Scratch-off Ticket Security

Built-in Security

Every Kentucky Lottery scratch-off game integrates layer upon layer of security features and techniques, protecting it from ticket alteration and counterfeiting attempts. The supplier and the Lottery test and retest EVERY game to ensure its integrity, so that our customers can rely on our products to perform as expected

Preventing Theft

Like other products in your store, Lottery scratch-off tickets sometimes present a tempting target for theft. The tips below will help you keep track of your inventory.

- Designate a single key for Lottery on your cash register or use UPC bar codes to track your inventory
- Place tickets in locked dispensers in view of your security cameras at all times
- Use the Report functions to track sales and validations
- Track sales associates' use of registers so they are responsible for the receipts
- Photocopy and use Lottery-provided Daily Sales Logs and Scratch-off Pack Inventory Logs for shift by shift inventory management

Stolen Ticket Procedures

1. Lottery tickets are the same as cash. Insurance usually does not cover them

2. Contact the police. A timely response is critical in reporting stolen tickets to the Lottery in order to reduce the liability for your missing inventory. Be specific when reporting the range of tickets that are missing

3. Call Lottery Security at (502)560-1813, 24 hours a day, 7 days a week. If there is no answer, leave a message and someone will return your call

4. A Stolen Ticket Incident Report; Lost, Stolen, or Destroyed Ticket Affidavit; and procedures to follow will be mailed to you. It is important that you follow these procedures to ensure proper and timely credit to your Lottery account

5. Retain a copy of the police report and the case number when completing the affidavit.

Scratch-off Reports

Scratch-off reports are accessed through the Reports menu on the Lottery Home screen.

Instant Reports> Today
>Instant Ticket Redeemed Report- Provides instant ticket redeems for that day of the report as well as any coupons. This report also gives you a list of packs that were activated or returned as of the time the report was ran.
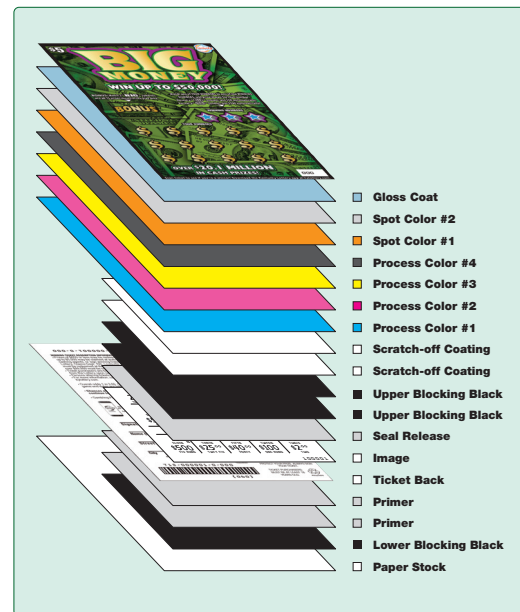
Special Reports>
>Unbilled Packs Report- This report contains billing sweep date info but is subject to change as packs are activated or reach the validation threshold.

>Instants Issued- This report contains a list of tickets issued for a specific timeframe but does not reflect current status of tickets.

>Retailer Return Receipt- This report contains Unverified Pack details for packs that have been self-returned
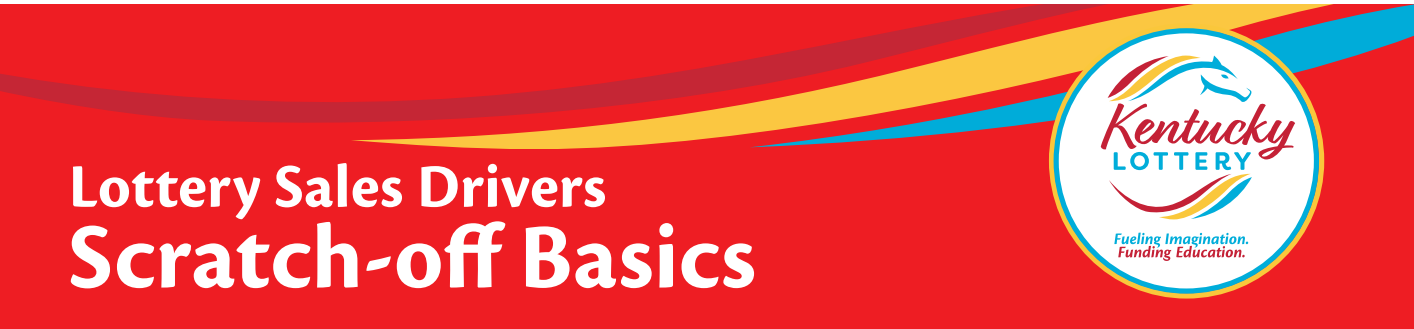
Billing Reports> Current Invoice
>Billing Reports- This Report Prints every Tuesday at sign on and contains the total amount due for Sweeps on Thursday for the previous billing cycle (Sunday 5am - Sunday 2am).

Standard Ticket Construction

Layers:
- Gloss Coat
- Spot Color #2
- Spot Color #1
- Process Color #4
- Process Color #3
- Process Color #2
- Process Color #1
- Scratch-off Coating
- Scratch-off Coating
- Upper Blocking Black
- Upper Blocking Black
- Seal Release
- Image
- Ticket Back
- Primer
- Primer
- Lower Blocking Black
- Paper Stock

INSTANT TICKET DAILY SALES LOG

Scratch-Off Games 101

Price Points: $1-$50

Attributes: Varying themes, play styles, colors, play features, etc.

