





# INTEROFFICE MEMO

*Gary Grief, Executive Director      Michael P. Farrell, Charitable Bingo Operations Director*

**To:** J. Winston Krause, Chairman  
Carmen Arrieta-Candelaria, Commissioner  
Doug Lowe, Commissioner  
Robert Rivera, Commissioner

**From:** Kathy Pyka, Controller *KP*

**Date:** September 20, 2018

**Re:** Lottery sales and revenue, game performance, new game opportunities, advertising, promotional activities, market research, trends, and game contracts, agreements, and procedures

The attached detailed weekly sales summary for the week ending September 15, 2018 is for your information. Summary sales performance memos and the detailed weekly sales summary for the week ending September 29, 2018 will be provided to you at the October 3, 2018 Commission meeting.

Please feel free to contact me at 512-344-5410 if you need additional information or have any questions.



**Texas Lottery Commission**  
**Calculation of Revenue from Sales and Net Revenue to State**  
**with Year over Year Analysis**  
**Week ending September 16, 2017 and September 15, 2018**

**"Sales Contribution"**

	9/16/2017	9/15/2018
<b>Sales</b>	\$ 213,032,691	\$ 222,735,764
<b>Less: Prize Expense</b>	(143,587,166)	(145,689,555)
<b>= Sales Contribution</b>	<b>69,445,524</b>	<b>77,046,209</b>
	<b>32.60%</b>	<b>34.59%</b>
<b>Less: Retailer Commission (5%)</b>	(10,654,178)	(11,139,596)
<b>Less: Administration (IGT @2.2099%)</b>	(4,707,809)	(4,922,238)
<b>Less: Statutory Administration Appropriation</b>	(10,204,479)	(10,669,266)
<b>= Estimated Net Revenue to the State (FSF)</b>	<b>\$ 43,879,057</b>	<b>\$ 50,315,109</b>
	<b>20.60%</b>	<b>22.59%</b>
<b>Prize Expense as a % of sales</b>	<b>67.4%</b>	<b>65.4%</b>

Total may not sum due to rounding



WEEKLY SALES SUMMARY

Unaudited

**Week Ending: 9/15/2018**

Texas Lottery Commission  
Fiscal Year to Date Sales Comparison  
Unaudited

Through the Week Ending 9/15/2018 (3 Weeks)

Sales by Game	FY 2017 *	FY 2018 **	FY 2019	\$ Change		% Change	
				FY 2019 to FY 2017	FY 2019 to FY 2018	FY 2019 to FY 2017	FY 2019 to FY 2018
Scratch Tickets	\$ 165,128,954	\$ 167,671,551	\$ 176,285,765	\$ 11,156,811	\$ 8,614,214	6.8%	5.1%
Lotto Texas	5,323,883	4,989,223	4,586,902	-736,981	-402,321	-13.8%	-8.1%
Lotto Extra	1,014,051	1,067,558	1,081,560	67,509	14,002	6.7%	1.3%
Pick 3	11,728,140	11,096,319	10,606,523	-1,121,618	-489,797	-9.6%	-4.4%
Pick 3 Sum It Up	222,387	225,693	204,201	-18,187	-21,492	-8.2%	-9.5%
Cash Five	2,053,599	1,884,654	1,728,416	-325,183	-156,238	-15.8%	-8.3%
Texas Two Step	2,421,487	1,905,276	2,904,584	483,097	999,308	20.0%	52.4%
Mega Millions	6,354,876	5,135,651	8,582,764	2,227,888	3,447,113	35.1%	67.1%
Megaplier	1,670,053	1,483,419	1,312,114	-357,939	-171,305	-21.4%	-11.5%
MM Just the Jackpot	-	-	48,921	48,921	48,921	-	-
Daily 4	4,293,918	4,490,576	4,670,287	376,369	179,711	8.8%	4.0%
Daily 4 Sum It Up	230,435	242,359	243,014	12,579	655	5.5%	0.3%
Powerball	11,798,500	9,453,620	7,943,926	-3,854,574	-1,509,694	-32.7%	-16.0%
Power Play	1,642,666	1,513,466	1,299,677	-342,989	-213,789	-20.9%	-14.1%
All or Nothing	1,277,648	1,289,030	1,237,112	-40,536	-51,918	-3.2%	-4.0%
Texas Triple Chance	737,680	584,296	-	-737,680	-584,296	-100.0%	-100.0%
<b>Total</b>	<b>\$ 215,898,277</b>	<b>\$ 213,032,691</b>	<b>\$ 222,735,764</b>	<b>\$ 6,837,488</b>	<b>\$ 9,703,074</b>	<b>3.2%</b>	<b>4.6%</b>

