

—TEXAS LOTTERY— RoundUp

News and Ideas for Texas Lottery Retailers

Multiply Your Fun with the "X" Suite of Games!



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**December 2013/
January 2014**

RoundUp

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licensing or accounting questions.)

Available 7 a.m. - 5:30 p.m. Central Time

Monday - Friday

GTECH Hotline:

1-800-458-0884

(For equipment problems,
to report stolen tickets,
or to order tickets.)

Available 24 hours,

7 days a week

Website:

txlottery.org



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REMEMBER!

If you find your retailer ID number hidden in
this issue of *RoundUp*, you can receive a prize
package of Texas Lottery promotional items!

To claim your prize, call 1-800-37-LOTTO.
You must call by November 29, 2013.

TEXAS



POWER PLAY® MULTIPLIER RETURNS JANUARY 2014

We're starting off the New Year with an enhanced add-on feature to *Powerball*®. Beginning with the January 22 [176246] drawing, the *Power Play* feature will multiply non-grand/jackpot prizes by 2, 3, 4 or 5 times, with the exception of the second-tier (Match 5 +0) prize. The second-tier prize will not be multiplied but will increase to \$2 million regardless of the Power Play number selected. We believe the changes will help us increase *Powerball* and *Power Play* sales as players experience the excitement of seeing their non-grand/jackpot prize winnings multiplied up to five times.

Please note that the \$2 *Powerball* base game is not changing in any way and we will continue to broadcast the *Powerball* drawings on Wednesdays and Saturdays at

State Fair of Texas 2013



Once again the 2013 State Fair of Texas® was a huge success. The new Big Tex was unveiled [597034] along with the new Top 'O Texas Tower, the State Fair of Texas' newest attraction.

The Texas Lottery Luck Zone provided fairgoers the excitement of spinning and winning during the 2013 State Fair of Texas held Sept. 27 – Oct. 20. The Texas Lottery Luck Zone paid out over \$555,000 in prizes to Texas Lottery players with plenty of fun and big winners throughout the fair. As a result, record sales topped \$1 million, an 11 percent increase over 2012 State Fair sales.

The Texas Lottery Luck Zone was located at the epicenter of fun at the fair adjacent to the Top 'O Texas Tower. [205158] Fairgoers could step off the ride and go right in to *Play the Games of Texas®*!

Additionally, the Luck Zone featured the exciting new Texas Lottery *Super Weekly Grand* scratch-off suite with just the right prizes for every player. With a \$10 purchase, fairgoers were able to spin and win to get into the Texas Lottery Money Machine or win other great prizes.

A big thank you to the Texas Lottery players, our selling retailer Swif-T and the GTECH and Texas Lottery promotions teams who made the 2013 State Fair of Texas a success for everyone and most importantly for Texas education!

10:12 p.m. CT. There will be no change to the draw game rollstock or playslips so customers will enjoy the convenience of using the now-familiar playslip. Your lottery sales representative will deliver new how-to-play brochures that include the new prize chart illustrated below. Still just \$1 more per play, the *Power Play* feature pro-

vides your customers with exciting chances to increase their *Powerball* non-grand/jackpot prizes! [149060]

Visit txlottery.org for more information or call us at 800-37-LOTTO.

ASK YOUR PLAYERS TO TRY THE "NEW" **POWER PLAY** WITH THEIR **POWERBALL** PURCHASE!

POWERBALL® PRIZE CHART			POWER PLAY® PRIZE CHART			
			If the Power Play Number Drawn is:			
Match	Powerball Prize	Powerball Odds	x 2 (Odds 1:2)	x 3 (Odds 1:3.33)	x 4 (Odds 1:10)	x 5 (Odds 1:10)
White Balls + Red Powerball						
○ ○ ○ ○ ○ + ●	Grand/Jackpot Prize*	1:175,223,510	-----	-----	-----	-----
○ ○ ○ ○ ○	\$1,000,000	1:5,153,633	\$2,000,000**	\$2,000,000**	\$2,000,000**	\$2,000,000**
○ ○ ○ ○ ○ + ●	\$10,000	1:648,976	\$20,000	\$30,000	\$40,000	\$50,000
○ ○ ○ ○ ○	\$100	1:19,088	\$200	\$300	\$400	\$500
○ ○ ○ ○ + ●	\$100	1:12,245	\$200	\$300	\$400	\$500
○ ○ ○ ○	\$7	1:360	\$14	\$21	\$28	\$35
○ ○ ○ + ●	\$7	1:706	\$14	\$21	\$28	\$35
○ ○ + ●	\$4	1:111	\$8	\$12	\$16	\$20
○ + ●	\$4	1:55	\$8	\$12	\$16	\$20
●						

