Making the Most of a Texas Lottery® Retailer Bonus

by Robyn Smith

Sometimes it seems like the lottery winners get all the attention, but on Friday, November 16, one retailer got its turn to shine. Kroger #318 in Humble hosted a first-rate celebration to receive their ceremonial $825,000 bonus check from the Texas Lottery®. A customer purchased one of four jackpot-winning tickets for the $330 million *Mega Millions®* drawing held last August from Kroger’s self service terminal (SST).

As part of the festivities, Kroger provided a luncheon for store employees, cake and prizes for patrons, and even invited the media. However, the event really stood out because the retailer decided to award $10,000 checks to four local charities selected by Kroger employees. Representatives from each charitable organization accepted the donations during the ceremony.

(left to right) Representatives of retailer bonus winner The Kroger Co., Philip Lucia (store manager) and Bill Breetz (president of Kroger), meet with Texas Lottery Commission Executive Director Anthony Sadberry.

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Texas Lottery Commission Executive Director Anthony J. Sadberry told the group, “Kroger, and all of the more than 16,000 Texas Lottery retailers and their employees, are so important in their role in helping the Texas Lottery Commission realize more than $3.77 billion in sales the last two consecutive fiscal years, while also contributing more than $1 billion to the state’s Foundation School Fund for the fourth consecutive fiscal year.”

Later, Sadberry added, “These levels of sales and contributions to education could not be achieved without the hard work and dedication of all of our Texas Lottery retailers and their employees.”

In an effort to cultivate strong partnerships with retailers, the Texas Lottery Commission maintains a progressive bonus program, which provides additional sales incentives. As a result, players, retailers and Texas education benefit from lottery ticket sales.

The Texas Lottery’s Mega Millions bonus, 1 percent of jackpot portion won in Texas up to $1 million, is the highest in the nation. Plus, bonuses of 1 percent of the top prizes won from Lotto Texas® (up to $500,000), Texas Two Step® (up to $10,000) and Cash Five® mean retailers benefit no matter which game sells best in their businesses. Even scratch-off tickets can land a retailer a bonus of $10,000 for selling prize winning tickets of $1 million or more. Bonuses apply to all tickets purchased at the retail location, whether sold at the counter, at SSTs or instant ticket vending machines (ITVMs). Selling one of these winning tickets and maintaining a license in good standing allows a retailer to be eligible for one of these generous bonuses.

According to unaudited figures, the Texas Lottery Commission paid out more than $4 million in bonuses, not to mention in excess of $188 million in commissions, during fiscal year 2007.

While it takes a little luck to become eligible for a retailer bonus, it’s worthwhile to think about how it might best be used. Many retailers throughout the Texas Lottery’s 15-year history have shared their bonuses with their employees and their communities. The generosity of Texas Lottery retailers continues to create goodwill and increased recognition for retail outlets in local communities. By taking full advantage of the ceremonial check presentation, retailers may also create valuable publicity for their stores.
We Care What You Think!

by David Veselka

We receive valuable information from our retailers through phone calls, letters, emails and regional meetings. In addition, each month Texas Lottery claim center staff makes visits and phone calls to our retailers for the purpose of conducting Retailer Research Surveys. This survey program, which has existed since the early days of the Texas Lottery, provides the agency with the opportunity to gather feedback from its retailers on a number of topics. It is important that you share open, honest information when the surveyor calls.

Agency staff reviews and updates the survey annually based on the current interests of retailers and the agency. The current survey gauges retailer use of, and satisfaction with, the products and services provided by the Texas Lottery and GTECH. Specific questions explore topics such as the Retailer Services Center on the Texas Lottery Web site, telephone scratch-off ordering, the GTECH Hotline, GTECH sales representatives and instant ticket dispensers. During in-person visits, claim center staff collects information on the condition and visibility of certain pieces of Texas Lottery equipment and display items.

Approximately 330 Retailer Research Surveys are completed throughout the state each month. Our goal is to survey the entire retailer base every four years, although participation in the survey is entirely voluntary. Each survey includes both a telephone portion and an in-person visit. The telephone segment includes questions exploring retailer views and attitudes, while the in-person portion provides Texas Lottery representatives the opportunity to observe first-hand equipment and display items at retailer locations. During a visit, if you raise an issue that cannot be resolved by the claim center representative, it will be documented and then forwarded to Texas Lottery headquarters where it will be reviewed and addressed.