\* 2 extra days

\*\* 1 extra day

Texas Lottery Commission  
**Fiscal Year to Date Cumulative Average Sales Comparison**  
 Unaudited

**Through the Week Ending 9/15/2018 (3 Weeks)**

Sales by Game	FY 2017	FY 2018	FY 2019
Scratch Tickets	\$ 9,713,468	\$ 10,479,472	\$ 11,752,384
Lotto Texas	313,170	311,826	305,793
Lotto Extra	59,650	66,722	72,104
Pick 3	689,891	693,520	707,102
Pick 3 Sum It Up	13,082	14,106	13,613
Cash Five	120,800	117,791	115,228
Texas Two Step	142,440	119,080	193,639
Mega Millions	373,816	320,978	572,184
Megaplier	98,238	92,714	87,474
MM Just the Jackpot	-	-	3,261
Daily 4	252,583	280,661	311,352
Daily 4 Sum It Up	13,555	15,147	16,201
Powerball	694,029	590,851	529,595
Power Play	96,627	94,592	86,645
All or Nothing	75,156	80,564	82,474
Texas Triple Chance	43,393	36,519	-
<b>Total</b>	<b>\$ 12,699,899</b>	<b>\$ 13,314,543</b>	<b>\$ 14,849,051</b>

thru 9/17/2016	thru 9/16/2017	thru 9/15/2018
17 days	16 days	15 day

Texas Lottery Commission  
**Fiscal Year Over Year Change in Sales**  
 Unaudited  
 FY 2019 Compared to FY 2018