Powerball overall odds are 1:31.8. All non-grand/jackpot prizes are guaranteed prizes. If funds are insufficient to pay guaranteed prizes, non-grand/jackpot prizes may be paid on a pari-mutuel basis and could be lower than the amounts shown. Power Play prizes shall be reduced if non-grand/jackpot prizes are paid on a pari-mutuel basis.
 *The grand/jackpot prize is pari-mutuel and will be divided equally by the number of grand/jackpot prize winners.
 **A Power Play Match Five (5+0) prize is set at \$2,000,000 regardless of the Power Play number selected. All other non-jackpot prizes will be multiplied by the Power Play number selected.



TLC Executive Director Named NASPL President

The North American Association of State and Provincial Lotteries (NASPL) elected Texas Lottery Commission Executive Director Gary Grief to serve a one-year term as president of the organization at the 2013 [175857] NASPL Annual Conference and Trade Show in Providence, Rhode Island.

"I am pleased to have Gary Grief serve as the new NASPL president," said David Gale, executive director of NASPL. "His experience, [146569] integrity and dedication to our industry will be an asset to our organization and I look forward to working with him."

Founded in 1971, NASPL has evolved from an informal exchange of information among three pioneering lottery directors, to an organization that has grown into an active association representing 52 lottery organizations. Although the Association's membership and services have grown tremendously over the years, its basic mission remains the same as when it was founded more than 40 years ago—to assemble and disseminate information and benefits of state and provincial lottery organizations through education and communications.



"I want to congratulate Gary Grief on being elected president of NASPL," said J. Winston Krause, chairman of the Texas Lottery Commission. "Gary's many industry recognitions confirm what we know about him in Texas—his knowledge, experience and leadership are unparalleled and he is an integral part of the continued success of the Texas Lottery."

Grief was appointed executive director of the Texas Lottery Commission in March 2010. As executive director, he oversees a \$4.4 billion enterprise tasked with generating revenue for public education and other worthy causes for the state of Texas. Under Grief's direction, the Texas Lottery has seen record sales and revenue and contributed more than \$15 billion to the state's Foundation School Fund, which supports public education in Texas.

With 20 years in the industry, Grief has been a key part of the success of the Texas Lottery Commission since its inception. [203636] He was appointed in 1991 by the Texas Comptroller of Public Accounts to the original eight-member Lottery Task Force assigned to research and launch the Texas Lottery.

Grief has served over the years in a number of responsible management positions at the Commission and in 2002 received the "Powers Award" for Performance Excellence in Lottery Operations by the North American Association of State and Provincial Lotteries (NASPL). Also in 2002, Grief was appointed by the Commission to serve the first of what would be three separate terms as acting executive director. He served in this capacity from September 2002 to February 2003, from July 2005 to January 2006, and from October 2008 to February 2010. Between and after these appointments, [520768] Grief served as deputy executive director until his official appointment as executive director in 2010.

Grief is the immediate past Lead Director for the *Mega Millions*® multi-state game consortium. In 2012, he was honored with the PGRI Major Peter J. O'Connell Lottery Industry Lifetime Achievement Award.

A native Texan, Grief is a graduate of the University of Texas at the Permian Basin where he earned a bachelor's degree in [173748] business administration.

The 83rd Legislative Session – Impacts on the Texas Lottery

The Texas Legislature meets in Austin every two years, in odd numbered years. The 83rd Regular Legislative Session convened on January 8, 2013, and adjourned on May 27, 2013. During the session, the Legislature enacted House Bill 2197, which is the Texas Lottery Commission Sunset Legislation. This bill included a number of provisions that impact the administration of the Texas Lottery. Below is a summary of the major provisions in the bill that may be of interest to you. These provisions took effect on September 1, 2013.