Texas Lottery staff uses the Retailer Research Survey findings in a number of ways. For example, a question regarding retailers’ overall rating of the Texas Lottery’s services is used to calculate a performance measure that is reported annually to the state’s Legislative Budget Board. Texas Lottery and GTECH personnel use responses to questions about GTECH services to track the vendor’s customer service and technical assistance. Responses to the questions regarding point-of-sale items, instant ticket dispensers and the condition of equipment are forwarded to GTECH for follow-up.

The Texas Lottery Commission continuously strives to improve its performance and, ultimately, increase contributions to support education in our state. Since 1997, Texas Lottery contributions to the state’s Foundation School Fund have surpassed the $10 billion mark and Retailer Research Surveys are one of the many valuable tools that have made that continued success possible.

**David Veselka is a Research Specialist for the Texas Lottery Commission.**
The Irving District is the second largest sales district in Texas, with close to 4,000 Texas Lottery retailers. Since the district accounts for 25 percent of all Texas Lottery retailers, it follows that Irving would generate about 25 percent of the sales in the state. In calendar year 2007, Irving accounted for more than $785 million in sales, or roughly $15 million a week. We are proud that our efforts and those of our retailers have a Texas-size impact on contributions made to the Foundation School Fund and the children of Texas.

The Texas Lottery Commission makes a major annual investment in the success of the State Fair of Texas, as do GTECH and the participating on-site retailer. Last fall, fairgoers purchased Texas Lottery games from two new bright orange trailers filled with lottery tickets. Sales were conducted at two locations this year: the traditional Texas Lottery site at the Magnolia Lounge as well as at the East Park Plaza on Coliseum Drive. Swif-T, one of the Texas Lottery’s top-selling retailers in Dallas, sold from both locations. As a result of the dedication and hard work of everyone from the retailer, the district and the Texas Lottery, we broke the all-time State Fair of Texas sales record with more that $587,000 in sales. Another all-time record was broken with more than $295,000 in prize payouts.

7-Eleven
#1631-25196
Arlington
by Penny Topper, LSR

Manager Joe Wilson and staff at 7-Eleven #1631-25196 in Arlington always add Texas Lottery products to their weekly list of focus items to plus sell. Right now, their focus is Daily 4™. Joe admits it was a challenge at first, but players and staff figured it out together. Clerks Li-Ping, Helen, Dina and Judy all agree their regular players are the most fun. However, their theory for helping casual players is to suggest jackpot games and core games. Their teamwork, customer service, and focus on sales makes this 7-Eleven the top Texas Lottery retailer on South Cooper Street, and one of the leaders in Arlington. Pretty soon, their focus will be on a new game or a new retailer contest, but rest assured, they’ll keep up their great Texas Lottery sales results at the 7-Eleven #1631-25196.

EZ Market of Texas
Balch Springs
by Nina Kent, LSR

Nadeem Iqbal has owned EZ Market of Texas in Balch Springs for two years and Manager Pusker (Oscar) Phuyal has worked there for 10. In September 2007, the store had a $77,000 top prize winner on the Spicy 7's Texas Lottery scratch-off game. If that wasn’t enough, in October they had a $25,000 winner on one of the new holiday games, Holiday Lucky Times 10. Nadeem also keeps all previous winning lottery tickets and displays them in the store for all customers to see.

As a store owner, Nadeem makes sure he stocks all of the Texas Lottery games that his customers like and keeps his 40 dispensers full at all times.

Tiger Mart #8
Cleburne
by Sherry Pullen, LSR

Laura Payne, owner of Tiger Mart #8 in Cleburne, knows the importance of point-of-sale and plus selling! For a period of two months recently, her employees concentrated on increasing Mega Millions sales. We all know that you can’t win if you don’t play, so all Tiger Mart #8 team members wore jackpot stickers to let the customers know how much they could win if they just bought a ticket. The store also posted the jackpot amount at the register and in the windows, and always asked customers for the sale. They also reminded the customers that they had sold a $40,000 ticket on Mega Millions a couple of years ago. That winner purchased the Megaplier®, so staff stressed the advantages of Megaplying and
educated customers on the Megaplier feature. During this two-month period, Mega Millions sales increased more than 40 percent at Tiger Mart #8! It just goes to show what a little effort, advertising, and education can do to increase sales.

Rick’s Drive In Grocery
Denton
by Tammy Rodden, LSR

Rick’s Drive In Grocery is the best-selling Texas Lottery retailer in Denton. With the recent addition of 12 more slots, they are now averaging more than $11,400 in weekly instant ticket sales. Owner Karim Ali also likes to display all previous lottery winners in his store, so he can show future customers. By always asking for the sale and ensuring he always has a good mix of scratch-off tickets, it’s no surprise that Rick’s Drive In Grocery is the top Texas Lottery retailer in the area.

