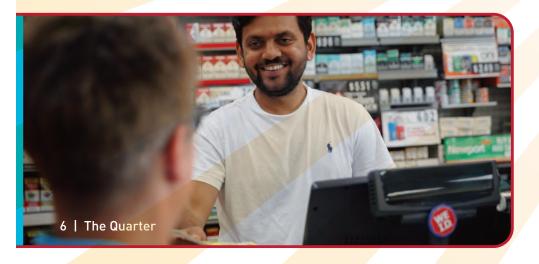
"What other product do you sell in your store that you know is directly related to a lifetime of success for your customer?" Drooker asks. A report is distributed every year that tells how much college scholarship and grant money was raised by county, allowing retailers to track where Lottery proceeds are spent. Since these programs launched in 1999, more than \$4 Billion has been raised and distributed to Kentucky students, and in total more than \$6 Billion has gone to good causes across Kentucky since the first ticket was sold in 1989.

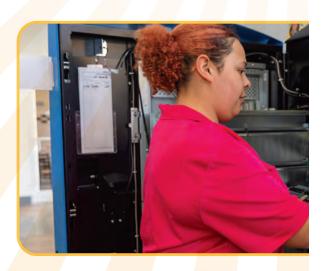
2. YOUR SALES INCREASE

"Outside of tobacco and beverages, in most stores Lottery tickets are probably the number three traffic driver," Ramsey says. "Twenty percent of C-store customers enter after pumping gas because of Lottery. That's important because as we move into all this self-service and automation and pay at the pump, Lottery is still a traffic driver. It brings customers into their store."

3. UPSELLING

On average, Lottery players will spend 65% more in a C-store than non-Lottery players. "The top five chains average \$10,000 to \$12,000 of Lottery sales per week, that's over \$30,000 a year in gross profit," Ramsey said. In some cases, he added, that pays for a part-time employee or two.





4. EXTRA PURCHASES

95% of Lottery buyers purchase one extra item inside the store. Retailers often tell Lottery sales reps to not move lighters, energy drinks and other point-of-purchase items from the register area because they have higher margins. Drooker though says those lighters only bring in around \$5,000 and the energy drinks can make just over \$6,500 for a store. Lottery tickets, by comparison, bring in nearly \$25,000. Having visibility is key, she says, because "tickets can be an impulse item as well," Drooker said.

5. SECURITY

Customers who buy Kentucky Lottery tickets know they're buying a product regulated by the state of Kentucky. "We have to be an open book," Drooker said. "We're one of the most highly regulated, audited, secure types of gaming that you can play in the state of Kentucky," Ramsey says. "Players can buy it with the confidence that they know that the winners will be there, that they're going to get paid and that their purchases are going back to educate Kentucky students."

6. CUSTOMER SERVICE

The Lottery has support for both retailers and players should they need it at any given time with helplines for both. There is also a dedicated retailer website with documents and training information.

7. SUPPORT

"There's a broad spectrum of support that retailers can get. From training to security tips to accounting help and merchandising and sales help in the stores with our sales staff," Ramsey said. This support includes access to a dedicated portal that provides immediate access to real-time Lottery transaction information.

8. NETWORK

The Lottery has the best network of retailers in the state by making communication key. "Retailers are ambassadors for Kentucky Lottery products," Ramsey added. For instance, seeing different display ideas in this publication is a great way to increase visibility in your store.

9. BILLING

"I think we have the best billing terms out there," Drooker says. "Where else can you return old games?" "You don't have spoilage, you don't have shrinkage," Ramsey adds. "It's easy to buy, easy to return."

10. INVENTORY CONTROL

The lottery provides retailers with plan-o-grams strategically designed to include top games based on sales. Additionally, vendor partner Scientific Games, can predict quantities needed to ensure our retailers' inventory can meet their customer's demand. Drooker emphasizes, "Don't underestimate the importance of having Lottery visible and accessible in your store at all times."















Second, Taylor is grateful for the work/life balance at the Kentucky Lottery. As a young mother of four kids under 10 (she had a baby during her first year with the company), she says "there's never been a time that this company has not made me realize that my children and my family come first, and as a young mother that's huge. If I have a place with a good work/life balance, then I'll succeed because I'm not worried about my children. I know that I've got the support to take care of the things that I need to take care of."

Finally, Taylor said her retailers have made her successful.

"My retailers follow their best practices and I don't have to go in there and train them 15 times," she says. She trains once or twice, but keeps her phone open for any issues.

"I support them and they support me," Taylor says. "They have really helped me make this dream come true."

Taylor says the pandemic was an "obstacle" in that she couldn't get out and visit her retailers, but the Lottery supported their staff by allowing them to adjust how they worked. She said she was able to build stronger bonds with her retailers during the pandemic "because a lot of these places appreciated the fact that we weren't face to face all the time with the possibility of spreading (the virus) around."

She checked on her retailers by phone multiple times per week. "We were making sure they were still supported and given what they needed but we weren't face to face with them," Taylor says. "If anything, it kind of helped our relationships because they understood that we cared about them not just on a retail level but on a personal level also."

The best part of Taylor's job, she says, is interacting with her retailers and players.

"I'm an extremely outgoing person," Taylor says, "and I love seeing the smiling faces. You always hear the stories about how the Lottery has changed somebody's life, whether it's KEES Scholarship funds or winnings. You really do get a whole lot of testimonies about why the Lottery is so important to the state of Kentucky and what we have done to help so many students, scholars and players."