- **Commission Size and Responsibility** – Increases the size of the Commission from a three to five-member board to better oversee the agency's major contracts and business processes to improve operating efficiency.
- **Legislative Review Committee** – Establishes a 10-member committee statutorily charged to study the processes and impact of eliminating the state lottery and to also review charitable bingo and the distribution of charitable bingo revenue. The committee will be comprised of five members of the House of Representatives appointed by the Speaker, and five members of the Senate appointed by the Lieutenant Governor. The committee is statutorily required to review the following related to the lottery.
 - o Development [203514] of a proposed schedule and process for phasing out the lottery;
 - o Review the potential consequences detrimental to this state for phasing out the state lottery or the proposed schedule and process;

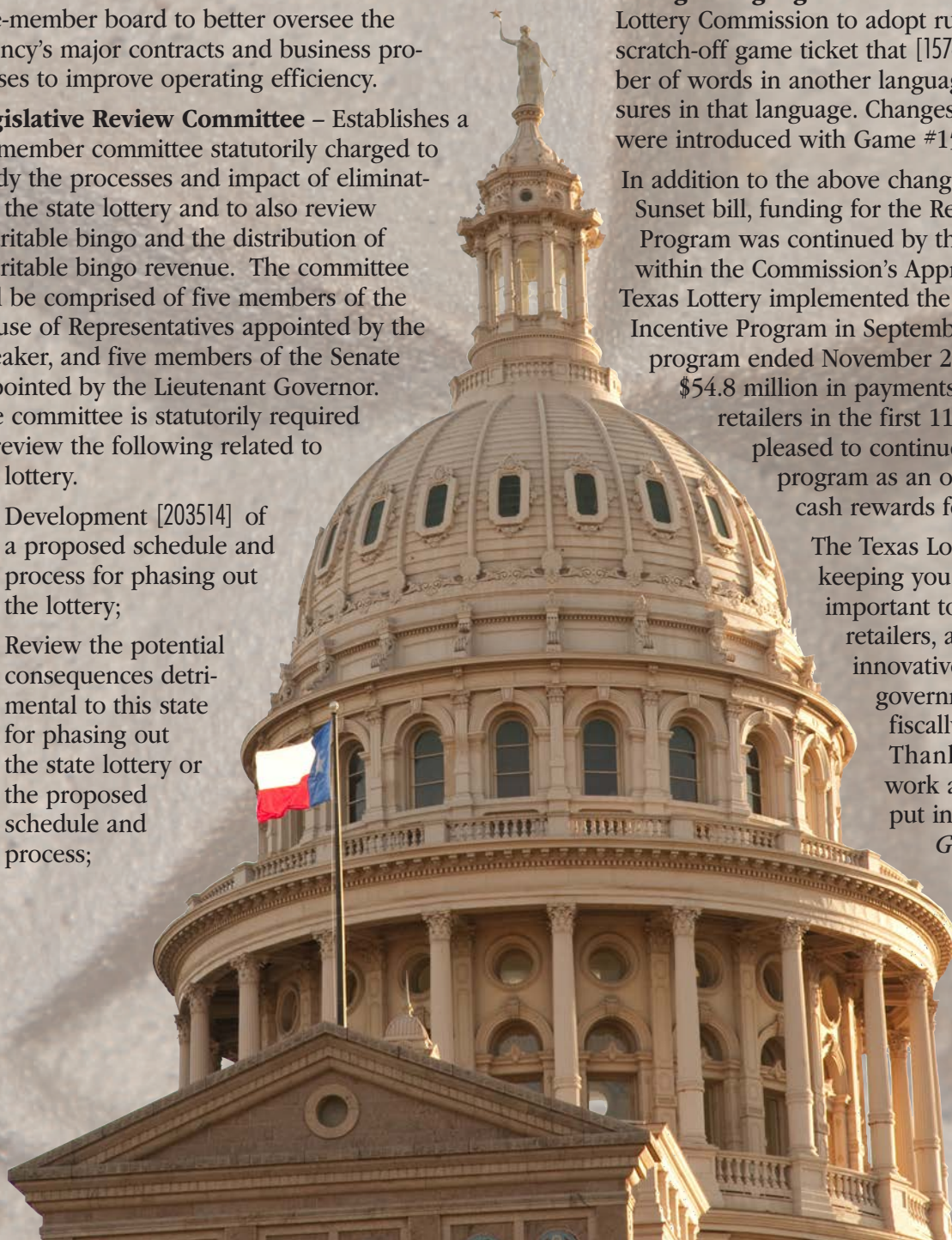
- o Review the potential impact of eliminating the state lottery on this state's biennial budget and on any programs funded by the state lottery; and
- o Identify any other concerns determined by the committee related to eliminating the state lottery.