Albertsons #4106
Euless
by Mark Rivera, LSR

Hard work pays off, literally, at the Albertsons #4106 located on Main St. in Euless. When Managers Ashley Ahmed and Cristal McVeigh and the store staff pull together, the results show, with a weekly Texas Lottery average of $8,050. Bins are never left empty, especially in the newly converted 24-bin ITVM. Watchful eyes from all the employees and customers keep the 24 slots in the machine and the 32 slots at the express fuel center full at all times. Customers really appreciate having the different variety of their favorite scratch-offs available while they do their shopping.

Within the Albertsons chain of stores in Texas, Albertsons #4106 ranks fourth in the Irving District and ninth statewide in Texas Lottery sales. Great teamwork, location of equipment and that great “keeping it full” attitude are the keys to increasing sales and moving even further up in the rankings.

Speedy Sack-N-Pack
Fort Worth
by Jeannie Bishop, LSR

There is always exciting Texas Lottery news to be heard at the Speedy Sack-N-Pack in Fort Worth. Lucy Phan, 10-year owner of this busy drive-thru store, especially likes to tell her stories about a regular customer known as Mr. Steve. The first story relates to his big $50,000 scratch-off win in $130 Million Spectacular back in September 2007. Then, since the launch of Daily 4™, Mr. Steve has continued his lucky Texas Lottery streak. Every week for the first four weeks, Mr. Steve’s $1 combo play earned him $5,000. That’s $20,000 in just the first month! It’s always fun to visit Lucy at Speedy Sack-N-Pack because she is always anticipating another winning story.

SK Mart
Garland
By Gordon Ehler, LSR

Sam Sultan purchased SK Mart in Garland in 2000. Since then, he has expanded the store from 2,500 to 3,500 square feet and has built a custom wood counter for his staff and customers. All winning Texas Lottery tickets are displayed above the new counter for all of his customers to see. Sam has a wonderful store with many dedicated Texas Lottery players.  

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and SK Mart averages more than $11,400 a week in instant sales. Keep up the good work Sam!

N&S Food Mart
Halton City
by Steve Langdon, LSR

At N&S Food Mart in Halton City, winner awareness is very important for Texas Lottery sales. Manager Abdul Muhammad pays all winners up to $599 and displays all the big winners for everybody to see at the front counter, along with the winners’ pictures he receives from the claim centers. [137588] Abdul Muhammad’s approach certainly seems to be working. N&S averages over $8,500 per week in Texas Lottery sales and $450 per week in commissions!

Mini Market
North Richland Hills
by Meredith Parrish, LSR II

Owner Tri Ngo has an amazing marketing strategy for selling Texas Lottery products at Mini Market in North Richland Hills. Tri has been an important part of his community for many years and he has many friends. [147417] He and his friends have started a group of lottery players called the $1 Million Dollar Club. The club has special stools to sit around the store counter. The club gets together every Friday morning to purchase whole packs of scratch-off tickets, scratch them, drink coffee and catch up on the local gossip. They split or reinvest all their winnings.

The club had a particularly fun time the day the $50 $130 Million Spectacular scratch-off game came out. The whole group gathered at Mini Market to wait for the UPS delivery. To their dismay, the driver passed by many times before he finally stopped at Mini Market. Tri said the whole group was about to chase the UPS guy down the road by the time the tickets were delivered. The Texas Lottery excitement and fun this club have on Friday morning is really something to stop by and see.
One of this issue’s spotlights falls on the McAllen District, coming at you from sunny south Texas! The GTECH staff of the McAllen District works with more than 600 retailers doing business along the Texas-Mexico border to help support public education in the great state of Texas!

Fall of 2007 started out much like any other, with football season in full swing and Winter Texans returning to the Rio Grande Valley. But the Texas Lottery had a kickoff of its own this year. We started our new Daily 4™ game featuring Sum It Up™ the fun, new add-on feature. Calendar year 2008 is off to a great start and thanks to you, our retailers, the winning is just beginning!

Big M Grocery

McAllen

by Joe Guerra, LSR

At Big M Grocery in McAllen, Daily 4 has given customers a new and exciting game to play. The really impressive fact is that Pick 3™ sales were not negatively affected by the new game. According to Juan Martell, owner, for the first four weeks of sales, Daily 4 averaged $1,161 per week and Pick 3 sales continued to average more than $6,200 per week during the same time period. In addition, the eight-week average for instant sales is more than $6,700 per week! All these sales add up to more than $700 per week in Texas Lottery commissions, an amount that has helped Big M continue its successful business.