Week	Week Ending	SCRATCH TICKETS				DRAW GAMES				TOTAL SALES			
		FY 2019	FY 2018	Difference	% change - Cumulative Sales	FY 2019	FY 2018	Difference	% change - Cumulative Sales	FY 2019	FY 2018	Difference	% change - Cumulative Sales
1	9/1/2018 *												
2	9/8/2018	\$12,926,096	\$23,058,926	(\$10,132,830)	-43.9%	\$3,821,956	\$6,902,847	(\$3,080,892)	-44.6%	\$16,748,052	\$29,961,773	(\$13,213,722)	-44.1%
3	9/15/2018	\$81,772,743	\$71,784,232	\$9,988,511	13.9%	\$20,825,823	\$18,779,001	\$2,046,822	10.9%	\$102,598,566	\$90,563,233	\$12,035,333	13.3%
4	9/22/2018	\$81,586,926	\$72,828,393	\$8,758,533	12.0%	\$21,802,221	\$19,679,292	\$2,122,929	10.8%	\$103,389,147	\$92,507,685	\$10,881,462	11.8%
5	9/29/2018		\$71,147,147				\$18,601,742				\$89,748,889		
6	10/6/2018		\$74,749,619				\$18,438,682				\$93,186,301		
7	10/13/2018		\$78,134,381				\$19,297,281				\$97,431,662		
8	10/20/2018		\$74,084,207				\$19,185,335				\$93,269,542		
9	10/27/2018		\$77,631,892				\$19,573,636				\$97,205,528		
10	11/3/2018		\$76,385,130				\$18,788,634				\$95,173,764		
11	11/10/2018		\$78,814,323				\$19,564,829				\$98,378,952		
12	11/17/2018		\$78,572,697				\$19,317,440				\$97,890,137		
13	11/24/2018		\$81,674,704				\$19,938,001				\$101,612,705		
14	12/1/2018		\$84,916,870				\$19,968,524				\$104,885,393		
15	12/8/2018		\$81,453,005				\$21,685,175				\$103,138,180		
16	12/15/2018		\$81,251,421				\$21,277,106				\$102,528,526		
17	12/22/2018		\$83,850,250				\$23,199,797				\$107,050,047		
18	12/29/2018		\$87,941,872				\$27,161,624				\$115,103,496		
19	1/5/2019		\$88,089,746				\$36,811,359				\$124,901,105		
20	1/12/2019		\$85,627,935				\$61,522,424				\$147,150,359		
21	1/19/2019		\$84,788,310				\$19,797,694				\$104,586,004		
22	1/26/2019		\$79,736,335				\$18,928,359				\$98,664,694		
23	2/2/2019		\$84,274,095				\$20,031,471				\$104,305,566		
24	2/9/2019		\$86,988,911				\$21,857,656				\$108,846,566		
25	2/16/2019		\$89,937,200				\$22,787,411				\$112,724,611		
26	2/23/2019		\$87,786,021				\$23,638,676				\$111,424,697		
27	3/2/2019		\$90,755,793				\$23,457,390				\$114,213,183		
28	3/9/2019		\$98,824,633				\$26,528,688				\$125,351,321		
29	3/16/2019		\$94,905,657				\$27,981,971				\$122,887,628		
30	3/23/2019		\$91,348,015				\$30,926,726				\$122,274,741		
31	3/30/2019		\$93,810,063				\$24,924,629				\$118,734,692		
32	4/6/2019		\$99,679,358				\$32,928,515				\$132,607,872		
33	4/13/2019		\$94,700,487				\$21,038,959				\$115,739,446		
34	4/20/2019		\$92,913,454				\$21,025,962				\$113,939,416		
35	4/27/2019		\$91,480,306				\$21,175,937				\$111,656,242		
36	5/4/2019		\$89,436,552				\$21,876,449				\$111,313,001		
37	5/11/2019		\$93,435,363				\$23,711,107				\$117,146,470		
38	5/18/2019		\$87,282,034				\$22,261,352				\$109,543,386		
39	5/25/2019		\$86,805,390				\$22,666,519				\$109,471,909		
40	6/1/2019		\$85,062,654				\$18,883,295				\$103,945,949		
41	6/8/2019		\$84,732,710				\$19,182,651				\$103,915,361		
42	6/15/2019		\$85,662,934				\$20,379,312				\$106,042,245		
			\$83,721,250				\$21,204,086				\$104,925,335		