When asked if Taylor has a piece of advice for a fledgling salesperson just entering the field, she says following the best practices is imperative. "If you understand your retailer on a personal level, they will do more for you, and as long as you're growing the relationship and they're following the best practices, you can make the best decisions for them," she says.



HOTNEW GAMES HEAT UP SUMMERTIME!

By Rhonda Zimmerman, Director, Scratch Games

With the variety of price points of the six great new games in your dispensers right now, we know these games will appeal to all players, no matter how big or small their budgets may be and are sure to drive traffic to your stores.

As you read in the last edition of The Quarter, the hero of this launch is the new \$30 game, **JACKPOT FORTUNE LIMITED EDITION**, offering a \$750,000 top prize and over \$24.5 Million in total cash prizes! With over 86,000 prizes between \$50 and \$75,000, there will be a whole lotta cashing going on in your stores! And, for the first time ever, we'll be launching TWO \$30 games so now your high price point players can double their fun and winning opportunities.



Other games launching in July include:

- \$2 TRIPLE DYNAMITE 7'S
- \$3 BOLT BUCKS
- \$5 WILD LUCK HD featuring the new high-def play symbols like the \$2 game that sold out in March!
- \$5 DIAMOND MINE 9X
- \$10 BIG RICHES

BOO-WARE OF SPOOKY GAMES AHEAD!

On September 1st, five new games launch including a \$2 and \$5 Halloween game! It's been a long time since we've offered a Halloween theme, so we decided to launch two this year to make up for time lost. The \$2 HALLOWEEN SCRATCH / TURKEY DAY DOUBLER features two different pulses – one of which features a Halloween design, and the other pulse features a Thanksgiving turkey design. The \$5 FRANKENBUCKS game also has a Halloween theme and offers a top prize of \$31,000, including a \$30, \$60, or \$90 winner in every pack. Both games are limited quantity print runs designed to be in market for about 8-12 weeks.



A NEW \$20 GAME ALSO COMING IN SEPTEMBER!

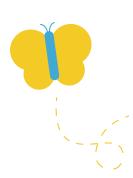
As you've read, September is a busy month with the launch of our new omni-channel game – but that's not all! We also have a new \$20 game **MEGA 7'S LIMITED EDITION** launching as well. Lottery players love 7's themed games and this one features a \$70 and a \$100 winner in every pack! With a top prize of \$777,000 and over \$20.7 Million in total cash prizes, this one won't be around for long so stock up while supplies last.



DRAW GAMES UPDATE

Erica Williams, Director, Terminal Generated Games

Sales for terminal generated games finished the year 3% below sales quota and 3.8% below FY21 sales. Nearly all games ended the year below previous year sales, except for Powerball and Lucky for Life. Sales for these games remained strong all year thanks to the additional draws that were added to both games early in the year as Lucky for Life moved to daily draws last July and Powerball added a third draw last August. Our monitor games, Keno and Cash Pop, continued to face slowed growth in FY22, with sales 6% and 0.3% below previous year sales respectively. Pick 3 and Pick 4 sales also slowed this year, with sales 3.6% and 5% below previous year sales. The biggest decline came from Mega Millions, with sales 29.9% below previous year sales. This is a result of low jackpots as we only had two moderate jackpot runs in FY22, with the first reaching \$432 million before getting hit in September and the second reaching \$421 million before getting hit in January.



NEW MONITOR GAME PROMOTIONS NOW AVAILABLE!

We now have three new terminal promotions available for Keno and Cash Pop players! 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.



The major bright spot of FY22 for the terminal games category was Fast Play. Sales were behind quota and previous year sales for most of the year until March. That's when we launched four new games, including a new \$20 price point. Until then, year-to-date Fast Play sales were 20% below quota and 13% below previous year sales. But sales quickly rebounded (thanks in large part to the \$20 ticket) as sales doubled in the weeks that followed and remained at these levels

through the end of the FY. Although we didn't meet Fast Play quota by the end of the FY22, sales made up a lot of ground as we ended the year only 0.2% below quota but 6% above previous year sales! This success can also be attributed to the record-breaking Fast Play rolling jackpot in FY22. The jackpot reached its highest level since the launch of the Fast Play category in October 2019, eclipsing the \$1 Million mark in July 2022.

CASH BALL EZMATCH PROMOTIONS



Since the launch of the EZmatch add-on feature for Cash Ball, we've had quarterly promotions where EZmatch prizes are increased for a 2-week period. During this promotion, the top two prize tiers are doubled and the lowest prize amount is increased from \$2 to \$5. Starting in August, we will be offering the EZmatch promotion on a monthly basis, with each promotion occurring the third week of every month. This strategy will help bring more visibility and excitement to Cash Ball and the EZmatch add-on feature.

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.



We plan to launch these new promotions statewide later this fall. We expect these promotions will generate renewed excitement and awareness for both games. ultimately driving traffic to your stores and increasing sales.

NEW FAST PLAY GAME VIP PLATINUM

As you've heard by now, we're launching a new game called VIP Platinum as a Scratch-off and Fast Play game. This is the first time we have launched one game across two product lines simultaneously. Both games are scheduled to launch on Thursday, September 1st.

Like the Scratch-off game, the Fast Play version will be offered at a \$10 price point. The game features a key number match play style, which is preferred by players for simplicity. It also offers a VIP Bonus play area, where players can match the VIP Bonus number to any of their numbers and multiply the prize shown for that number.