New Bestway

Pharr

by Jose Hernandez, LSR

New Bestway is a Texas Lottery retailer where customers can count on experiencing the best customer service with a smile.

One of the unique characteristics of New Bestway is that they offer their customers a variety of 52 games and also post pictures of all winners to show the customers how lucky they can be. Armando also makes sure that if a winner comes to cash his ticket he is ready to pay the prize. Armando says that his ticket of choice to target is the $50 price point and they have settled more than 50 packs to date.

Even though New Bestway doesn’t sell gas and customers have had to maneuver through some road construction lately, the store continues to be one of the top Texas Lottery selling stores in the area. New Bestway customers come from all over to buy their Texas Lottery game of choice, because when it comes to service and luck, they are sure to find it here.

Six Pack Corner

Roma

by Jesus Rios, LSR

Six Pack Corner in Roma is one of the top Texas Lottery retailers in Starr County. Owner Ernesto Pena and his mother Eloisa strive to go the extra mile for their customers. Six Pack Corner has been growing in lottery sales every year since they started back in 1997, and they now carry more than 40 games. All of the staff does an excellent job in promoting all of the on-line games,
especially their newest employee, Santiago Rodriguez, who won big in Pick 3. Ernesto and Eloisa believe that their superb customer service and wide variety of games is why Six Pack Corner averages more than $11,700 per week in total Texas Lottery sales. One of the unique features that increases lottery sales is their drive-up window where they display all of their previous winners. Ernesto and Eloisa’s goal is that one-day Six Pack Corner will sell a winning Texas Lottery jackpot ticket!

Las Gueras Inc.
Brownsville
by Hector Rodriguez, LSR

Las Gueras Inc. continues to be one of the most popular Texas Lottery retailers in Brownsville. Their players have made the store one of the state’s top sellers when it comes to Mega Millions with Megaplier. Since the beginning of the game, Owner Enedelia Saenz and her staff have encouraged players to Megaply for a chance to multiply their Mega Millions non-jackpot winnings. She uses the following true story to make her point: A 5-of-5 winner ($250,000) was purchased at the store for the September 6, 2005, drawing. Another 5-of-5 winner was sold at Las Gueras Inc. for the September 9 drawing. What are the odds?

Unfortunately, neither of the winners chose to purchase the Megaplier for their ticket. $250,000 is certainly a great prize, but since the Megaplier number for both drawings was 3, the winners could have claimed an additional $500,000 for just a buck more, had they chosen to Megaply! This true story has created excitement for Las Gueras’ players and that, in turn, translates into increased Megaplier sales.

Las Gueras Inc. is also very popular because they carry scratch-off tickets at all price points. Players and shoppers are pleasantly surprised to see such a large variety. The staff is very knowledgeable and they always take the time to explain how all Texas Lottery games are played. Two large tables are provided for players to sit and enjoy their games. Outstanding customer service and sales is why Las Gueras Inc. is a perennial Top 10 Texas Lottery retailer and a Brownsville legend.

McAllen District Highlights
as of 12/02/07

DSM: Felipe Elizondo
LSRs: 5 – Rolando Bocanegra, Jr. (swing rep), Joe Guerra, Jose Hernandez, Jesus Rios and Hector Rodriguez
FSTs: 2 – Rodolfo N. Chavez, Alejandro Rodriguez
Support Staff: Janie Flores

Claim Center Locations & Phone:
McAllen Claim Center
4501 W. Business 83
McAllen, TX 78501
956-630-2278

WINNERS SINCE START-UP
# of Lotto Texas Jackpot Winners: ..........................25
# of Texas Two Step Winners: .................................7
# of Cash Five Winners: ........................................168

Total Sales Since Start-up: ....................$1,974,458,920.00
% of Sales: ..................................................4%
Retailer Commissions Since Start-up: .........$98,722,946.00
No. of Isys Retailers: .........................................629
No. of GVT Extra Retailers: .................................3
No. of SST retailers: .........................................34
No. of ITVM retailers: ......................................63

McAllen District Staff – (left to right): Joe Guerra, Rolando Bocanegra, Hector Rodriguez, Janie Flores, Joe Hernandez, Jesus Rios, Felipe Elizondo.
Q: How old do you have to be to purchase a Texas Lottery ticket?

A: A person must be 18 years or older to purchase a Texas Lottery ticket. A person 18 or older may purchase a ticket to give as a gift to a person younger than 18 years of age.

