

NEW HAMPSHIRE LOTTERY® COMMISSION
14 INTEGRA DRIVE, CONCORD, NEW HAMPSHIRE 03301
MINUTES OF COMMISSION MEETING
MONDAY, JUNE 1, 2009 10:00 AM

PRESENT:

Richard J. Campbell, Jr., Chairperson
Paul J. Holloway, Commissioner
Debra M. Douglas, Commissioner
Rick Wisler, Executive Director
Maura McCann, Programs Information Officer
Kassie Strong, Chief Accountant
Leigh Tilton, Accountant
Diane Campbell, Administrative Assistant I
Barry Bodell, Business Supervisor
Irene Nadeau, On-Line Games Manager
Robert Preston, Games Manager
Rose Wiant, Attorney Generals Office
Rose Longo-White, Griffin, York & Krause, Inc. (GYK)
Sarah LaLiberte, Griffin, York & Krause, Inc.
Kevin Flynn, Griffin, York & Krause, Inc.
Travis York, Griffin, York & Krause, Inc.
Liz Dimmick, SGI
Ed Dupont, The Dupont Group

Commissioner Campbell called the meeting to order at 10:00 a.m.

1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES:

Commissioner Holloway made a motion, seconded by Commissioner Douglas, to approve the May Commission meeting minutes. So voted, unanimous.

2. COMMISSION ACTION ON PROPOSED TERMS OF CONTRACT WITH INTRALOT:

Commissioner Campbell made a motion, seconded by Commissioner Holloway, to go into non-public session at 10:05 a.m., pursuant to RSA 91-A:3, II(c) and RSA 21-I:13-a, II to discuss responses and documents related to the on-line gaming system proposals that if discussed publicly could adversely affect a company's proprietary and confidential information. A roll call was held, Commissioner Douglas stated "aye," Commissioner Holloway stated "aye", and Commissioner Campbell, "aye". The non-public session concluded at approximately 10:45 a.m., with no Commission votes taken. Commissioner Campbell reconvened the meeting.

Commissioner Holloway made a motion, seconded by Commissioner Douglas, to move forward with the Intralot contract for the lottery's on-line gaming system. So voted, unanimous.

ADVERTISING:

Maura McCann updated the Commission on the public relations effort surrounding the recent estimated \$200 million Powerball jackpot. Jackpot alerts and high jackpot messaging were provided and over a two day period approximately \$16,000 was spent on 266 radio spots on 37 stations and 71 television spots. Director Wisler stated \$1.3 million was generated in Powerball sales from Sunday through Wednesday, which were profitable, but lower sales than similar sized jackpots.

Commissioner Holloway inquired if a Powerball sales/transaction analysis could be done to determine if there was still the same number of people playing Powerball and if they were spending as much on Powerball tickets. A review will be done and information provided.

Rose Longo-White of Griffin, York & Krause(GYK) stated the High Energy Program for Powerball messaging during high jackpot runs has been implemented at certain liquor stores. A sales analysis will be done comparing the Powerball sales at the liquor stores involved in the program with the Powerball sales at other liquor stores.

Ms. McCann stated the new \$2.00 Megabucks Plus will begin the end of July, 2009 supported by point of sale materials, and television and radio advertising. Written notification of the upcoming Megabucks Plus game was forwarded to current subscribers. Irene Nadeau, on-line games manager, reported that Megabucks Plus subscription sales were \$122,600 as of 5/29/09. The final draw for the Tri-State Megabucks game will be July 25th and the new Tri-State Megabucks Plus will go on sale July 26th.

A preliminary meeting was held with GYK for Fiscal Year 2010 planning. Some of the plans include lottery branding at retailer locations; licensed properties; instant Ringo Replay promotions; subscription changes in November; using the Replay database to obtain pertinent lottery information from players responding to quarterly surveys. Ms. McCann stated an incentive of 100 Replay points is offered to individuals responding to each survey. Travis York stated an in-depth analysis of the Replay program will be done to assist with identifying player trends and this report will be provided to the Commission. The proposed advertising budget for New Hampshire is being reviewed by staff and once clarifications are made with GYK, this will be presented to the Commission.

Ms. McCann introduced a new employee to the Lottery Commission, Sarah Laliberte of GYK. Commissioner Holloway suggested that a public relations effort be made to highlight that New Hampshire Lottery Commission's percentage of declining overall sales is

less than Maine and Vermont Lottery, considering current economic conditions. A discussion was held on possibilities for positive lottery messaging to appropriate audiences and the best time for this to be done. Some ideas to be included in the messaging were the lottery's contributions to Education, in addition to the many different innovative ways the lottery is using to increase sales, including game enhancements, Replay, promotions, etc.

A brief discussion was held on the \$10 New Hampshire Millionaire's Club instant ticket and preparations for the upcoming drawing, expected to be this fall. A press release will be issued to inform the public that the game will be coming to an end soon, and there is still one remaining top prize of \$1 million left to be claimed.

4. OTHER BUSINESS:

Commissioner Holloway requested that a lottery sales analysis be done for the Memorial Day holiday weekend for the Portsmouth lottery outlet, due to the recent change in lottery staffing.

A discussion was held regarding upcoming legislative sessions on expanded gaming and the Commission's position and preparedness on the matter.

Commissioner Campbell made a motion, seconded by Commissioner Holloway, to adjourn the commission meeting at 11:40 a.m. So voted, unanimous.

Richard J. Campbell, Jr., Chairperson

Paul J. Holloway, Commissioner

Debra Douglas, Commissioner