

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • Gordon Medenica, Director

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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: April 13, 2020

SUBJECT: Report for the April 2020 Commission Meeting

Following is the status update of ongoing and special projects in Product Development and Creative Services, for March and April.

1. Product Development

a) Scratch-Off Products and Promotions

i. Key accomplishments last period:

1. February Scratch-Off Launch (2/24/20):
 - a. \$2 – *Ca\$h Money*
 - b. \$3 – *Bonus Crossword – 2nd Edition*
 - c. \$5 – *Strike It Rich*
 - d. \$10 – *Rose Gold*
 - e. \$30 – *Rose Gold Black*
2. March Scratch-Off Launch (3/23/20):
 - a. \$1 – *Triple It*
 - b. \$5 – *James Bond 007™*
 - c. \$10 – *Red Hot Riche\$*
3. *Game Closing Activity:*

Game	Price	Game Name	Total Sales	Prize Expense	Gross Margin	Final Claim Date
356	\$20	Win Big	\$38,840,300	\$29,932,923	\$8,907,377	1/6/2020
390	\$10	Bingo X10	\$21,879,500	\$16,202,027	\$5,677,473	1/6/2020

Game	Price	Game Name	Total Sales	Prize Expense	Gross Margin	Final Claim Date
331	\$3	Bingo X3	\$9,801,714	\$6,467,490	\$3,334,224	2/10/2020
378	\$5	Hot Riches	\$20,550,600	\$14,702,768	\$5,847,832	2/10/2020
379	\$10	Diamond 10's	\$22,026,000	\$16,301,508	\$5,724,492	2/10/2020
389	\$2	Heads Or Tails	\$4,123,400	\$2,553,960	\$1,569,440	2/10/2020
391	\$10	Win \$50 or \$100	\$26,823,500	\$20,015,419	\$6,808,082	2/10/2020

4. *Multiplier FOG Second-Chance Contest:* The first drawing was held 3/3/20; 19,467,160 entries were received. The second drawing was held on 4/7/20; 29,616,185 entries were received.

ii. Upcoming tasks for this period:

1. April Scratch-Off Launch (4/20/20): CANCELLED

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2. May Scratch-Off Launch (5/18/20): Lucky 7s FOG
 - a. \$1 – *Lucky 7s*
 - b. \$2 – *Lucky 7s Doubler*
 - c. \$5 – *Lucky 7s Tripler*
 - d. \$10 – *Lucky 7s Multiplier*
 - e. \$20 – *Lucky 777*
3. *James Bond 007™ Second-Chance Contest*: The first drawing will be held 4/21/20; as of 4/12/20, 128,999 entries were received.
4. *Multiplier FOG Second-Chance Contest*: The third drawing will be held 5/19/20; as of 4/12/20, 30,744,245 entries were received.

b) Draw and Monitor Game Products and Promotions

i. Key accomplishments:

1. *Powerball 10th Anniversary Promotion*: Promotion ended 2/26/20. For every \$10 Powerball purchased on a single ticket, a free \$2 Quick pick Powerball ticket was generated.
2. *Keno Kicker Promotion*: The final date of the promotion was held on 3/20/20. From 8am to 10pm, some players saw an extra winning number drawn on random Keno drawings.
3. *Spring Keno Sprinkler*: From 3/16/20 to 4/12/20 (with a break on 3/20 for Kicker Promo) some players received a Doubler or Tripler feature on random Keno drawings. Prizes won on those tickets were multiplied.
4. *FAST PLAY Contestant of the Game Second-Chance Contest*: Players can enter winning and non-winning FAST PLAY tickets into My Lottery Rewards and receive entries based on price point (\$1 Piggy Bank Bucks = 1 entry; \$2 Cherry Twist = 2 entries; \$3 Treasure Chase = 3 entries; \$5 Hit \$250 = 5 entries; \$10 Lucky Numbers = 10 entries). Winners will receive \$500 for being selected, plus \$500 for every home run scored by an Orioles Player. There will be 6 drawings and winners will be chosen for prizes of \$500 cash and the potential to win more based on team performance. Drawing Dates and number of winners per drawing are TBD pending the start of the MLB season. As of 4/12/20, 1,451,438 entries have been received.

2. Creative Services

a) Traditional Advertising

i. Key accomplishments:

1. *Rose Gold and Rose Gold Black*: The *Rose Gold* and *Rose Gold Black* advertising campaign ran from 3/2 through 3/29.
2. *FAST PLAY*: The advertising campaign supporting the launch of *FAST PLAY* ended early; the weeks of 3/23 and 3/30 were cancelled due to the health crisis. We are now planning for a second phase of launch advertising that could air in the May/June time frame supporting the introduction of five new *FAST PLAY* games.
3. *James Bond 007*: The *James Bond 007* advertising campaign was also cancelled due to the health crisis.

4. *Lucky 7s Family of Games (FOG)*: We are working with GKV and MARC to develop an advertising campaign to launch the *Lucky 7s FOG*. This campaign is tentatively planned to begin in late-May.
5. *Play It Safe*: Implemented messaging on several internal platforms (LIMS, drawing show inserts, website marquee) encouraging safe Lottery play. Messages are meant to be educational and include topics like keep a safe distance, advanced play and subscription options, play slip and check your ticket functions available on the Lottery's mobile app, and the mail-in claiming process. All of these communications are displayed under the *Play it Safe* banner.

ii. **Upcoming tasks:**

1. *FAST PLAY*: Continue reviewing the media plan and creative materials needed to support the launch of the new *FAST PLAY* games. Launch date currently on hold.
2. *Lucky 7s Family of Games*: Finalize creative materials and the media plan to support the *Lucky 7s FOG* launch.
3. *Baltimore Orioles, MASN-TV and Minor League Baseball*: Work with all of the teams to complete production of sponsorship assets once the baseball season resumes.
4. *Ravens Scratch-Off*: Discuss creative materials and the media plan to support the launch of the \$2 and \$5 *Ravens* scratch-offs in late July, pending the start of the NFL season.
5. *Play It Safe*: Continue the implementation of *Play It Safe* messaging across all platforms to encourage players to observe health, safety and social distancing guidelines when playing the Lottery.
6. *Washington Redskins*: Work with the *Washington Redskins* to develop a 2020 advertising sponsorship.
7. *University of Maryland*: Review sponsorship contract from the *University of Maryland* for the 2020 season, pending the status of the collegiate sports season.

b) **Web, Digital and Social**

i. **Key Accomplishments:**

1. Promoted Responsible Gambling Awareness Month, *FAST PLAY*, *Rose Gold* Scratch-Offs and various winners' stories via social media and web assets.
2. Paused organic and paid social media marketing efforts in sensitivity to the Governor's stay at home order.
3. Communicated with players through website messaging, email and social media regarding changes due to COVID-19.

ii. **Upcoming tasks:**

1. Create social and digital plans for the *Lucky 7s FOG*.
2. Continue to communicate timely information regarding lottery operations to players through our digital channels.

c) My Lottery Rewards

i. Key accomplishments:

1. 47,066 players engaged with *My Lottery Rewards* during February 2020. Not surprisingly, March saw a 6% drop in the number of players engaging with the platform.
2. *20X the Cash* continues to be popular with *My Lottery Rewards* members, as this ticket was the most entered during February and March.
3. Coupon award redemption rates continued to climb, as March redemption rates approached 60%.

ii. Upcoming tasks:

1. Begin to implement CRM marketing plan.
2. Work with SG to develop emails encouraging players to complete the registration process.
3. Maintain player communication for Prize Point conversion to Draw Points.