

# Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • Gordon Medenica, 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  
Gordon Medenica, Director

FROM: John Martin, Managing Director and Chief Revenue Officer

DIVISION: Sales

DATE: May 17, 2016

SUBJECT: Report for the May 2016 Commission Meeting

---

Following is a status update of ongoing and special projects in the Sales Division.

## 1) Sales

April draw sales were practically flat. With the exception of Powerball and Racetrax, all other draw games were down for a decline of \$4,304,481. The category was saved by an Increase of \$4,883,801 in Powerball and Racetrax which combined to wipe out the loss of all other draw games. The run of double digit increases in instant ticket sales finally came to an end. There still was a healthy 6.74% growth in this category.

	<b>Draw</b>	<b>Instants</b>	<b>Total</b>
State	0.57%	6.74%	2.61%
Independent	0.39%	6.03%	2.00%
Corporate	1.63%	8.38%	5.05%

- Sales Management
  - 2016 bi-annual XCAP Renewal
    - Continuing the bi-annual XCAP audit of over 300+ retailers by requesting an application renewal, re-fingerprinting and giving the retailers an overview of the program's requirements.
      - A total of 267 renewal apps have been received as of 5/1/16 representing 88% of the XCAP network.
      - Current working with the remaining retailers to complete their XCAP applications. Eight retailers have decided to terminate their XCAP status.
  - Sales continues to support the Hard Recall initiatives by recovering identified games from the retailers' inventory.
  - Sales Management prepares for the conversion to the Workday employee timekeeping system.
  - The first phase of the Spring Refresh campaign began in Region 1 focusing on exterior signage and replacing in-store merchandising (play centers).

- Training
  - The training manager conducted several field ride-alongs to ensure consistency in the sales approach among the district managers.
- Events
  - Supported the Communication department at three events which included the Orioles Opening Day, Annual Privateer Festival and Savor Bowie Food, Wine/Music Festival events.

## **2) Corporate Sales**

Annual Business Reviews winding down in May. Meetings included Wegman's and Shoppers; with Food Lion, Weis Markets and Mars to come before we bring the curtain down on this campaign. Next step will be to engage many of these corporate partners in mutually beneficial promotional activities by the end of this calendar year.

## **3) Retail Recruitment**

The Website application for new retailers is now operational. All prospective applicants are being directed to the website to expedite the recruitment process.

Met with SGI marketing staff to enlist their support in pursuing 23 of the 61 leads furnished by the Lottery Sales Department for follow up.

Next steps over the next several weeks include:

- Continue keeping OnePlace profiles and status sheet current.
- Work with OnePlace to transfer completed prospect files to retailer status after installation is confirmed.
- Follow up on applicants with outstanding administrative issues (taxes, articles, ADA compliance) inhibiting the application process.

Current application statistics entered into OnePlace since January 1st, 2016:

- 129 prospective retailer applicant profiles in the queue.
- 30 new lottery retailers installed and selling.

## **4) Analysis & Reporting**

During April, the Analysis & Reporting Division completed Annual Business Reviews for our top corporate retailers. In addition to identifying benchmarks for growth, several accounts expressed an interest in upcoming promotions.

The most recent Powerball roll has provided us an opportunity to examine baseline sales through jackpot levels in excess of \$400 million since the record \$1.5 billion jackpot in January.