

# Maryland Lottery and Gaming Control Agency

Wes Moore, Governor • John Martin, Director



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

FROM: Solomon Ramsey, Managing Director, Sales and Marketing

DIVISIONS: Sales and Marketing

DATE: May 23, 2024

SUBJECT: Report for the May, 2024 Commission Meeting

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

## 1. Sales

### April 2024, Year over Year Comparison Product Category by Store Segment

		Draw	Monitor	Fast Play/Instant	Combined
<b>STATE</b>	2024	\$79,344,877	\$51,852,205	\$102,823,653	\$234,020,734
	2023	\$72,649,997	\$51,122,193	\$103,054,339	\$226,826,529
	Difference	\$6,694,880	\$730,011	(\$230,686)	\$7,194,205
	%YoY +/-	9.2%	1.4%	-0.2%	3.2%
<b>INDEPENDENT</b>	2024	\$54,702,404	\$42,955,450	\$61,919,742	\$159,577,596
	2023	\$52,871,693	\$43,200,979	\$62,874,893	\$158,947,564
	Difference	\$1,830,711	(\$245,528)	(\$955,151)	\$630,032
	%YoY +/-	3.5%	-0.6%	-1.5%	0.4%
	% of State Sales	68.9%	82.8%	60.2%	68.2%
<b>CORPORATE</b>	2024	\$24,642,473	\$8,896,754	\$40,903,911	\$74,443,138
	2023	\$19,778,305	\$7,921,215	\$40,179,446	\$67,878,965
	Difference	\$4,864,169	\$975,539	\$724,465	\$6,564,173
	%YoY +/-	24.6%	12.3%	1.8%	9.67%
	% of State Sales	31.1%	17.2%	39.8%	31.8%

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.

#### a) Sales Management

##### i. Key accomplishments last period:

1. The monthly sales meeting was conducted in person April 17, 2024.

- a. Four (4) scratch offs were launched, featuring \$3, \$5, \$10 and \$30 price points.
  - b. In conjunction with our instant products, we highlighted one ongoing promotion, *Spring Fling All Games Promotion*, and one upcoming promotion in the form of our *Racetrax Triple Crown promotion*.
2. District Managers with the best sales by region/territory (year-over-year) for March:

- Jon Braithwaite T-11
- Chuck Hamrick T-25
- Tim Perry T-37
- **Steve Corbin T-45** (Awarded the DM of the month)

3. Launch Team initiative meeting was conducted. This month's focus was on the development of a strategic sales plan for our May family of instant games.
4. Execution of our April Retailer Advisory Board meetings conducted in Annapolis and Ocean City.

**ii. Upcoming tasks for this period:**

1. Planning, preparation and execution of launch strategies and initiatives for the June instant ticket launch. We will be launching four (4) tickets: \$3, \$5, and \$10 (2).

**b) Field Activities**

**i. Key accomplishments last period:**

1. District Managers made 6,668 retailer communication contacts during April, which includes store visits, phone calls and emails.
2. District Managers successfully executed the sales plan for the April launch of our newest instant ticket, The BIG SPIN.

**ii. Upcoming tasks for this period:**

1. Continued execution of the field sales plan specifically developed for the launch of *CASH POP*.
2. District Managers continue updating contact information (email and cell phone numbers) as well as store photos.
3. Sales will continue to work with the OAG to terminate inactive retailers and recover lottery equipment.

**c) Retail Recruitment**

**i. Key accomplishments last period:**

1. Recruitment Twenty-one (21) new independent applications were submitted by retailers in the month of April. Nine (9) independent applications were processed and locations installed in the month of April.

**ii. Upcoming tasks for this period:**

1. We continue monitoring turnaround time for application processing to allow us to identify any issues or possible areas of improvement which in turn will facilitate more efficient processing.
2. Recruitment will continue to focus on high foot traffic locations and chain accounts where rapid development and retailer expansion opportunities exist.

**d) Sales Support/Self-Service Vending Units**

**i. Key accomplishments last period:**

1. Preparation for and execution of merchandising initiatives for our May instant ticket launch which includes development of POS as well as identification of both types and quantities of pieces to be distributed to the field.

