

TEXAS LOTTERY COMMISSION
Scratch Ticket Game Closing Analysis
SUMMARY REPORT

Scratch Ticket Information

Date Completed 1/7/2019

Game #	2049	Confirmed Packs	4,509
Game Name	Frogger	Active Packs	3,596
Quantity Printed	7,334,250	Warehouse Packs	12,033
Price Point	\$5	Returned Packs	512
Start Date	6/27/2018	Printed Payout Percentage	67.91%
Top Prize	\$ 100,000	Percent Sold	76.88%
Number of Top Prizes Remaining	4	Number of Weeks Out	27

Current Game Sales Analysis

TANGIBLE COSTS

Expenditure Impact:

Cost to print tickets	\$ -	Actual ticket production costs
Non-cash prize expense	\$ 1,666,000	Merchandise Prize Packs for Second-Chance Drawings
Prize payout expense	\$ 16,993,825	Data from Instant Ticket Tier Liability screen in ES
Estimated Direct Costs	\$ 18,659,825	

TANGIBLE BENEFITS

Revenue Impact:

Estimated sales	\$ 28,192,857	Based on # of tkts printed, times % sold from DaVinci report, times the price point
Total Estimated Benefits	\$ 28,192,857	

Excess of Revenue over Expended \$ 9,533,032

INTANGIBLE POSITIVE BENEFITS:

- Allows for open bin space for new games at same price point with higher average weekly sales.
- Allows retailers to return inventory to TLC that is not selling thus releasing their financial burden

INTANGIBLE NEGATIVE BENEFITS:

- There are still valuable prizes remaining in this game.

Assumptions:

--Estimated sales revenue is calculated based on the number of tickets printed times the percent sold from the DaVinci report. The percent sold amount is based on pack settlements. Some partial packs could be returned thus slightly reducing the sales revenue amount reported above.

Weekly Sales Comparison Information

	Previous 3 Weeks Sales from DaVinci	
Most recent week sales	\$	358,460
Next week	\$	356,745
Next week	\$	341,105
Avg Weekly Sales Current Game	\$	352,103
Avg Weekly Sales \$5, 5-9.99M Qty	\$	1,874,253
Percentage Of Variance In Sales		81%

TEXAS LOTTERY COMMISSION
Scratch Ticket Game Closing Analysis
RECOMMENDATION AND APPROVALS

Instant Ticket Information

Game #	2049	Printed Payout Percentage	67.91%
Game Name	Frogger	Actual Payout Percentage	66.19%
Percent Sold	76.88%	Number of Weeks Out	27
Average # of Weeks for 85% Sell-through for Same Price Point Game With Similar Print Run.			19

Recommendation

Based on the findings in this Summary Report, I am recommending closing the above game.

I am recommending closing the above game based on the below business reason(s):

Dale Burusack 1/7/19
Instant Product Coordinator Date

[Signature] 1/8/19
Products Manager Date

By signing below, I agree with the recommendation of the Products Department Staff to close the above game.