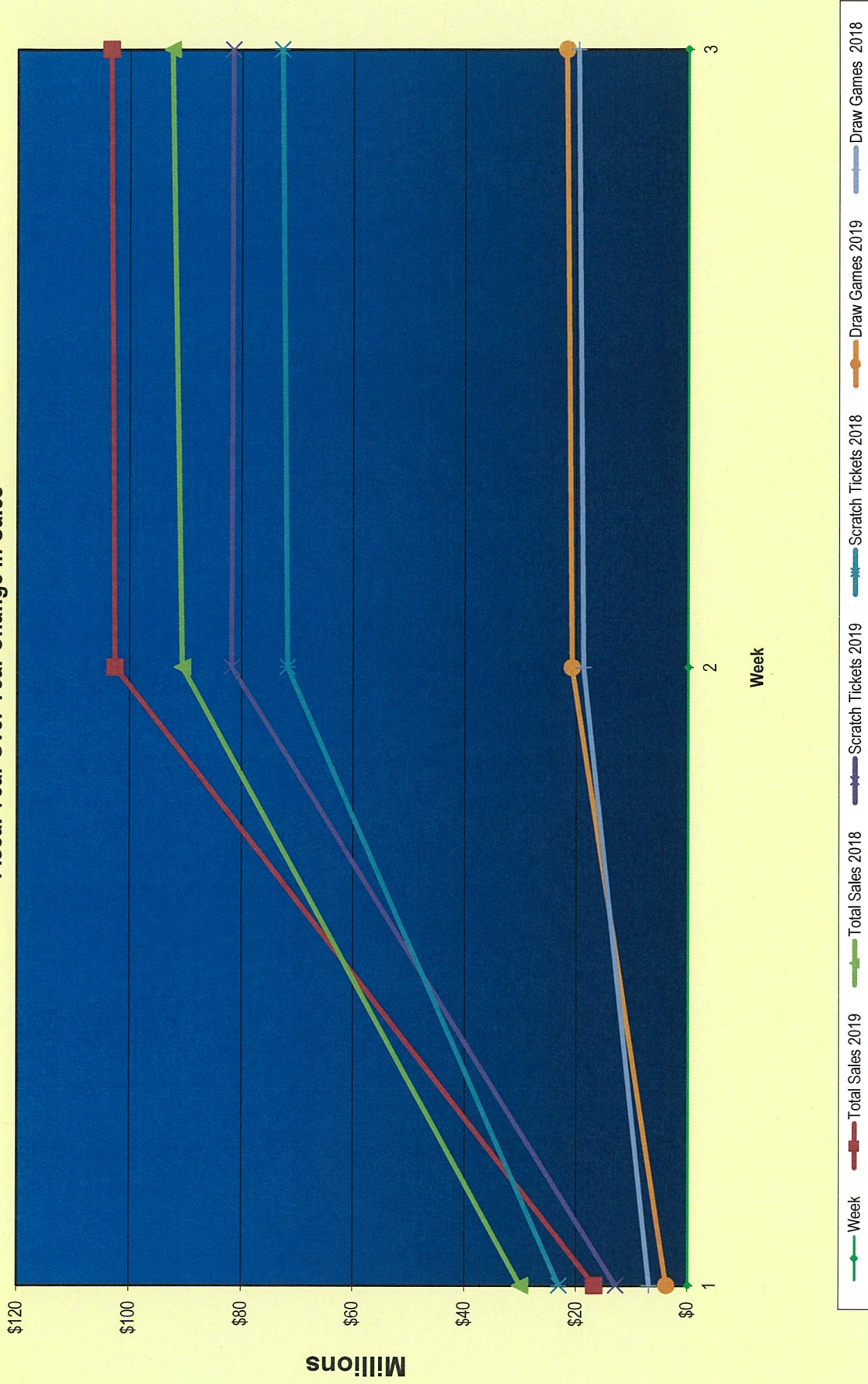
Texas Lottery Commission  
**Fiscal Year Over Year Change in Sales**  
 Unaudited  
 FY 2019 Compared to FY 2018

Week	FY 2019 Ending	SCRATCH TICKETS			DRAW GAMES			TOTAL SALES				
		FY 2019	FY 2018	Difference	% change - Cumulative Sales	FY 2019	FY 2018	Difference	FY 2019	FY 2018	Difference	% change - Cumulative Sales
43	6/22/2019		\$84,912,445			\$20,488,855			\$105,401,300			
44	6/29/2019		\$84,220,135			\$20,990,942			\$105,211,077			
45	7/6/2019		\$86,569,321			\$21,928,841			\$108,498,162			
46	7/13/2019		\$83,808,881			\$24,814,159			\$108,621,039			
47	7/20/2019		\$82,343,351			\$30,632,730			\$112,976,081			
48	7/27/2019		\$84,241,509			\$32,856,529			\$117,098,038			
49	8/3/2019		\$90,698,716			\$21,446,642			\$112,145,358			
50	8/10/2019		\$82,465,760			\$22,149,188			\$104,614,948			
51	8/17/2019		\$80,927,256			\$19,278,743			\$100,205,999			
52	8/24/2019		\$79,298,556			\$20,681,392			\$99,979,948			
	8/31/2018 **		\$68,776,344			\$16,370,986			\$85,147,330			
Total thru Current Week		\$176,285,765	\$167,671,551	\$8,614,214	5.1%	\$46,449,999	\$45,361,140	\$1,088,860	\$222,735,764	\$213,032,691	\$9,703,074	4.6%
Fiscal Year Total		\$176,285,765	\$4,418,324,547			\$46,449,999	\$1,208,522,340		\$222,735,764	\$5,626,846,887		