The prize structure is very similar to that of the Scratch-off game; however, the top prize in the Fast Play game differs from the Scratch-off. With the Scratch-off game, there is a fixed top prize amount while the Fast Play VIP Platinum top prize is 100% of the rolling jackpot! As we've seen in the recent Fast Play jackpot run, this could mean a top prize upwards of \$1,000,000!

With the launch of VIP Platinum, we will retire \$3 Wildtime, which launched in May. But never fear, we have many more exciting Fast Play game launches planned for FY23. Stay tuned for more details!





NEW KENTUCKY-ONLY ROLLING JACKPOT GAME!

On Sunday, November 20th, a new rolling jackpot game will join the portfolio of terminal generated games. Kentucky 5 is a new in-state rolling jackpot game that will be drawn nightly.

The game features a rolling jackpot that starts at \$40,000 and grows each day until the jackpot is hit. Kentucky 5 offers players better odds of winning the jackpot than the multi-state jackpot games - and is only available in Kentucky!

Players simply choose 5 numbers out of a field of 39 numbers, and if they match 3 or more of the numbers drawn, they win. Match all 5 numbers and win the jackpot! Kentucky 5 costs \$1.00 per play and features an optional add-on feature called "Xtra" that gives players a chance to multiply their non-jackpot winnings or win by matching just 2 numbers.

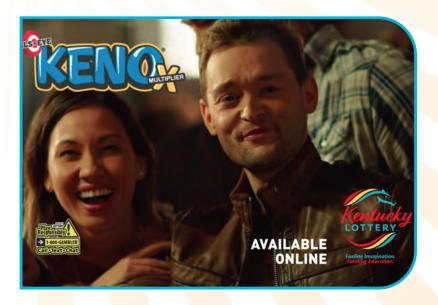
More details to come in the next edition of The Quarter!

WHAT'S POPPIN' IN MARKETING!

By Edie Frakes, Vice President, Marketing

You will see creative elements supporting Scratch-offs launching in July and September. For Broadcast we are leaning into some well-tested concepts like our "luck is on a roll" campaign to drive players to your stores for the July game launch. New creative concepts will kick in for September supporting the omni-channel game concept VIP Platinum! The look and feel of the velvet rope, special opportunities at cross-promotion and more ways to win making your players feel like the real VIPs.

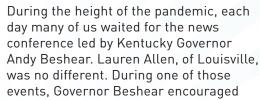
For our monitor game category, we intend to re-introduce Cash Pop with an easy to understand how to play video production. And we are updating an old favorite with our Keno Like a Boss campaign. Both of these are set to be live in July. The contemporary music bed and beat may be familiar to some who are fans of Kentucky-native Jack Harlow. We will use the instrumental version of his popular hit What's Poppin to support Cash Pop and Keno throughout FY23.











Kentucky residents (especially those who had been displaced from their current employment) to check out the Work Ready KY Scholarship for a new career path. This Kentucky Lottery-funded program allows students to earn certifications and associates degrees for a number of in-demand fields.

Allen said her curiosity was peaked by the governor's suggestion. When she looked into Work Ready, she found the program she wanted to pursue was included in the initiative. "The application was super simple, one of the easiest I've ever filled out," Allen said.

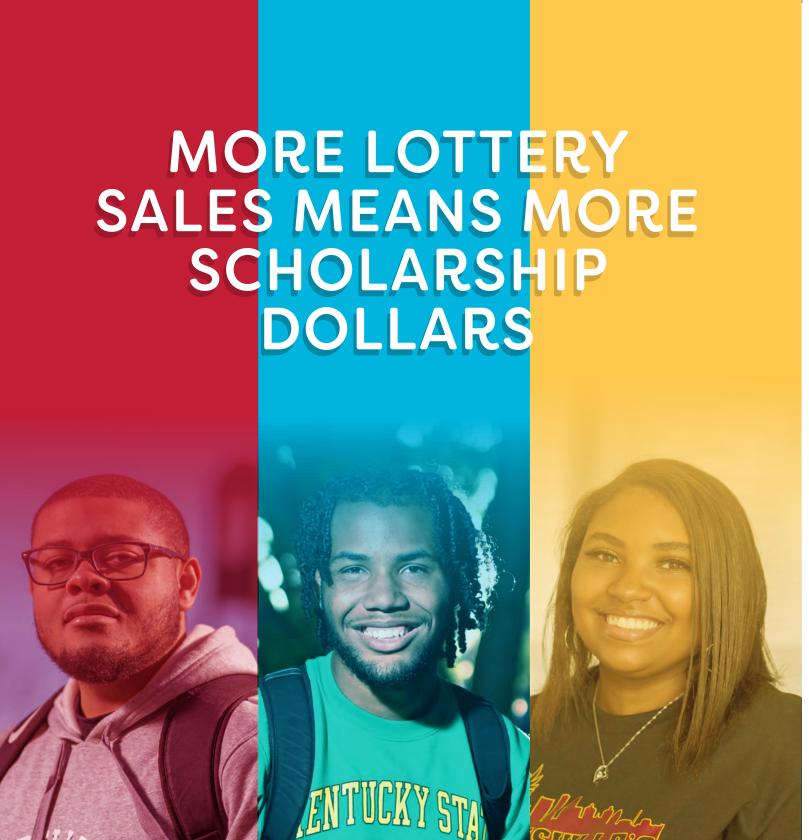
"The Work Ready Scholarship has been my saving grace. Most people typically associate scholarships with students who are directly out of high school, so creating a scholarship allowing any adult who has not yet obtained a degree to do so is truly an amazing thing," she continued.