[Signature] 1-10-19
Lottery Operations Division Director Date

Kathy Ryna 1/10/2019
Controller Date

[Signature] 1/12/19
Executive Director Date



Da Vinci Report
 Week End Date: 1/5/19
 1/7/19

Product Line	Game	Tix Run	Name	Start	Call	Close	Wks	% Sold	Confirmed	Active	Ware	Return	Net Sales			
													1/5/19	1/2/2/18	1/2/2/18	1/21/18/18
Mature	2081	\$3	DOUBLE BONUS CROSSWORD	3/15/18			42	81.63%	14,830	9,001	24,950	22	\$1,985,523.00	\$1,888,523.00	\$1,886,975.00	\$1,879,974.00
	1828	\$3	TEXAS LOTERIA	9/17/18			16	16.31%	19,613	11,220	427,922	8	\$1,620,486.00	\$1,541,817.00	\$1,423,752.00	\$1,421,025.00
	2087	\$5	\$25,000,000 PAYOUT	9/4/18			18	68.71%	5,847	4,110	20,836	8	\$706,025.00	\$731,950.00	\$711,145.00	\$793,260.00
	2089	\$5	COMBOYS	8/20/18			20	42.46%	5,671	4,867	63,752	18	\$684,785.00	\$736,705.00	\$616,935.00	\$729,430.00
	2092	\$5	DIA DE LOS MUERTOS	10/1/18			14	62.35%	6,635	3,689	9,984	3,720	\$436,145.00	\$497,895.00	\$599,015.00	\$665,945.00
	2090	\$5	DIAMOND MINE 9X	9/17/18			16	75.18%	6,358	4,624	10,753	25	\$1,007,340.00	\$986,095.00	\$967,935.00	\$1,065,955.00
	2049	\$5	FROGGER	6/27/18			27	76.88%	4,509	3,596	12,033	512	\$358,460.00	\$356,745.00	\$341,105.00	\$382,830.00
	2070	\$5	HOUSTON TEXANS	8/20/18			20	45.23%	4,615	2,966	32,057	8	\$349,230.00	\$334,190.00	\$388,110.00	\$414,545.00
	2056	\$10	\$200 MILLION CASH EXPLOSION	9/4/18			18	19.75%	12,551	5,624	436,810	60	\$2,557,970.00	\$2,524,460.00	\$2,491,260.00	\$2,407,620.00
	1759	\$10	\$200 MILLION PAYOUT	8/1/16			127	81.25%	5,614	3,919	95,075	14	\$1,284,640.00	\$1,226,530.00	\$1,140,810.00	\$1,094,460.00
2083	\$10	\$250,000 50X CASHWORD	9/17/18			16	49.66%	17,985	8,661	90,419	14	\$3,841,270.00	\$3,788,300.00	\$3,784,490.00	\$3,661,420.00	
2076	\$10	CASINO ACTION SUPER TICKET	6/27/18			27	53.39%	9,429	5,501	67,741	13	\$1,258,530.00	\$1,443,860.00	\$1,260,020.00	\$1,238,890.00	
2084	\$10	MEGA LOTERIA	10/1/18			14	21.37%	23,024	9,768	378,537	13	\$5,065,500.00	\$4,973,350.00	\$4,859,400.00	\$4,592,730.00	
2075	\$10	THE GLITTER IS GOLD	7/16/18			25	79.36%	4,858	3,484	15,445	15	\$973,100.00	\$1,014,010.00	\$993,570.00	\$999,020.00	
1884	\$20	\$100 MILLION TEXAS RICHES	2/5/18			48	75.28%	5,557	2,476	61,324	12	\$835,300.00	\$815,060.00	\$817,180.00	\$847,180.00	
2083	\$20	\$100 OR \$200	10/1/18			14	30.53%	15,322	5,722	180,409	16	\$2,169,760.00	\$2,210,320.00	\$2,378,580.00	\$2,455,320.00	
1671	\$20	\$500,000,000 CASH	5/18/15			190	42.37%	6,041	2,668	776,201	33	\$978,360.00	\$938,500.00	\$946,140.00	\$869,500.00	
2047	\$20	100X THE CASH	4/2/18			40	76.02%	15,914	6,343	62,345	19	\$2,372,600.00	\$2,238,100.00	\$2,217,560.00	\$2,107,480.00	
1838	\$20	INSTANT MILLIONAIRE	5/15/17			86	30.07%	8,731	4,661	954,894	22	\$1,512,500.00	\$1,462,900.00	\$1,413,080.00	\$1,362,480.00	
2067	\$20	STACKS OF CASH	7/16/18			25	44.09%	9,076	4,283	144,211	10	\$1,190,680.00	\$1,181,940.00	\$1,217,700.00	\$1,319,600.00	
2053	\$30	\$750 MILLION WINNER'S CIRCLE	3/19/18			42	18.16%	11,253	6,584	1,095,445	16	\$3,049,860.00	\$3,241,500.00	\$3,315,120.00	\$3,177,690.00	
2057	\$50	200X THE CASH	6/18/18			29	55.24%	10,088	3,813	65,180	27	\$2,264,000.00	\$2,365,400.00	\$2,432,100.00	\$2,401,950.00	
2030	\$50	ULTIMATE 75	2/19/18			46	76.62%	6,709	2,748	33,932	14	\$1,502,450.00	\$1,615,150.00	\$1,667,150.00	\$1,661,950.00	
													Out of Wareh			
2097	\$1	9,175,500	WINTER CASH	11/5/18			9	76.19%	3,025	10,665	0	75	\$543,722.00	\$679,174.00	\$763,200.00	\$837,622.00
2101	\$2	7,308,625	HOLIDAY CASH DROP	11/14/18			7	66.96%	7,059	10,963	9	69	\$1,234,930.00	\$1,451,288.00	\$1,399,054.00	\$1,472,088.00
2098	\$3	6,095,000	HOLIDAY WORD BLAST	11/5/18			9	67.66%	6,978	7,541	0	129	\$1,050,666.00	\$1,465,092.00	\$1,682,658.00	\$1,556,984.00
2099	\$5	7,332,825	HOLIDAY GREETINGS	11/5/18			9	75.93%	10,254	11,485	13	93	\$2,652,075.00	\$3,393,325.00	\$3,294,365.00	\$3,147,680.00
													Sold/Closing			
2086	\$1	9,298,800	10 GRAND	9/4/18	1/3/19	2/17/19	18	91.79%	1,677	2,231	0	95	\$142,913.00	\$149,973.00	\$186,598.00	\$231,073.00
2043	\$1	17,131,950	5X THE CASH	5/7/18	12/16/18	1/30/19	35	96.25%	190	229	0	2,812	\$15,440.00	\$24,150.00	\$45,177.00	\$71,706.00
2064	\$1	8,937,750	DOUBLE DOUBLER	8/6/18	1/13/19	2/27/19	22	94.20%	581	886	0	1,292	\$49,932.00	\$54,190.00	\$64,014.00	\$73,400.00
2015	\$2	7,274,625	2X CASH	6/18/18	12/16/18	1/30/19	29	79.60%	212	221	7,338	2,902	\$23,912.00	\$50,312.00	\$74,466.00	\$121,184.00
2028	\$2	7,235,875	CINCO 5 SPOT	5/21/18	12/16/18	1/30/19	33	74.74%	147	98	10,659	2,898	-\$998.00	\$4,610.00	\$1,644.00	\$38,514.00