Q: When and how do I renew my Lottery license?

A: Retailers are required to renew their Texas Lottery license every two years. License renewal packets are sent to retailers 90 days prior to the expiration. A renewal application and instructions are included in the packet. You must submit the renewal application and $15 fee before your license expiration date. If you have any questions about your license renewal, please contact Retailer Services at 1-800-375-6886.

Q: How do I get a copy of my 1099/W2G for last year’s commissions?

A: Tax forms 1099/W2G are postmarked and mailed by January 31 of each year to partnerships and sole proprietors. Corporations who need their commissions or other retailers who need a duplicate 1099/W2G may call our Customer Service Hotline at 1-800-375-6886 for assistance.

Q: Can the player change their payment option from Annual Payments to Cash Value Option after a ticket is purchased?

A: No, the choice must be made at the time the ticket is purchased.

Q: Can I sell scratch-off tickets before activating the pack?

A: No, when you sell tickets from an unactivated pack, players will not be able to redeem their prize winning tickets from that pack at other locations. This is inconvenient for the retailers and it takes away from the winning experience for the players. It is also a violation of the Texas Lottery Commission rules. Always remember to activate a pack of tickets before you begin selling them. It’s good for your customers and it’s good for business!

Q: Do I have to pay a player with cash only?

A: No, retailers may pay prizes in cash or by certified check, cashier’s check or money order. Retailers may also pay prizes by business check if acceptable to the claimant. If a retailer decides to pay a prize with a business check, the retailer must inform the claimant prior to validating the player’s ticket.

Retailers can not charge players any fee for cashing a prize-winning ticket or a business check drawn on the licensed retailer’s account. For example: A retailer cannot write a player a check for the prize amount and then charge a fee for cashing the check.

Q: My terminal printed an incomplete ticket (not valid). What can I do to receive credit?

A: Send the ticket with a Texas Lottery Retailer Request for Adjustment Form or a written explanation of what happened to the Texas Lottery Commission. The Retailer Services staff will review your request for credit. If approved, the credit should appear on your weekly statement within four to six weeks. To check the status of an adjustment request, please call Retailer Services at 1-800-375-6886.

Note: If a customer refuses to purchase a valid ticket, you may sell the ticket to another customer, who is willing to purchase it, or buy the ticket yourself. If you request an adjustment for a valid ticket, it should be sent to the Texas Lottery with a completed Texas Lottery Retailer Request for Adjustment Form and it must be postmarked before the draw time printed on the ticket.
From August 14 through September 14 of last year, the Texas Lottery [100137] conducted a promotion in which retailers could win a $2,000 bonus for selling a second-tier Mega Millions ticket. (A second-tier ticket is one that correctly matches all five numbers from the first set of numbers, but does not match the Mega Ball number.) [203024] If the winning second-tier ticket was Megaplied, retailers could win a $4,000 bonus. To the right is a list of the winning retailers. Congratulations, and thanks for your continuing support of the Games of Texas!

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<th>Location</th>
<th>Bonus</th>
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<td>Addison</td>
<td>$2,000</td>
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<td>8/21/07</td>
<td>FM Conoco</td>
<td>Flower Mound</td>
<td>$2,000</td>
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<td>8/24/07</td>
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<td>Picky’s Pantry</td>
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<td>$2,000</td>
</tr>
</tbody>
</table>

Pair Play: Another Way to Win!

by Julie Terrell and Roger Prather

Have your players tried the Pair Play option on the Daily 4 game? “Pair Play” was introduced with Daily 4, the newest on-line numbers game from the Texas Lottery. [446203] Players can wager on the Front Pair, the Middle Pair or the Back Pair. For example, if a player chooses a Front Pair of 6-4-X-X and the lottery draws the numbers 6-4-3-3, the player wins because the player’s front pair matched the first two numbers drawn.

To learn how to fill out a Daily 4 playslip, players can review the Daily 4 how-to-play brochure, they can go to the Daily 4 how-to-play section on the Texas Lottery Web site or they can ask you to manually place their Pair Play wager. Just remember, whether the numbers are played using a playslip or manual entry, select only two single-digit numbers with Pair Play.

With great odds of 1:100, it is easy to play and easy to win. The prize for a winning $.50 Pair Play is $25 and a winning $1 Pair Play prize is $50! For only $6 (twelve $.50 wagers), your players can try Pair Play on Daily 4 for a whole week. Drawings are held twice a day, Monday through Saturday. Suggest Pair Play to your customers today!
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 February 28, 2008.