Thanks to Work Ready, Allen was able to keep her current job where she works from home and take classes at Jefferson

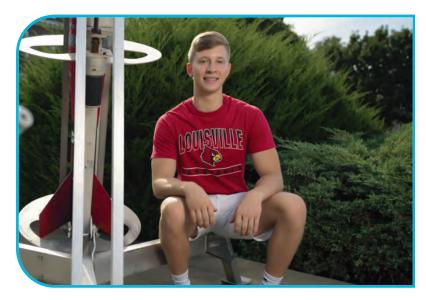
Community and Technical College online. "The flexibility and scholarship made it possible for me to finish my degree," Allen said.

Once she finishes her associates degree in Organizational Leadership, she hopes to go into training and development. "People are my passion," Allen said. Work Ready allowed her to take a different career path, aligning with what she really wants to do.









Thanks to higher-than-expected Kentucky Lottery sales, Kentucky students who need help paying for their technical and college education will be eligible for an additional \$38.2 million in state grants for the upcoming school year.

The maximum College Access Program (CAP) award for students attending four-year public and private colleges and universities will increase to \$5,300, up from \$2,900 last year. For students in two-year schools, the maximum CAP award will increase to \$2,500 from last year's \$2,200. Students attending Kentucky's private colleges and universities will also see an increase in the Kentucky Tuition Grant (KTG) program.

"Our students are the future of Kentucky, and I'm pleased to announce they can now take advantage of this extra funding for CAP and KTG grants," Governor Andy Beshear said. "These funds will help undergraduate students achieve their educational goals without having to borrow as much in student loans."

CAP and KTG are administered by the Kentucky Higher Education Assistance Authority (KHEAA), which also administers the Kentucky Educational Excellence Scholarship (KEES). All three programs are funded by Kentucky Lottery proceeds.

For more information, go to KHEAA.com.



RESEARCH

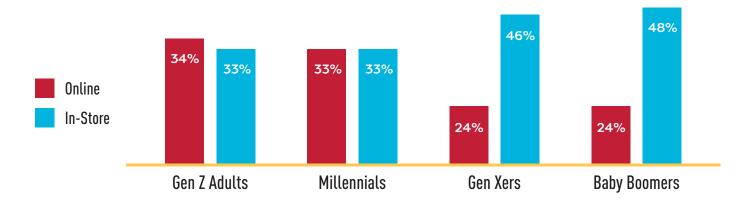
By Greg Wood, Director of Market Research Strategies

Over the last two years, rapidly changing shopping behavior has left brick-and-mortar and internet sales leaders wondering which newfound consumer retail trends will stick and which will shift as habits normalize. Will people who began to purchase items primarily online return to in-store purchasing? With the Kentucky Lottery's first Omni-channel game set to launch this September (SEE PAGE 4), we took another look at the reasons consumers decide to purchase online vs. in-store.

Morning Consult* conducted a study in May 2022 asking consumers these questions and discovered valuable information about who is shopping and what they are looking for in their shopping experience.

CONSUMER SHOPPING CHANNEL PREFERENCE

Respondents were asked how they typically prefer to shop



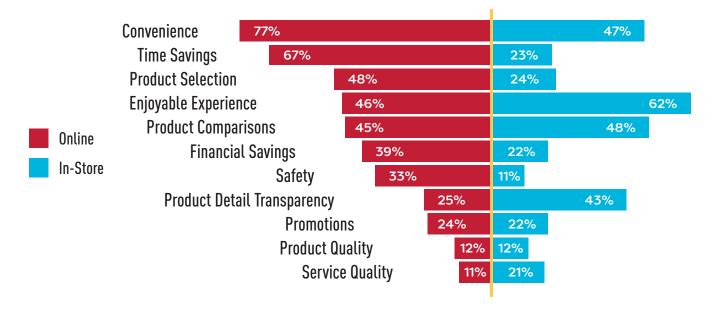
About a third of Millennials and Gen Z adults prefer to shop online, while only a quarter of Baby Boomers and Gen Xers report the same preference. This means that the in-store experience is still of critical importance to a large majority of consumers. But what reasons do consumers list for choosing to shop online or in-store?

TIPS FROM THE TRAINERS



REASONS CONSUMERS PREFER ONLINE & IN-STORE SHOPPING

Respondents were asked why they choose to shop online or in stores



You can see from this graph that customers rate the in-store experience higher than online in the areas of "Enjoyable Experience", "Product Comparison", "Product Detail Transparency" and "Service Quality." This shows consumers like to be able to pick-up or touch their potential purchases. They may want to see and feel the actual shape and size of the item they are purchasing.

This purchase behavior is no different for the lottery consumer as well. Respondents to the Kentucky Lottery's most recent tracking study survey** indicated that when asked, "How do you typically purchase Kentucky Lottery tickets?", 71% responded that they purchase tickets "At the counter or from a clerk" vs. 31% who say they purchased from a vending machine, vs. 11% who play online (Total is greater than 100%, as respondents could select all that apply).

What does this mean for the lottery retailer?

It simply means that the in-store experience remains a critical part of the consumer's decision making process. Keeping dispensers full, making sure POS is in-place, having the newest games available are all integral to the lottery's success. Many players want the sensory experience of seeing all the tickets-- how many are left of each game? Do you have the newest game available? Does this store have signs indicating previous lottery winners?