Top Prizes: $100-$3,000,000 depending on price point; some games offer second chance promotions to win cash prizes, trips and merchandise

Launch Schedule: New games are launched on Friday, at approximately 6 week intervals

Scratch-off Game Commissions & Incentives

Selling Commission: 5% for all games sold

Cashing Commission: 1% for all winning tickets cashed in your store

Selling Bonus: 1% for all winning tickets over $600 cashed at another retailer.

Retailer Incentives: The opportunity to participate in quarterly performance-based incentives and additional incentives and promotions throughout the year. Incentives checks are earned and awarded to retailers.

Tip:
Cash all the winning tickets you can. Players tend to reinvest their winnings in more lottery tickets and other items from your store.

Instant Ticket Life Cycle

1. **Confirm:** When scratch-off tickets are delivered to your store via UPS, **you must confirm receipt of the order** with the Order Confirmation function on your lottery sales terminal.

2. **Activate:** All packs of **scratch-off tickets must be activated prior to putting them out for sale.** Use the Activate Pack function on your lottery terminal.

3. Once a pack is settled, you are charged for tickets in the next settlement statement. and your **EFT account is billed for the price of the pack less your 5% commission, cashes, and other adjustments.**

	Settlement Terms
Clock Starts:	Upon pack activation
Packs Settle:	60 days from activation: OR when 85% of the low- tier winners are validated; OR by manual settlement
Invoice:	Accounting week runs 5 am Sunday- 2am Sunday with invoice posted on Tuesday
Sweeps:	Money should be deposited in bank by Wednesday for draw and scratch-off combined sweep on Thursday

Return Process

Your TSM will pick up all unsold tickets on the "eligible returns" list prior to the announced end of the game. Scratch-off games are placed on the "eligible returns" list when:

1. Games come off the current Plan-O-Gram

2. The Lottery has decided to no longer sell the game.

Price Points/Pack Sizes/Payouts

Scratch-off Tickets Costs and Values

The packaging and sales unit of Kentucky Lottery scratch-off tickets is called a "pack." The number of tickets in a pack varies by price point.

Payouts

As the scratch-off ticket price point increases, so does the incremental value to players. Value comes in

- The size of the ticket and the corresponding increase in play area
- The construction and look of the ticket (design and materials such as foil or holographic materials)
- The number of ways you can win, the length of play, bonus features
- The prizes (e.g., number of winners, top prize amount, average payout percentage, other item, or combination)

Scratch-off tickets are impulse purchases, so product visibility is key! Display tickets right at the point of sale to highlight their eye-catching graphics!

1. Carry and display all the Top Selling Games as indicated by Kentucky Lottery Plan-O-Gram.

2. Double or triple face hot games. Players who win on one pack often like to reinvest their winnings into tickets from another pack of the same game

3. Showcase Big winners by Displaying them on a dedicated "Winners Wall" area of your store.

4. Showcase like-themed games in tower dispensers

Ticket Display

Tickets should be loaded into bins with corresponding dispenser insert facing the customer, right side up. They are generally arranged from highest price point to lowest (top left to bottom right). with game families together.

Tip:
Remember, scratch-off tickets are impulse purchases. Make sure their eye-catching graphics are clearly visible at the point of sale. Always keep your tickets on Plan-O-Gram for maximized sales and to qualify for your retailer incentives.

Game Orders

Ticket orders are placed through the instant ticket ordering system or by calling in orders to SCI Games. Orders are based on ensuring a 2-3 week supply of inventory. Please call the order hotline (Mon-Fri 7am-4pm) 1-833-306-5124 if you run low on inventory or are out of stock (no deliveries on Saturday or Sunday).

Game Families

The Kentucky Lottery offers several different categories, or "families" of scratch-off games, which feature tickets at different price points but the same general premise. Examples of game families include those shown below:

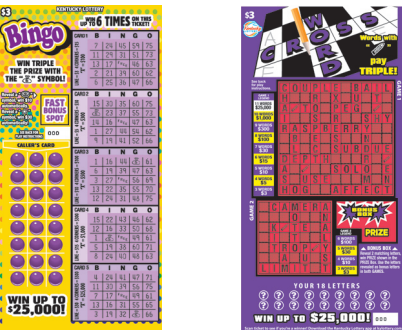*Note*: Tickets shown for example only. Ticket offering changes continually.

Trademark:
Popular games that are based off game shows and board games

Holiday:
New family of Holiday games launched each Holiday season:

Extended Play (Puzzle Lovers):
Bingo, Crossword, and other games at the $3 and $5 price point designed to keep the player in the game until the last scratch.

Multiplier:
Everyone loves Multipliers! Multiplier tickets are designed to multiply player winnings and enhance player excitement and enjoyment.

Themes

Themes include those with broad appeal, such as Money, Numbers, Licensed Properties, Kentucky-based, Sports, and Holiday, as well as targeted themes such as gaming, and more whimsical, niche themes.

Play Styles

The Kentucky Lottery designs its games to enhance players excitement and enjoyment. Popular play styles include: Key Number Match, Add Up, Beat Score, Crossword, Bingo, Find Number, Find Symbol, Like Amounts, etc.

Anatomy of a Scratch-off Ticket

Player information. Always sign the back of your tickets.

Game number; Pack number; Ticket number

Validation Barcode

Tickets remaining in pack