Da Vinci

213

Liability for 2049 / for Life to Date

Product Status: SmartCash Enabled: Validation Range: 06/05/2018 - 12/31/2037
 Active N/A

Outstanding Prizes

Tier	Ref	SmartCash	Tier Value	Count	Amount	Tickets Paid Life to Date	Amount Paid Life to Date	% paid	Est. Tickets Sold
1	1	N/A	\$5.00	244726	\$1,223,630.00	619276	\$3,096,380.00	71.68%	5256845
2	2	N/A	\$10.00	84614	\$846,140.00	225134	\$2,251,340.00	72.68%	5330749
3	3	N/A	\$10.00	70431	\$704,310.00	206583	\$2,065,830.00	74.57%	5469511
4	4	N/A	\$15.00	17633	\$264,495.00	47509	\$712,635.00	72.93%	5348974
5	5	N/A	\$15.00	20208	\$303,120.00	61245	\$918,675.00	75.19%	5514666
6	6	N/A	\$15.00	24580	\$368,700.00	73225	\$1,098,375.00	74.87%	5491032
7	7	N/A	\$20.00	3970	\$79,400.00	12386	\$247,720.00	75.73%	5554048
8	8	N/A	\$20.00	4019	\$80,380.00	12217	\$244,340.00	75.25%	5518756
9	9	N/A	\$20.00	8710	\$174,200.00	23889	\$477,780.00	73.28%	5374640
10	0	N/A	\$50.00	5119	\$255,950.00	15961	\$798,050.00	75.72%	5553224
11	0	N/A	\$50.00	5336	\$266,800.00	15662	\$783,100.00	74.59%	5470474
12	0	N/A	\$50.00	7767	\$388,350.00	22880	\$1,144,000.00	74.66%	5475499
13	0	N/A	\$50.00	785	\$39,250.00	2271	\$113,550.00	74.31%	5450288
14	0	N/A	\$100.00	406	\$40,600.00	1121	\$112,100.00	73.41%	5384213
15	0	N/A	\$100.00	2574	\$257,400.00	7609	\$760,900.00	74.72%	5480340
16	0	N/A	\$100.00	2582	\$258,200.00	7583	\$758,300.00	74.60%	5471285
17	0	N/A	\$250.00	52	\$13,000.00	153	\$38,250.00	74.63%	5473854
18	0	N/A	\$250.00	265	\$66,250.00	862	\$215,500.00	76.49%	5609692
19	0	N/A	\$250.00	278	\$69,500.00	752	\$188,000.00	73.01%	5354714
20	0	N/A	\$500.00	50	\$25,000.00	159	\$79,500.00	76.08%	5579644
21	0	N/A	\$500.00	207	\$103,500.00	517	\$258,500.00	71.41%	5237302
22	0	N/A	\$1,000.00	10	\$10,000.00	21	\$21,000.00	67.74%	4968362
23	0	N/A	\$1,000.00	5	\$5,000.00	10	\$10,000.00	66.67%	4889499
24	0	N/A	\$100,000.00	4	\$400,000.00	6	\$600,000.00	60.00%	4400550
			Totals:	504331	\$6,243,175.00	1,357,031	\$16,993,825.00		