The committee is required to provide its initial report and findings to the legislature no later than December 1, 2014.

- **Unclaimed Prizes** – Requires unclaimed prize money previously designated to general revenue to be directly deposited to the Foundation School Fund.
- **Foreign Language Disclosures** - Requires the Texas Lottery Commission to adopt rules requiring any scratch-off game ticket that [157460] contains a number of words in another language to include disclosures in that language. Changes to *Loteria*[™] tickets were introduced with Game #1524 *Loteria*[™].

In addition to the above changes from the agency's Sunset bill, funding for the Retailer Cash Incentive Program was continued by the 83rd Legislature within the Commission's Appropriations Bill. The Texas Lottery implemented the first Retailer Cash Incentive Program in September 2009 and the 12th program ended November 2013. [142094] Over \$54.8 million in payments have been paid to retailers in the first 11 programs. We are pleased to continue providing this program as an opportunity to earn cash rewards for your sales efforts.

The Texas Lottery is committed to keeping you informed on issues important to you, our valued retailers, as we seek new and innovative ways to meet state government priorities in a fiscally responsible manner. Thanks for your hard work and the effort you put into selling the *Games of Texas*!



Retailer Spotlight

Mr. T's Market *Big Sales in the Tall City*

For years, **Mr. T's Market** located at 1100 N. Big Spring St. in Midland has been among the top 10 retailers in Texas Lottery sales. As they celebrate 13 years in business, Owners Hang Kheang Taing and his wife Chou Taing never expected the Texas Lottery to have such a positive impact on their business. "We didn't even think about selling lottery when we first opened up," said Chou Taing. "I never would have imagined that we would be so successful."

The owners take pride that Mr. T's Market is one of only a few traditional "Mom and Pop" stores in the

Midland area. The business consists of the owners and their two children, Terry and Tiffany. "It's a family business," said Store Manager Terry Taing. [128578] "We are here all day, every day, so we get to know our customers and their needs."

They credit their success selling lottery products to a knowledgeable staff, wide selection of scratch-off tickets and customer loyalty. Many of the customers are regulars and the staff knows what they want before they even walk through the door. It's this kind of service that has Texans far and wide making the trek to Mr. T's.



Left to right: Hang Kheang Taing, Terry Taing, Chou Taing, Tiffany Taing Guzman



In 2012, Mr. T's Market ranked Top 10 in the state of Texas in total sales, total cashes and total scratch-off sales. "We do very well with lottery," said Hang Kheang or "Mr. T," as some like to call him. "We are always ranked in the Top 10 in sales in the state because we treat our customers with respect so they keep coming back."

With over 80 instant ticket bins, three Altura terminals and a Gemini™, Mr. T's Market always makes sure to have the newest games available as well as core games and customer favorites. "We always cash winning tickets up to \$599. We never turn down winners because it keeps the customers happy and they will buy more tickets," said Chou. "We try to give the best service by offering [152303] new games and keeping customers informed of jackpots and other lottery news."

To keep customers up to date on hot tickets and winning games, the store prominently displays current "big winner" tickets around the checkout counter and on Mr. T's "Wall of Winners Hall of Fame." The store also



Store Manager Terry Taing

proudly shows off its *Texas Two Step*® winning jackpot of \$450,000 and *Mega Millions*® ticket worth \$250,000.

To boost sales and help with December holiday shopping, Mr. T's offers custom pre-packaged "Xmas" packages during the holiday season in denominations of \$20 and \$50. [148260] The packages are a huge hit as stocking stuffers, company holiday gifts, and gifts for the person who is hard to buy for.

Retailer Spotlight

Pittman's Qwik Mart

Retailer Shines in the Sparkling City by the Sea!

Pittman's Qwik Mart, located at 4249 McArdle Road in Corpus Christi, is a favorite among lottery players in that coastal city.