\* FY 19 includes 1 day; FY 18 includes 2 days  
 \*\* FY 19 includes 7 days; FY 18 includes 6 days



Texas Lottery Commission  
Fiscal Year Over Year Change in Sales



Note: Week 1 is not a full week of sales as this report is prepared on a Fiscal Year basis.

Texas Lottery Commission  
**Scratch Tickets by Price Point**  
**Sales, Prize Expense, Sales Contribution and Payout Percentage With Year Over Year Changes**  
 Unaudited

Fiscal Year	Price Point	# of Active Games	FY Sales	% of Scratch Ticket Sales	Year over Year Change in Sales	FY Prize Expense	Year over Year Change in Prize Expense	FY Sales Contribution	Year over Year Change in Contribution	Average Prize Payout %	Year over Year Change in Payout %
2018	\$1.00	12	5,827,608	3.5%		3,499,927		2,327,681		60.1%	-0.3%
Through	\$2.00	13	13,782,424	8.2%		9,000,073		4,782,351		65.3%	0.3%
9/16/2017	\$3.00	9	12,567,264	7.5%		8,280,963		4,286,301		65.9%	0.0%
	\$5.00	31	47,390,695	28.3%		32,211,501		15,179,194		68.0%	0.0%
	\$10.00	12	42,640,070	25.4%		29,874,943		12,765,127		70.1%	-0.3%
	\$20.00	11	34,741,140	20.7%		26,031,499		8,709,641		74.9%	0.0%
	\$30.00	0	0	0.0%		0		0		0.0%	0.0%
	\$50.00	3	10,722,350	6.4%		8,364,390		2,357,960		78.0%	0.1%
<b>Total</b>		<b>91</b>	<b>\$167,671,551</b>			<b>\$117,263,295</b>		<b>\$50,408,256</b>		<b>69.9%</b>	<b>0.1%</b>
2019	\$1.00	13	6,758,874	3.8%		4,053,807		2,705,067		60.0%	-0.4%
Through	\$2.00	15	11,974,976	6.8%		7,785,453		4,189,523		65.0%	-0.1%
9/15/2018	\$3.00	5	9,343,005	5.3%		6,164,105		3,178,900		66.0%	0.0%
	\$5.00	26	47,597,570	27.0%		32,357,152		15,240,418		68.0%	0.0%
	\$10.00	14	42,584,750	24.2%		30,026,193		12,558,557		70.5%	0.6%
	\$20.00	10	33,079,520	18.8%		24,792,373		8,287,147		74.9%	0.0%
	\$30.00	1	9,167,220	5.2%		6,876,727		2,290,493		75.0%	0.0%
	\$50.00	3	15,779,850	9.0%		12,292,821		3,487,029		77.9%	0.0%
<b>Total</b>		<b>87</b>	<b>\$176,295,765</b>			<b>\$124,348,631</b>		<b>\$51,937,134</b>		<b>70.5%</b>	<b>0.2%</b>
Variance	\$1.00	1	931,266		16.0%	553,880	15.8%	377,386	16.2%	-0.08%	
2019 to	\$2.00	2	-1,807,448		-13.1%	-1,214,620	-13.5%	-592,828	-12.4%	-0.29%	
2018	\$3.00	-4	-3,224,259		-25.7%	-2,116,858	-25.6%	-1,107,401	-25.8%	0.08%	
	\$5.00	-5	206,875		0.4%	145,651	0.5%	61,224	0.4%	0.01%	
	\$10.00	2	-55,320		-0.1%	151,250	0.5%	-206,570	-1.6%	0.45%	
	\$20.00	-1	-1,661,620		-4.8%	-1,239,126	-4.8%	-422,494	-4.9%	0.02%	
	\$30.00	1	9,167,220		100.0%	6,876,727	100.0%	2,290,493	100.0%	75.01%	
	\$50.00	0	5,057,500		47.2%	3,928,431	47.0%	1,129,069	47.9%	-0.11%	
<b>Total</b>		<b>-4</b>	<b>\$8,614,214</b>		<b>5.1%</b>	<b>\$7,085,336</b>	<b>6.0%</b>	<b>\$1,528,878</b>	<b>3.0%</b>	<b>0.60%</b>	