NO. OF TICKETS (+/-2%): 7,334,250
 NO. POOLS: 20,37
 PACK SIZE: 75
 PACKS/POOL: 4,800
 PACKS/GAME: 97,790

Minimum Quantity: 7,056,000
 Maximum Quantity: 7,344,000

TEXAS LOTTERY COMMISSION
 *PROGGER - GAME NO. 2049
 END OF PRODUCTION PRIZE STRUCTURE
 16-May-18
 VERSION A

\$5 TICKETS \$36,671,250 REVENUE \$23,237,000 INSTANT FUND PRIZE FUND \$24,903,000 INSTANT PAYOUT % 63.37%
 TOTAL PAYOUT % 67.91%

PRIZE LEVEL	PRIZE CODE	TIER CODE	GETL	# OF WAYS TO WIN	WINNERS IN POOLS	WINNERS IN (PER PACK*)	WINNERS IN (Per Pool)	PRIZE COST	PERCENT OF PRIZE FUND**	VALIDATION TIER LEVELS
1	1	L	\$5	1	864,002	8.84	42,409.34	\$4,320,010	17.33%	LOW TIER
2	2	L	\$10	1	309,748	3.17	15,203.91	\$3,097,480	12.44%	LOW TIER
3	3	L	\$5 + \$5	2	277,014	2.83	13,597.17	\$2,770,140	11.12%	LOW TIER
4	4	L	\$15	1	65,142	0.67	3,197.48	\$977,130	3.92%	MID TIER
5	5	L	\$5 x 3	3	81,453	0.83	3,998.10	\$1,221,795	4.91%	MID TIER
6	6	L	\$5 + \$10	2	97,805	1.00	4,800.74	\$1,467,075	5.89%	MID TIER
7	7	L	\$5 x 4	4	16,356	0.17	802.83	\$327,120	1.31%	MID TIER
8	8	L	\$10 x 2	2	16,236	0.17	796.94	\$324,720	1.30%	MID TIER
9	9	L	\$20	1	32,599	0.33	1,600.11	\$651,980	2.62%	MID TIER
10	0	M	\$5 + \$5 + \$10 x 2	4	21,080	0.22	1,035.00	\$1,054,000	4.23%	MID TIER
11	0	M	\$10	1	349.28	0.21	1,030.00	\$1,049,900	4.22%	MID TIER
12	0	M	\$5*10X*	1	239.31	0.31	1,500.00	\$1,532,350	6.15%	MID TIER
13	0	M	\$50	1	2,399.95	0.03	150.00	\$152,800	0.61%	MID TIER
14	0	M	\$100	1	4,803.05	0.02	75.00	\$152,700	0.61%	MID TIER
15	0	M	\$5*10X* + \$10	2	720.24	0.10	500.00	\$1,018,300	4.09%	MID TIER
16	0	M	\$10*10X*	1	721.52	0.10	500.00	\$1,016,500	4.08%	MID TIER
17	0	M	\$250	1	35,776.83	0.00	10.00	\$51,250	0.21%	MID TIER
18	0	M	\$10*10X* + \$50 x 3	4	6,507.76	0.01	55.00	\$281,750	1.13%	MID TIER
19	0	M	\$20*10X* + \$10	2	7,120.63	0.01	50.00	\$357,500	1.03%	MID TIER
20	0	M	\$20 x 10 + \$10 x 10 + \$100 + \$50 x 2	23	35,092.11	0.00	10.00	\$104,500	0.42%	MID TIER
21	0	M	\$500	1	10,130.18	0.01	35.00	\$362,000	1.45%	MID TIER
22	0	H	\$100*10X*	1	236,588.71	0.00	1.52	\$31,000	0.12%	HIGH TIER
23	0	H	\$1,000	1	488,950.00	0.00	0.74	\$15,000	0.06%	HIGH TIER
24	0	H	\$100,000	1	733,425.00	0.00	0.49	\$1,000,000	4.02%	HIGH TIER
DRAWINGS					3,943		91,359.38	\$	93.31%	93.31%
Merchandise Prize Packs					2,800			\$ 1,666,000		6.69%
TOTAL:					1,864,162			\$ 24,903,000		100.00%