Keeping these best practices top of mind will help you maintain a strong relationship with your lottery customers and have them returning time and time again!

Have questions about how to tape tickets? A ticket taping video has been added back to our Kentucky Lottery vending videos on our kylottery.com website. If you are experiencing high out-of-stock levels due to high volume ticket sales or if you just don't have the time to reload inventory daily, taping is the easiest way to eliminate these issues in your vending machine. Just scan this QR code to access and view our demonstration on how to tape two full packs or a partial and full pack together for your vending needs. Full bins mean more sales!



WINNERS WINNERS EVERYWHERE!

By Jennifer Cunningham, Sr. Communications Specialist

CENTRAL KENTUCKY PAIR BECOME INSTANT MILLIONAIRES AFTER BUYING **KENTUCKY LOTTERY SCRATCH-OFF**

Two Kentucky Lottery players from Central Kentucky (who wish to remain anonymous) can now call themselves millionaires after coming forward with a scratch-off ticket worth \$3,000,000.

The winners pitched in together on a \$30 Gold Rush ticket purchased from a vending machine at the Versailles Marathon on Lexington Street in Versailles.

Rather than play the ticket, they scratched off the barcode and scanned the ticket on the self-ticket checker to see if it was a winner. "I scanned it and it said, 'See KLC Corp.' I ran out of the store and didn't say anything," the winner said.

It wasn't until a few minutes later they scratched off the ticket to see just how much they had won. It was on the bottom row that they matched the number 14. "I scratched under the fourteen, and that's when I saw the zeroes," the winner said. "We couldn't believe it."

"I never thought I'd experience this in my lifetime," one of the winners said. The other winner told lottery officials that it didn't seem real and hadn't sunk in yet.



WHAT SEEMED LIKE A DREAM TURNED INTO REALITY FOR GRAYSON COUPLE AFTER WINNING \$100,000 ON SCRATCH-OFF

William and Rhonda Seagraves of Grayson, KY thought they were dreaming after buying a Kentucky Lottery Scratch-off ticket. The couple purchased a Triple Red 777's ticket from a vending machine at the Super Quik Food Store there, walking out of the store with a \$100,000 winner.

"I pointed to that one (the Triple Red 777's ticket) and told him, 'That ticket is talking to me,' but William picked a different one," Rhonda said.

After not having any luck with the tickets he picked out, William finally listened to her and went for the Triple Red 777's ticket. "I went twice to push it (vending machine) but just couldn't bring myself to pick that one," William said. "I think he did it out of spite," Rhonda said jokingly.

"I hardly ever buy a ten-dollar ticket but that one was calling for me," Rhonda said.

Once William was finished scratching off the ticket, he had revealed three of the triple 7's symbols, indicating the prize below is tripled. Under each symbol was a \$10,000 prize, totaling \$90,000. On the last row, he also matched the number 11 where there was a \$10,000 prize.

"I just won \$100,000," he told his wife. "It was exciting."

"I kept waiting for him to wake me. It still doesn't seem real," Rhonda told lottery officials.

After taxes, the couple received a check for \$71,000. They said they have been renting their home and now hope to buy a piece of land.

UP TO 5100,0



GALLATIN WOMAN FOLLOWS INTUITION ABOUT BUYING POWERBALL TICKET; WINS \$150,000

A Gallatin County woman (who wished to remain anonymous) says something was telling her to buy a Powerball ticket. She followed her intuition - and is now \$150,000 richer.

"I told myself that morning, 'I have to stop in town to pick up the winning ticket'" she told lottery officials.

While running errands on May 13th, she stopped at the Speedway on US 42 in Florence to purchase a Powerball ticket. The following Tuesday she scanned it at a store using the self-ticket checker when she saw the message, 'You won \$150,000.'

She said her first thought was, "I did it!"

"I just stood there staring at it (display screen). It went blank so I scanned it again just to make sure. I checked it a third time and this time took a picture because I knew my husband wasn't going to believe me," she said.

"We've played for so many years. It feels good," she said.

PERSISTENCE PAYS OFF BIG FOR HOPKINSVILLE WOMAN AFTER WINNING \$77,777 KENTUCKY LOTTERY SCRATCH-OFF PRIZE

A Hopkinsville woman says she is a regular when it comes to playing the Kentucky Lottery and her persistence has paid off. After buying her favorite Scratch-off ticket, Mega Super Hot 7's, she has won the game's \$77,777 top prize.

She stopped at the Shell Gas Station on East Ninth Street in Hopkinsville to buy her Scratch-off tickets. She said she will usually scratch off her tickets starting from the bottom. When she got to the middle row, in the first spot, she uncovered a "7" call out number on the ticket indicating she won the \$77,777 prize located below.

"It was out of the blue. I just couldn't believe it," she said.

Still not comprehending what had happened, she stopped at another store to check the ticket, making sure it was a winner. "When I saw that (\$77,777), I couldn't stop crying. I was in disbelief," she said.

"I move tomorrow, so this happened at a great time," she told lottery officials. She also plans to buy a new car with her winnings.



ROCKFIELD MAN HITS HOMERUN WITH TRIPLE JACKPOT SCRATCH-OFF-WIN

James 'Dewayne' Stotts of Rockfield, KY was on his way home after umpiring at the local little league when he purchased a Kentucky Lottery Triple Jackpot Scratch-Off ticket. Stotts said his son had asked for something to drink at the game, but the concession stand was already closed. They stopped at the Crossroads on Russellville Road in Bowling Green.