Notes - Scratch Ticket Variances

Texas Lottery Commission  
**Scratch Tickets by Price Point**  
**Sales, Prize Expense, Sales Contribution and Payout Percentage With Year Over Year Changes**  
 Unaudited

	FY 2019	FY 2018	Difference
Sales	\$15,674,425	\$79,567,991	-\$3,893,566
Prize Exp.	\$50,360,517	\$52,992,463	-\$2,631,946
Sales Cont.	\$25,313,908	\$26,575,528	-\$1,261,620
Prize Exp. %	66.5%	66.6%	-0.1%
	FY 2019	FY 2018	Difference
Sales	\$100,611,340	\$88,103,560	\$12,507,780
Prize Exp.	\$73,988,114	\$64,270,832	\$9,717,282
Sales Cont.	\$26,623,226	\$23,832,728	\$2,790,498
Prize Exp. %	73.5%	72.9%	0.6%
	FY 2019	FY 2018	Difference
Sales	\$176,285,765	\$167,671,551	\$8,614,214
Prize Exp.	\$124,348,631	\$117,263,295	\$7,085,336
Sales Cont.	\$51,937,134	\$50,408,256	\$1,528,878
Prize Exp. %	70.5%	69.9%	0.6%

	FY 2019	FY 2018	Difference
Sales	\$118,259,175	\$122,208,061	-\$3,948,886
Prize Exp.	\$80,386,710	\$82,867,406	-\$2,480,696
Sales Cont.	\$37,872,465	\$39,340,655	-\$1,468,190
Prize Exp. %	68.0%	67.8%	0.2%
	FY 2019	FY 2018	Difference
Sales	\$58,026,590	\$45,463,490	\$12,563,100
Prize Exp.	\$43,961,921	\$34,395,889	\$9,566,032
Sales Cont.	\$14,064,669	\$11,067,601	\$2,997,068
Prize Exp. %	75.8%	75.7%	0.1%
	FY 2019	FY 2018	Difference
Sales	\$176,285,765	\$167,671,551	\$8,614,214
Prize Exp.	\$124,348,631	\$117,263,295	\$7,085,336
Sales Cont.	\$51,937,134	\$50,408,256	\$1,528,878
Prize Exp. %	70.5%	69.9%	0.6%

