

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • John Martin, Director



Montgomery Park Business Center
1800 Washington Blvd., Suite 330
Baltimore, Maryland 21230

Tel: 410-230-8800
TTY users call Maryland Relay
www.mdlottery.com

TO: Maryland Lottery and Gaming Control Commission
John Martin, Director

FROM: Alvin Ringgold, Senior Director of Sales

DIVISION: Sales

DATE: January 11, 2022

SUBJECT: Report for the December 2021 Commission Meeting

- Sales**

December 2021, Year over Year Comparison Product Category by Store Segment

		Draw	Monitor	Fast Play/Instant	Combined
STATE	2021	\$88,304,233	\$52,998,946	\$91,732,360	\$233,035,539
	2020	\$84,681,461	\$47,112,636	\$78,392,015	\$210,186,112
	Difference	\$3,622,772	\$5,886,310	\$13,340,345	\$22,849,426
	%YoY +/-	4.3%	12.5%	17.0%	10.9%
INDEPENDENT	2021	\$64,975,265	\$45,729,219	\$58,652,597	\$169,357,082
	2020	\$64,037,286	\$41,655,109	\$51,245,642	\$156,938,037
	Difference	\$937,980	\$4,074,110	\$7,406,955	\$12,419,045
	%YoY +/-	1.5%	9.8%	14.5%	7.9%
	% of State Sales	73.6%	86.3%	63.9%	72.7%
CORPORATE	2021	\$23,328,968	\$7,269,727	\$33,079,763	\$63,678,457
	2020	\$20,644,176	\$5,457,527	\$27,146,373	\$53,248,076
	Difference	\$2,684,792	\$1,812,200	\$5,933,390	\$10,430,382
	%YoY +/-	13.0%	33.2%	21.9%	19.6%
	% of State Sales	26.4%	13.7%	36.1%	27.3%

* Instant ticket sales are based on recorded weekly settlements and may not agree with other Instant ticket sales displayed in other reports that may reflect activations or validations.

Sales Management

- No monthly sales meeting was conducted in December. Our staff was emailed a PowerPoint presentation with talking points to highlight the games launched in December. We launched four (4) price points featuring a \$1, \$2, \$5 & \$10 tickets for the Monopoly family of games (FOG).
- District Managers with the best sales by region/territory (year-over-year) for November:
 - Jonathan Braithwaite T-11
 - Chuck Hamrick T-25
 - DeUnka Wade T-38 (Awarded the DM of the month)
 - Van Daniels T-44
- The Sales department has filled the Corporate Account Manager (CAM) position and continues to work with HR to recruit for the special assignment contractual position.
- The management team has been researching and exploring alternative selling platforms i.e. in-lane selling, that can be utilized at previously unexplored retailers.

Field Activities

- In December, many of the sales team were on vacation which gave limited coverage in the field.
- Retailer sales remained strong during December on the strength of our jackpot, scratch off and monitor games.
- Blitz or launch week again proved invaluable in keeping scratch off ticket sales above last years numbers.
- In December, sales supported our communication department at one Ravens game event.

Sales Support/Self-Service Vending Units

- Implementation of Self-Service program plan for calendar year 2022. This includes:
 - Continued development of prospect location lists with Sales Department Regional Managers.
 - Vetting and analysis of prospective locations to select locales with greatest sales potential.
 - Allocation and distribution plan for newly arrived units.
 - Maximizing our sales potential at retail by analyzing and identifying low performing units currently in the marketplace, working with these locations to increase efficiency and productivity, and lastly relocating said units to pre-approved locations with greater potential if improvements are not made.
- Development of new contracts for staple merchandising items to include playcenters, take one boxes, playslip holders and others.
- Development of a strategic distribution plan for the newly arriving oversized instant ticket dispensers in preparation for the March launch of our 8" wide ticket. Working with our District Managers and Corporate Sales team on placement of these dispensers in the marketplace.

- Initial planning for our upcoming 50th Anniversary in CY2023 which includes retailer and consumer engagement.
- Preparation and distribution of POS pieces for the upcoming new game launch Pick 5 to be introduced to the marketplace in February.
- Continued tracking and analysis of our Responsible Gaming audits being performed by our District Managers when visiting our retailer partners for inclusion in our WLA Level 4 submission.
- Discussion and monitoring of increased PHD damage that has been occurring at both corporate and independent retailer locations, due to smash and grab ATM robbery tactics.

Corporate Sales

- Several corporate accounts have reached out regarding their plans for increasing Lottery sales in 2022 and have made requests for new equipment in their new stores, as well as some of their already established stores. We will continue the conversations to see where we can provide them in order to help them achieve their 2022 goals.
- 7-Eleven has seen an increase in store robberies, which in many cases has led to massive amounts of damage to their store fixtures, Lottery equipment, etc., and in some cases, even resulted in temporary store closures. We have offered our assistance to help with their store reopening efforts, where applicable.
- The Corporate Sales Team has welcomed a new employee, Elaine Susel, to the team. Elaine will be our new Corporate Account Manager replacing Sam Coscia, who retired last year. Elaine has several years of account management experience from previous positions held at Coca-Cola and will be a welcomed addition to the team.

Retail Recruitment

- Recruitment Results –December 3rd – January 10, 2022
 - Five (5) new applications received and advanced to Phase II of the approval process with nine (9) new independent locations installed.
 - Pursuing new corporate retailer, “CD Corporation” which has 4-5 locations.
- Prospecting Activities
 - We are currently pursuing 32 new independent/corporate retailer prospects.

Sales Force Automation

- Continue to work with HR to fill an open sales trainer position.
- Sales is working with Scientific Games to correct minor errors with the Gem products.
- Sales is working with SGI and self service support to develop a report that will identify Out of Stock (OOS) bins in PHD’s.
- In December, sales force automation has provided training to the Business Development Manager, Zina Howard, in conjunction with her assuming some application duties, such as completion of surveys and pre-sites.