"We got up to the counter and everything I bought totaled \$10, and I told the clerk to go ahead and give me a \$10 Scratch-off ticket since I was paying with a 20-dollar bill," said Stotts. The father of three boys says he plays the Kentucky Lottery occasionally and usually purchases \$5 Scratch-offs.

Stotts said, "When we got in the truck, I tucked it in my visor and forgot about it." The next morning when he got to work, he saw the ticket out of the corner of his eye. "I told my coworker that I thought it was a sign so I could leave work early," he said laughing.

While his coworker was standing beside him, he began to scratch off the numbers on the ticket. "I saw a 20X in one spot and told my coworker I had won something and then I scratched off a 10X and I told him this was something big," Stotts said. He eventually scratched off the entire ticket to discover he had won the game's \$200,000 top prize.

"My coworker said, 'That's going to change your life', I said, 'Yeah, tell me about it."



JEFFERSON SPOTLIGHT

By Minna Sung, Louisville Regional Sales Manager

Greetings to all our Jefferson Region retailers, and thank you for a successful FY22! All your efforts with keeping the bins full, activating the new games on day one, and carrying the right product mix of Scratch off games were all efforts to help maximize sales at your stores. We finished in June with the launch of the Loaded Family of Scratch Games, and have already launched our first \$30 Ticket of FY23 – Jackpot Fortune.

Now that we are in halfway through the first quarter of FY23, here are some tips to maximize sales:

- Keep your bins full Empty Bins equals lost sales
- Ensure inventory levels meets customer demand
- Right Product Mix Plan-o-grams are designed to carry the strongest sellers
- Kentucky Lottery brand awareness Our team has point of sale that will create this brand awareness for your customers

Top 3 retailers in the Jefferson Region, Scratch sales percentage increase Q4 FY22 vs. Q4 FY21:

#1 K1 LIQUORS 226%

#2 PRICE LESS FOODS #68 122%

#3 COX'S SMOKERS OUTLET #34 109%

Thank you for being the best retailers in the entire state of Kentucky! Remember that together you all allow students to pursue their future! We fuel imagination and fund education for ALL Kentuckians!

















Phillis and crew at Cox's Smokers Outlet #19 in Louisville have really improved all aspects of lottery over the last few months since a change in management at the store. They went from around 8% out-of-stocks to 2.5% in just a few months.





Ashley, GM of Thorntons #162 in Louisville, is committed to lottery sales at her store. She has seen her Scratch-off sales grow by 58% for the year by keeping her out-of-stocks low and always activating our new games on launch day.









BLUEGRASS SPOTLIGHT

By Rusty Reid, Bluegrass Regional Sales Manager

Greetings Bluegrass Retailers! Well, you all did it again – the Kentucky Lottery has set another all-time sales record! We can't even begin to express how deeply grateful we are for your partnership with us. Without you, our success wouldn't be possible, and without you, many Kentucky students wouldn't be able to achieve their dream of a higher education. We thank you and the students of Kentucky thank you!

As we move into a new FY, we have an exciting line up of Scratch off games planned for the rest of the year along with some exciting additions and changes coming to our draw games. It continues to be an exciting time to be part of the Kentucky Lottery and we will be here to make sure that your lottery business continues to be a success!

Top 3 retailers in the Bluegrass Region, Scratch sales percentage increase Q4 FY22 vs. Q4 FY21:

#1 DOUGHDADDY'S DOUGHNUTS 221%

#2 LANSDOWNE MARATHON 105%

#3 WALMART #4607 NM 76%















T-Mart owners Vic and Jaz Sidhu added a Gemini 24 at their Frankfort store a few months ago to have a total of 64 facings. They've seen an increase in sales, they are up 30% overall in both instants and draw games compared to last year's sales!



Williamstown Hop Shop selling lottery tickets and collecting donations for families in need.



These two Go Time Cynthiana employees were excited to win a vending machine out-of-stock promotion for free scratch off tickets.



Tony's Ole Saloon recently changed ownership. The Dayton establishment has carried Keno since it's been offered. Bartender Jenny says she has a loyal group of patrons who love to play Keno together.



Dilip Patel and Kalpesh Patel at Turfway Liquors in Florence have already surpassed quarter and yearly goals. The store is on the verge of hitting 131% for their Scratch-off quota and 124% of their quota for Powerball. Turfway Liquors has 40 dispensers on the counter and their touch machine is never empty.



Gold Mine in Florence understands the true meaning of no out-of-stock left behind! Nearly every vending out-of-stock report shows 0% or no more than 2%. JJ recently won the out-of-stock promotion without even knowing he was in the race; he won averaging 0.8% for 4weeks! He has surpassed goals, hitting the quarter goal already by 434%.



Victor, owner of Zandale Liquor in Lexington, is enjoying a 20% increase in Scratch-off sales since he placed a menu board on his drive-thru window.



Circle K #3214 store manager Hope and assistant manager Tina have increased sales by over 20% by keeping the vending machine filled daily. They always have a smile on their faces and enjoy seeing the sales growth from their hard work and commitment to keeping the machine filled at the Lexington store.

New store manager Jen of Southern Hills Foodmart in Richmond is a true ambassador of the Kentucky Lottery. On launch days she has new game tickets activated by 6am and next to cash register reminding and encouraging customers to play the new games. She also keeps the vending machines out-of-stocks under 1% which is truly amazing with the sales they generate.