**Texas Lottery Commission  
Weekly Sales Summary  
& Comparison to Previous Week**  
Unaudited

	<b>Week Ending 9/15/2018</b>	<b>Week Ending 9/08/2018</b>	<b>% of Sales</b>	<b>% of Sales</b>	<b>\$ change</b>	<b>% change</b>
	<b>THIS WEEK</b>	<b>LAST WEEK</b>				
Total Sales	\$103,389,147	\$102,598,566			\$790,581	0.77%
Scratch Tickets	\$81,586,926	\$81,772,743	78.9%	79.7%	-\$185,817	-0.23%
Lotto	\$1,975,040	\$1,960,937	1.9%	1.9%	\$14,103	0.72%
Lotto Extra	\$463,234	\$460,936	0.4%	0.4%	\$2,298	0.50%
Pick 3	\$4,720,274	\$5,006,273	4.6%	4.9%	-\$285,999	-5.71%
Pick 3 Sum It Up	\$93,227	\$93,738	0.1%	0.1%	-\$511	-0.54%
Cash Five	\$804,014	\$791,863	0.8%	0.8%	\$12,151	1.53%
Texas Two Step	\$1,642,208	\$1,201,375	1.6%	1.2%	\$440,833	36.69%
Mega Millions	\$4,416,792	\$3,905,364	4.3%	3.8%	\$511,428	13.10%
Megaplier	\$668,606	\$607,291	0.6%	0.6%	\$61,315	10.10%
MM Just the Jackpot	\$25,002	\$21,846	0.0%	0.0%	\$3,156	14.45%
Daily 4	\$2,128,235	\$2,168,776	2.1%	2.1%	-\$40,541	-1.87%
Daily 4 Sum It Up	\$110,965	\$112,629	0.1%	0.1%	-\$1,664	-1.48%
Powerball	\$3,603,702	\$3,370,728	3.5%	3.3%	\$232,974	6.91%
Power Play	\$578,862	\$552,571	0.6%	0.5%	\$26,291	4.76%
All or Nothing	\$572,060	\$571,498	0.6%	0.6%	\$562	0.10%
Total Draw Game Sales	\$21,802,221	\$20,825,823			\$976,398	4.69%

\* Totals may not sum due to rounding.

Texas Lottery Commission  
**Weekly Sales Summary**  
 Unaudited

**SCRATCH TICKETS**  
**TOP TEN SELLING GAMES**

For the week ending: 9/15/2018

Rank	Price Point	Game	Sales (Millions)
1	\$ 10	\$200 MILLION CASH EXPLOSION	\$ 5.255
2	\$ 10	MEGA LOTERIA	\$ 4.356
3	\$ 30	\$750 MILLION WINNER'S CIRCLE	\$ 4.070
4	\$ 50	200X THE CASH	\$ 3.695
5	\$ 5	SUPER LOTERIA	\$ 3.398
6	\$ 5	\$25,000,000 PAYOUT	\$ 3.279
7	\$ 20	STACKS OF CASH	\$ 3.055
8	\$ 20	100X THE CASH	\$ 3.001
9	\$ 50	ULTIMATE 7'S	\$ 2.353
10	\$ 5	25X THE MONEY	\$ 2.347