Kalpeshkumar Chaudhari, also known as KC, purchased the store just over a year ago and has taken it to new heights. Pittman's Quick Mart was already the top-selling Texas Lottery retailer in Corpus Christi and KC has only made it better! KC continued the practice of updating jackpots on the well-known dry erase boards outside the store and also promotes new scratch-offs in the same way. Pittman's carries all games and currently has over 80 instant ticket bins. KC double-faces tickets and keeps every bin full. "That's how you keep your players happy and coming back!" he says.

Recently, Pittman's Quick Mart began offering its own second-chance drawings and so far has given away two LCD televisions, Dallas Cowboys game tickets and video game consoles. For the store's second chance-drawings, KC had a custom acrylic container made so players can see their tickets inside and to encourage other players to participate for a chance to win one of KC's great prizes. [133272] He recognizes the second-chance opportunity for players creates churn and has had a positive impact on sales.

Pittman's Qwik Mart pays all winners up to \$599 so players can rely on receiving their winnings. KC eventually plans to build a brand-new store next to the current location. However, this has not stopped him from trying new things to increase sales right now. He recently added a Gemini™, increasing his instant ticket bin count by 24.



As you walk into Pittman's Qwik Mart, chances are you will see staff filling empty dispensers and encouraging customers not to leave without buying a "lucky" lottery ticket! KC knows that lost sales cannot be made up, so he strives to have all products available at all times and makes sure that all customers are greeted with a friendly hello.



KC does not come up with all these ideas by himself. He reads each issue of the Texas Lottery RoundUp newsletter and does his best to emulate the best practices of the top-selling retailers around this great state of ours. [175717] KC is always striving to increase his sales and create a great atmosphere for his players!



December 2013/January 2014 Retailer Survey

Person Completing Survey:	<input type="checkbox"/> Owner	<input type="checkbox"/> Manager	<input type="checkbox"/> Employee
Shift When Survey Completed:	<input type="checkbox"/> Day	<input type="checkbox"/> Evening	<input type="checkbox"/> Overnight

1. Do you sell all the games in the *Weekly Grand* suite of games, \$10, \$5, \$2 and \$1?

Yes ____ No ____

If "no," why? _____

2. Do you display all the *Weekly Grand* suite of games together?

Yes ____ No ____

If "no," why? _____

3. As the Texas Lottery introduces new suites of games, do you plan to display those games together?

Yes ____ No ____ Not Sure ____

If "no" or "not sure," why? _____

4. Please share any thoughts you have on selling suites of games: _____

Your Retailer Number _____

Thank you for your time. A retailer will be selected from a random drawing of all completed surveys from this issue of *RoundUp* to receive a Texas Lottery prize package of promotional items!

Please send survey to: David Wilkinson, Research Coordinator
Texas Lottery Commission • P.O. Box 16630 • Austin, Texas 78761-6630 • FAX: 512-344-5254



Frequently Asked Questions

Q. Who is responsible for maintenance and repair of equipment?

A. The retailer is responsible for keeping equipment clean and minor maintenance like changing paper and clearing jams. If your equipment is disabled or you are not sure how to fix the problem, please call the GTECH Hotline, **1-800-458-0884**, for support. The hotline is available 24 hours a day, seven days a week. The hotline staff can often help retailers fix minor problems over the phone. Hotline staff can also dispatch service technicians to address more significant problems and provide repair and maintenance services.

Q. What steps can I take as a Texas Lottery retailer to safeguard my tickets and have the best selling experience possible?

- A.**
- Maintain accurate inventory records including the game number, pack number and ticket number.
 - Do not pay prizes on tickets that have not been validated properly through the terminal.
 - Provide all customers with their validation receipt for ticket validations that you perform.
 - Properly deface tickets for which a prize has been paid. Do not return tickets to players after you have paid a prize. [101000]
 - Report stolen tickets immediately to local law enforcement authorities and the GTECH hotline at 1-800-458-0884. GTECH hotline is open 24 hours a day, seven days a week.
 - Pay only the prize amount indicated, never less.

Q. Is there a way to get inventory reports through the internet?

A. Yes, you may access the Retailer Services Center (RSC) at txlottery.org/rsc. Updates from the Texas Lottery Commission accounting system are transferred to the RSC each morning. The RSC is available 24 hours a

day, seven days a week at no charge. License holders may enroll in the service by using their Lottery Retailer ID and establishing a username and password. Once you have created your user ID, you may view your ticket inventory and accounting activity for the past seven weeks. For more information, you may contact Texas Lottery Retailer Services at 1-800-375-6886.