The Quarter | 27





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CENTRAL SPOTLIGHT

By Garrett Trabue, Central Regional Sales Manager

Greetings to all our lottery partners in the Central Region! Thank you for your support in helping Kentucky Lottery succeed during FY22. Through your efforts to maintain lottery best practices, sales during FY22 were another record-breaking year!

Coming in October, we will be launching our popular holiday games that your players will be sure to enjoy. Be sure that you have all new games activated on the first day to maximize sales.

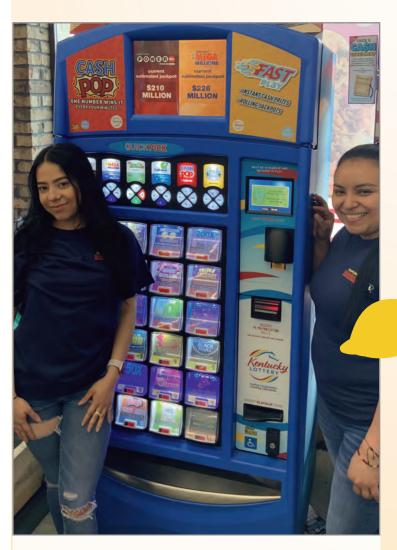
Thank you again for your partnership in helping to support education for scholarships and grants that benefit students in Kentucky.

TOP 3 RETAILERS IN THE CENTRAL REGION, SCRATCH SALES PERCENTAGE INCREASE Q4 FY22 vs. Q4 FY21:

#1 MAIN STREET VALERO 653%

#2 SUPERMERCADO GUANAJUATO #2 440%

#3 BO'S SMOKE SHOP #5 300%

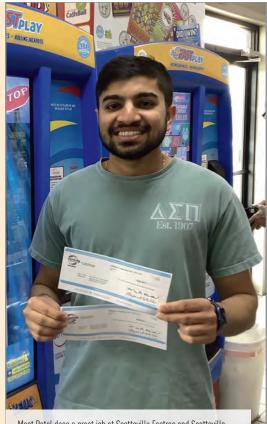






Huck's #397 in Bowling Green recently had several upgrades to their store and have seen an increase in lottery customers. Carolyn always greets everyone with a smile and knows several of their customers by name. Clerks like seeing their daily lottery players and are excited when they win. The store recently sold a \$10,000 Topaz 10's ticket to a longtime regular player.





Meet Patel does a great job at Scottsville Fastrac and Scottsville Food Mart keeping his machines full and on plan-o-gram. Both stores hit their sales goal for the 3rd quarter and received incentive checks.







key to sales is full bins."

Kenny and Mamta at Stanford Food Mart make the effort to maintain their volume of sales. He says it takes work to keep his out-of-stocks under 5% but the players are happy to have their favorite games.

py to have their favorite games.

The Quarter | 29

We Sold A \$ /.4

EASTERN SPOTLIGHT

By Wes Hardin, Eastern Regional Sales Manager

Thank you Eastern Region retailers for another fantastic sales year!

You always make the Eastern Sales Team look good. We appreciate everything each of you do to help us deliver money to Kentucky students. Thanks to you & your teams, we set another sales record! I can tell you firsthand from speaking with and listening to Kentucky students how much your efforts mean to them. Many of these students would be unable to attend college without this money and they are truly appreciative of your efforts to sell and promote Kentucky Lottery products. You are making a difference in people's lives!

I look forward to seeing you in the coming year!

TOP 3 RETAILERS IN THE EASTERN REGION, SCRATCH SALES PERCENTAGE INCREASE Q4 FY22 vs. Q4 FY21:

#1 BROOKLYN BELLE MARKET 83%

> #2 WALMART #4461 82%

#3 ADKINS FASTSTOP #1 76%











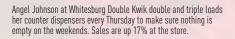














Neal & Tammy from Jack's IGA in Beattyville pose with their grand prize from the out-of-stock contest. They won a pack of \$1 tickets and a new KLC floor mat!



Heather, manager of Smoker Friendly #3 in Flemingsburg, utilizes the menu board in the drive-thru. Most of the store's

the sale and always keeps her dispensers full.

business is in the drive thru. Heather has all employees ask for



Nick and Peter Patel are the owners of Racers #2 in Ashland. Racers #2 is new a Cashing Agent and services all of Boyd County and neighboring Carter, Greenup, and Lawrence counties.



Siddhant Patel (pictured) and his brother Vishal Patel are the new owners of Ashland Quick Stop. Both brothers are owners of several gas stations in West Virginia and recently purchased this store, previously Raman Petroleum.





Rebecca, Patty and Sarah at Fleming Mart in Flemingsburg do a great job of promoting lottery. As a new retailer, they understand the importance of following plan-o-gram, keeping dispensers full and always using face cards in every dispenser. In addition, they ask for the sale on every transaction. These actions have resulted in strong and increased sales every week.

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WESTERN SPOTLIGHT

By Chris Green, Western Regional Sales Manager

It's that time again that we say goodbye to another fiscal year in the books. The Western Region had another successful year in sales and as a region we finished above 103% to quota for the year. We were driven by great sales in Scratch-offs. Draw games were hindered by some variables out of our control. We did not have huge jackpot runs, and some social establishments had not came back fully from some of the previous two years restrictions. We are starting out the new year with a lot of optimism with high jackpot hopes, and things getting back to normal.