**Texas Lottery Commission  
Prize Payout Tracking Report  
Unaudited**

**Through the week ending 9/15/2018**

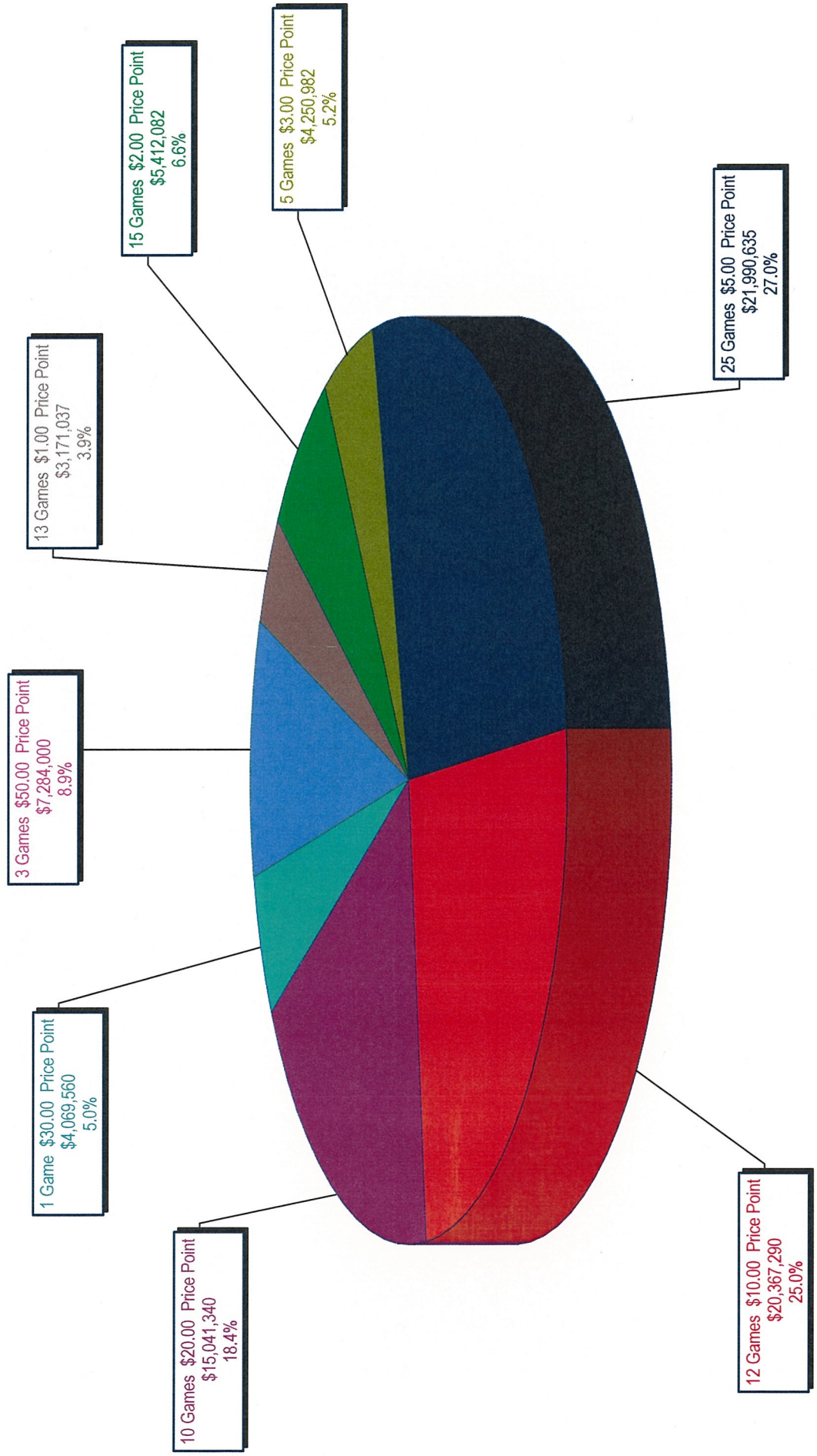
**Draw Game Sales**

	FY Sales Through Week Ending 9/15/2018	FY Prize Expense Through Week Ending 9/15/2018	Actual* Prize Payout	Base Payout (Prize Pool)
Lotto	\$ 4,586,902	\$ 191,338	4.17%	50.00%
Lotto Extra	1,081,560	556,490	51.45%	53.70%
Pick 3	10,606,523	4,223,670	39.82%	50.00%
Pick 3 Sum It Up	204,201	92,003	45.06%	50.00%
Cash Five	1,728,416	864,225	50.00%	50.00%
Texas Two Step	2,904,584	1,452,143	49.99%	50.00%
Mega Millions	8,582,764	4,316,666	50.29%	50.00%**
Megaplier	1,312,114	633,898	48.31%	N/A
MM Just the Jackpot	48,921	23,188	47.40%	50.00%**
Daily 4	4,670,287	3,278,475	70.20%	50.00%
Daily 4 Sum It Up	243,014	73,702	30.33%	50.00%
Powerball	7,943,926	4,318,012	54.36%	50.00%**
Power Play	1,299,677	705,359	54.27%	N/A
All or Nothing	1,237,112	611,756	49.45%	55.98%
<b>Totals</b>	<b>\$ 46,449,999</b>	<b>\$ 21,340,924</b>	<b>45.94%</b>	

\* Before Unclaimed Prizes

\*\*Estimated; depends on # of guaranteed prizes won in Texas

Texas Lottery Commission  
 Scratch Ticket Sales  
 For the week ending 9/15/2018  
 (Unaudited)



**Texas Lottery Commission**  
**All Game Sales**  
**For the week ending 9/15/2018**  
**(Unaudited)**