Q. What is the difference between a "Pre-Call" Notice and a Game "Call" Notice?

A. When it is determined that a game is to be closed, specific dates are set. [450215] These dates are the "Pre-Call" date, and the "Call" date.

The "Pre-Call" Notice date begins a 30-day period prior to the game "Call" date. This provides public notice that games will be closing soon and allows players the opportunity to play for prizes prior to the "Call" date. Lottery sales representatives (LSRs) will not pick up games that are in Pre-Call status. [596997] The terminal inventory report will show a "P" for all games in Pre-Call status.

The "Call" Notice is the 45 day period during which LSRs return all remaining tickets for the games that are going to close. Retailers will receive terminal messages with the official "Call" date when all top prizes in a game have been claimed. Games in the "Called" status will show a "C" in the terminal inventory report. No tickets will be distributed after the "Call" notice. All games in "Call" status should be returned to the LSR.

The "End-of-Game" date is 45 days from the "Call" date and marks the end of the game. No tickets for the closed games may be sold by retailers after this date.

Q. How do I get a copy of my 1099 for last year's commissions?

A. The IRS Form 1099-MISC is mailed by January 31 of each year to all retailers, except retailers who own and operate their businesses through corporations. The IRS does not require the 1099 form to be mailed to corporations. All Texas Lottery retailers, including those who operate via corporations, may call our Retailer Services Hotline at 1-800-375-6886 for commission, bonuses and incentive information. Players may call Texas

Retailer Bonuses



Game	Retailer	Location	Bonus
\$1,000,000 Jackpot	Speedy Stop #83	Pharr	\$10,000

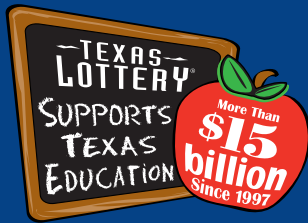


REMEMBER!

If you find your retailer ID number hidden in this issue of *RoundUp*, you can receive a prize package of Texas Lottery promotional items!

To claim your prize, call 1-800-37-LOTTO.
You must call by November 29, 2013.

Draw Date	Retailer	Location	Bonus
8/12/13	Stripes #9624	Beeville	\$3,125
8/12/13	7-Eleven Store #27528	Carrollton	\$3,125
8/15/13	M & S Express	San Antonio	\$2,000
9/9/13	EZ Mart #484	Arlington	\$10,000
9/19/13	Yes Food Mart	La Porte	\$1,000
9/19/13	Tri-Mart	Rosenberg	\$1,000
9/19/13	Food Stop	Lacy Lakeview	\$1,000



PLAY RESPONSIBLY.

Visit us online at:
txlottery.org

PLAY THE GAMES OF TEXAS!

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
 TEXAS LOTTERY TEXAS LOTTERY TEXAS LOTTERY Morning/Day/Evening/Night TEXAS LOTTERY Morning/Day/Evening/Night TEXAS LOTTERY Morning/Day/Evening/Night	 TEXAS LOTTERY TEXAS LOTTERY TEXAS LOTTERY Morning/Day/Evening/Night TEXAS LOTTERY Morning/Day/Evening/Night TEXAS LOTTERY Morning/Day/Evening/Night	 TEXAS LOTTERY TEXAS LOTTERY TEXAS LOTTERY TEXAS LOTTERY Morning/Day/Evening/Night TEXAS LOTTERY Morning/Day/Evening/Night TEXAS LOTTERY Morning/Day/Evening/Night	 TEXAS LOTTERY TEXAS LOTTERY TEXAS LOTTERY Morning/Day/Evening/Night TEXAS LOTTERY Morning/Day/Evening/Night TEXAS LOTTERY Morning/Day/Evening/Night	 TEXAS LOTTERY TEXAS LOTTERY TEXAS LOTTERY Morning/Day/Evening/Night TEXAS LOTTERY Morning/Day/Evening/Night TEXAS LOTTERY Morning/Day/Evening/Night	 TEXAS LOTTERY TEXAS LOTTERY TEXAS LOTTERY TEXAS LOTTERY Morning/Day/Evening/Night TEXAS LOTTERY Morning/Day/Evening/Night TEXAS LOTTERY Morning/Day/Evening/Night