TO: Maryland Lottery and Gaming Control Commission Gordon Medenica, Director

FROM: Leo Mamorsky, Managing Director, Chief Marketing Officer
DIVISIONS: Product Development and Creative Services
DATE: $\quad$ February 19, 2019
SUBJECT: Report for the February 2019 Commission Meeting
Following is the status update of ongoing and special projects in Product Development and Creative Services.

1. Product Development
a) Instant Ticket Products and Promotions
i. Key accomplishments last period:
2. January Instant Ticket Launch (1/21/19):
a. $\$ 1-\$ 3,000,000$ Cash Payout!
b. $\$ 2-\$ 4,000,000$ Cash Payout!
c. $\$ 5-\$ 15,000,000$ Cash Payout!
d. $\$ 10-\$ 20,000,000$ Cash Payout!
3. Game Closing Activity:

| Game | Price | Game Name | Total Sales | Prize Expense | Gross Margin | Final Claim Date |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 310 | $\$ 2$ | Big Money Spectacular | $\$ 5,104,252$ | $\$ 3,250,858$ | $\$ 1,853,394$ | $1 / 7 / 2019$ |
| 318 | $\$ 5$ | Power 5s | $\$ 17,910,650$ | $\$ 12,876,714$ | $\$ 5,033,936$ | $1 / 7 / 2019$ |
| 348 | $\$ 10$ | Winter Ice Multiplier | $\$ 15,933,570$ | $\$ 11,913,580$ | $\$ 4,019,990$ | $1 / 7 / 2019$ |

3. Cash Payout second-chance contest: The Cash Payout family of games and second-chance contest successfully launched on $1 / 21 / 19$. During the promotional period, players will have a second-chance to win cash with nonwinning Cash Payout Family of Games tickets: $\$ 1$ ticket = 1 entry; $\$ 2$ ticket = 2 entries; $\$ 5$ ticket = 5 entries; $\$ 10$ ticket = 10 entries. Four drawings, each offering 10 chances to win a prize of $\$ 2,500$. Entries are cumulative; players may only win once per drawing. The first drawing was held $2 / 18 / 19$, 449,153 tickets were entered.
4. Ravens second-chance contest: The winner of the Seats for Life grand prize winner was selected from the six finalists, and awarded at a special event at Lottery headquarters on 2/8/19.
ii. Upcoming tasks for this period:
5. February Instant Ticket Launch (2/25/19):
a. \$2-Moneybag Multiplier
b. \$3-Bonus Crossword
c. \$5-Home Run Riches
d. \$5-Winning Streak
e. \$10-\$250,000 Rich
f. \$30-\$2,000,000 Richer
6. Cash Payout second-chance contest: The second drawing will be held 3/12/19.
7. Home Run Riches: For the fourth consecutive year, Home Run Riches, a $\$ 5$ baseball themed instant ticket will be paired with our Oriole's Sponsorship and second-chance contest. This popular promotion offers players the opportunity to be selected as "Contestant of the Game", who wins $\$ 500$ for being selected and $\$ 500$ for every home run hit in that game by an Oriole player. Six drawings are planned, with the first drawing on $3 / 26 / 19$.

## 2. Creative Services

## a) Traditional Advertising

## i. Key accomplishments:

1. Cash Payout Family of Games: Completed production of the Cash Payout TV and radio spots, digital and out-of-home units. Media began running on 1/28 continuing until $3 / 17$.
2. Rich and Richer: Finalized the $\$ 250,000$ Rich and $\$ 2,000,000$ Richer media plan with activity beginning $3 / 4$ ending $3 / 31$. Approved all digital and out-of-home creative and produced two radio spots.
3. Home Run Riches: Approved the media plan for the launch of the Home Run Riches scratch-off. The plan will run for 4 -weeks $(4 / 1-4 / 28)$ and includes TV, cable, connected TV, radio, digital, out-of-home, and social elements. Selected the creative campaign for Home Run Riches.
4. Loteria: Approved the media plan for the Loteria scratch-off. The media will run for 6-weeks ( $4 / 1-5 / 12$ ) and includes WLZL-FM, a Hispanic radio station serving the Baltimore and DC markets, streaming radio, digital, social and Hispanic newspapers.
5. I Love Lucy: Held a kickoff meeting to discuss the I Love Lucy scratch-off communications effort. Currently working with the licensor to identify what assets are available for creative use.
6. The Price Is Right: Approved The Price Is Right TV and radio creative campaigns for this game's launch. Also, approved the campaign direction for digital and out-of-home units.
7. Orioles and MASN: Finalized contracts for both the Orioles and MASN 2019 season sponsorships.
8. Minor League Baseball: Reached 2019 sponsorship agreements with the Aberdeen Ironbirds, the Bowie Baysox, the Delmarva Shorebirds, the Frederick Keys, and the Southern Maryland Blue Crabs.
9. Powerball Jackpot: Began running radio and digital bulletins on Fri, 2/15 to support the growing Powerball jackpot.

## ii. Upcoming tasks:

1. Home Run Riches: Advertising campaigns presented with approval given for the production of the selected campaign. Media agency will move forward with purchasing all media buys.
2. Loteria: Work with GKV to develop creative for the Loteria campaign and finalize the details of the radio promotion on WLZL-FM.
3. I Love Lucy: Work with both agencies to develop I Love Lucy campaign elements.
4. The Price Is Right: Media Works will provide a media plan to begin late April/early May. Continue to work with GKV to update and finalize creative elements.
5. Minor League Baseball: Work with each of the five minor league baseball teams to finalize creative assets and select the on-site dates.
6. Orioles and MASN 2019 Sponsorships: Finalize all creative assets for the Orioles and MASN sponsorships.
7. FY'19 Planning: Begin planning for three upcoming initiatives; Gold Rush Family of Games, Skee-Ball and Ravens.

## b) My Lottery Rewards

i. Key accomplishments:

1. Four second chance promotions and six points-for-drawings promotions were implemented or maintained during the month.
ii. Upcoming tasks:
2. Work with SGI and GKV to develop a more robust CRM program.
3. Work with internal groups to develop an implementation plan for product coupons as NextGen rewards.

## c) Web, Digital and Social

## i. Key accomplishments:

1. Responded to player questions and feedback on the redesigned mdlottery.com
2. Promoted the Cash Payout family of scratch-offs and second-chance contest, and various winners' stories via social media and web assets.
3. Featured our Ravens Season Tickets for 20 Years winner in Facebook Live and Instagram Live videos.
ii. Upcoming tasks:
4. Execute social and digital plans for the Rich and Richer scratch-offs.
5. Create social and digital plans for the Home Run Riches scratch-off and Contestant of the Game second-chance contest, Loteria scratch-off and I Love Lucy scratch-off and second-chance contest.
6. Build a library of evergreen graphics, animations and other resources for mdlottery.com.

## d) Research

1. Received Ipsos report for Wave 7 of the Lottery's Attitude and Usage Tracking study. Presentation to Lottery management held on February 14.
2. Developed short survey sent to MLR Club members about potential new scratch-off game concept.