NOTE: "5X" = Win 5 TIMES the Prize by revealing one (1) "5X" Play Symbol.
 NOTE: "10X" = Win 10 TIMES the Prize by revealing one (1) "10X" Play Symbol.

Consolidated odds are 1 in: \$5
 \$10
 \$15
 \$20
 \$50
 \$100
 \$250
 \$500
 \$1,000
 \$100,000

* Each of the following GLEIPS will be used in approximately 16.67% of each pack of 75 tickets.
 ** Numbers are rounded

Licensed Property Agreement**PROPERTY:**

The term: "Property" shall mean the use of "**FROGGER**"; shall include the "FROGGER" trademark and all variations thereof owned by the Licensor, together with any and all copyright and design elements associated with "FROGGER", including Licensor-approved designs, names, logos, symbols, emblems, characters, artwork, depictions, illustrations, and representations associated with FROGGER.

TRADEMARK and OTHER REQUIREMENTS:

- a) Pollard Banknote Limited (Pollard Banknote) reserves the right to modify trademark elements prior to final approval of all creative elements.
- b) Pollard Banknote hereby grants to the Texas Lottery Commission (TLC) the limited, non-transferable and non-sublicensable right and license to promote and sell scratch ticket games bearing the Property within the state of Texas, subject to terms herein.
- c) The TLC shall indicate that licensing rights for games that include Pollard Banknote Licensed Properties have been obtained from Pollard Banknote in any press releases relating to any such games issued by the TLC.
- d) The TLC shall submit to Pollard Banknote all advertising and promotional materials for approval.
- e) Copyright notices shall be included on all tickets, advertising and promotional materials as appropriate.
- f) The following legal line shall be included on the back of all tickets and on all advertising and promotional materials:

©Konami Digital Entertainment

PRICING:

The TLC shall pay one million, six hundred and sixty-six thousand dollars (\$1,666,000) for the following:

- a) The all-inclusive price payable by the TLC for each FROGGER Merchandise Prize pack is \$595.00. The total price payable by the TLC to Pollard Banknote for twenty-eight hundred (2,800) merchandise prize packs is \$1,666,000.00. Twenty-eight hundred (2,800) merchandise prize packs will be awarded via promotional second-chance drawings. The merchandise prize packs will be paid for by the TLC after they are fulfilled as described under Fulfillment Services.

The **Total Prize Fund Allocation** payable by the TLC to Pollard Banknote under this Agreement is \$1,666,000.00.

- b) Related goods and services to be provided by Pollard Banknote as set forth herein.

ORDER/PRICE CONFIRMATION

This letter constitutes the order of the Texas Lottery Commission for **7,200,000** ($\pm 2\%$) game number 2049 "FROGGER" tickets as fully described in these Working Papers. You are hereby authorized to proceed with the production of the game tickets and performance of the associated support services according to the specifications contained herein and in accordance with the agreed "Customer Specifications for Scratch Ticket Games" document, Rev 25.0 dated August 9, 2016.

We understand the price for game number 2049 "FROGGER" for a quantity of **7,200,000** ($\pm 2\%$) tickets is **\$0.00** per thousand tickets U.S. This is comprised of:

Base Ticket Price	\$0.00/M
Options:	
TOTAL	\$0.00/M

The **Total Prize Fund Allocation** payable by the TLC to Pollard Banknote under this Agreement is \$1,666,000.00.

TEXAS LOTTERY COMMISSION

Texas Lottery Commission

Date

Acknowledged and Accepted:

POLLARD BANKNOTE LIMITED PARTNERSHIP
By its General Partner
Pollard Banknote Limited

Brad Thompson
Director, Sales and Marketing
(U.S.)

Date