The Western Region had solid retail performers as four of the top 10 statewide were in our region. They are, in no particular order, Skyline Fuel, Pal's of Oak Grove, Lotto Express, and 101 Lotto. All of us in the Western Region would like to thank all of our retailers, not just

TOP 3 RETAILERS IN THE WESTERN
REGION, SCRATCH SALES PERCENTAGE
INCREASE Q4 FY22 vs. Q4 FY21:

#1 WALMART #491 228%

#2 WALMART #106 208%

#3 POCKET'S #5 96%

these, for a great year. You all are what makes a difference. We also had the #1 Sales Rep in the state for the second year in a row, covering Calloway, Livingston, Lyon, Marshall, Graves counties. GREAT JOB HEATHER! You can read more about her on page 8.

There are a lot of terrific things coming this next fiscal year. We have some great promotions, and the new Kentucky-only jackpot game Kentucky Five. We look forward to this next year and we want to continue to provide the best service possible to all of our retailers, so if you need assistance with anything please let your sales rep know and they will take care of it. Thank you so much for all you do!





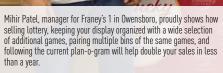


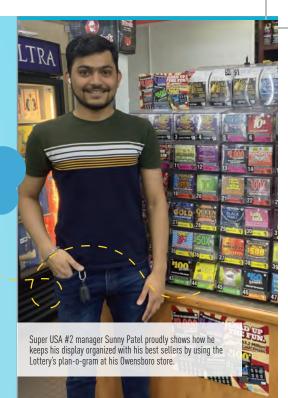
























IEW FACES





WELCOME TO JON STIPP, OUR NEWEST LOTTERY SALES FIELD REPRESENTATIVE IN THE BLUEGRASS REGION!



For the second year in a row, the Kentucky
Lottery has been named a Best Place to
Work in Kentucky (medium-size company)
by the Kentucky Chamber of Commerce and the Kentucky Society
for Human Resource Management.

The award is given based on results of an employee survey of workplace satisfaction and an evaluation of policies, practices, and demographics. The Kentucky Lottery competed in the medium company designation of businesses with 150 to 499 employees.

The Kentucky Lottery won the overall competition in 2021, and has again been named one of the Best Places to Work in 2022.



AMY'S CLOSING THOUGHTS

Welcome to FY23! But wait - not so fast! Let's take a quick look back at another KLC record breaking year!

- OVER \$1.6 Billion in Sales! \$100 million more than FY21!!!!
- 458 retail trainings!
- 80 Business Reviews with our Chain Account partners!
- MORE THAN \$5.5 Million in retailer incentive payments!
- 31 retail promotions from our outstanding marketing department!
- 9 Scratch off launches!
- New FAST PLAY launches!
- Digital licensing enhancements!
- Retailer website updates!
- Fantastic customer service for your customers and the KLC players!
- Unmatched billing and security support, and much more!

These accomplishments were because of the partnership with you. The KLC is extremely grateful to have the most professional and fantastic business partners around. The retail landscape continues to evolve as we move through the aftermath of a pandemic that has changed our business practices and while these times have been challenging, they have also presented unique opportunities that we are still exploring.

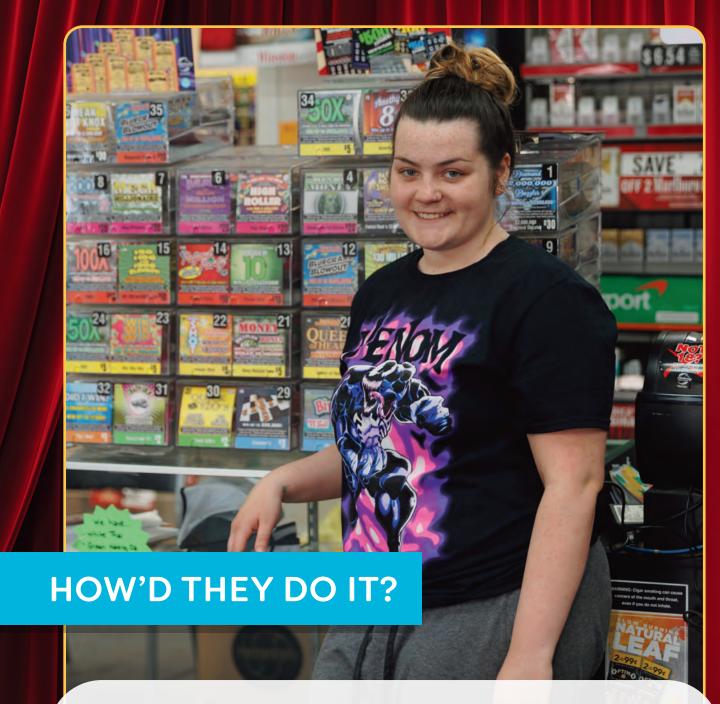
Thank you again for another successful year. There are several initiatives in the coming fiscal year that are certain to excite! We will continue Fueling Imagination and Funding Education in FY23.

oney.

Amy Drooker

Kentucky Lottery Vice President of Sales





ASKFORTHESALE

"Asking customers if they'd like to buy a lottery ticket with their other purchases encourages them to try something they may not have yet."

- Bailee Jackson, clerk at Discount Tobacco in Murray

Thanks to "Ask for the Sale" promotions in this store, Discount Tobacco has grown Keno sales 53% and Scratch-offs 8% from last year.