2. Execution of phase two of our merchandising initiative for *CASH POP*, the new daily draw game offering that launched May 6, that included multiple types and quantities of point of sale to support sales in the marketplace.
3. In conjunction with our Regional Management team, we continue vetting, planning and allocating newly received PHD self-service units.

**ii. Upcoming tasks for this period:**

1. Continued vetting, scheduling and distribution of the self-service units.
2. Continued planning for two merchandising pilot programs to include: digital menu board displays for instant tickets; vertical format jackpot towers for self-service units.

**e) Corporate Sales**

**i. Key accomplishments last period:**

1. Fiscal YoY Performance (as of 4/30/24):
  - a. FY '24- \$735,652,173
  - b. FY '23- \$700,917,008
    - Up 5%
2. Ongoing discussions with the stakeholders in respective chains to work on improvements for inventory replenishment with vending locations. Continued conversations are being had regarding the implementation of delegated tasks for their store associates to complete this task on a proposed regular basis.
3. The Corporate Sales Team worked with corporate partners to discuss potential partnerships for joint promotions for the second half of the fiscal year.
4. Executed business reviews with the following corporate chains:
  - a. High's of Baltimore
  - b. Giant Foods
  - c. Safeway
  - d. Walmart
  - e. Sheetz
  - f. Harris Teeter
  - g. Dash-in

**ii. Upcoming tasks for this period:**

1. Corporate is onboarding two new corporate retail partners:
  - a. Primanti Brothers (Primanti Corporation)
  - b. Wicomico County Liquor Control Board
2. Work with the following corporate partners on potential second chance promotions in their locations:
  - a. Royal Farms
  - b. Sheetz
  - c. High's of Baltimore
  - d. Giant Foods
  - e. Walmart

**f) Sales Force Automation**

**i. Key accomplishments last period:**

1. Gem Office
  - a. Multiple updates were loaded into the system. We have identified additional updates needed to mask Social Security and FID numbers in the system.

2. Gem Intelligence
    - a. New Surface Go units have been distributed to 100% of the field sales staff. All are functioning as they should with no major issues to report. Field staff has advised they are much faster and have lessened communication issues. We will continue to monitor and solicit feedback.
  3. Gem Retailer
    - a. Program continues to expand with retailers asking for additional reporting, particularly reports on the self-serve units. Requests are being developed so we can present to the vendor. We have made this program and its capabilities a recurring point of emphasis to our retailers in our monthly retailer email and monthly retailer focused videos.
  4. Training
    - a. Sales training videos for District Managers continue to be produced and have been well received by the sales staff. This has proved to be a great resource available to the DM's while in the field.
    - b. Sales training and onboarding was completed for newly hired District Manager in territory 17.
- ii. **Upcoming tasks for this period:**
1. Follow up and work with vendor to complete the update pertaining to the masking of Social Security and FID numbers in the system.
  2. Test updates for the new draw game Cash Pop in the system.

## 2. Product Development

### a) Scratch-Off Products and Promotions

#### i. **Key accomplishments last period:**

1. May Scratch-Off Launch (5/20/24):
  - \$1 – *Gold Rush 7s*
  - \$2 – *Gold Rush 7s Doubler*
  - \$5 – *Gold Rush 7s Tripler*
  - \$10 – *Gold Rush 7s Multiplier*
  - \$20 – *Gold Rush 777*
2. *Multiplier Family of Games Second-Chance Promotion*: The third drawing for one winner of \$50,000 cash was held on 5/7/24; 13,191,039 entries were received.
3. *PAC-MAN™ Second Chance Promotion*: The second drawing for one winner of \$2,500 cash was held on 5/7/24; 163,182 entries were received.
4. *Game Closing Activity*:

Game	Price	Game Name	Total Sales	Prize Expense	Gross Margin	Final Claim Date
586	\$20	Show Me \$1,000,000!	37,626,200	28,724,001	\$8,902,199	4/1/2024
601	\$5	Deluxe Crossword 7th Ed.	17,427,060	12,375,236	\$5,051,824	4/1/2024
610	\$2	\$15,000 CASH	4,378,384	2,786,818	\$1,591,566	4/1/2024
619	\$5	Gold X20	18,781,445	13,395,143	\$5,386,302	4/1/2024

#### ii. **Upcoming tasks for this period:**

1. June Scratch-Off Launch (6/17/24):
  - \$3 – *Diamond Bingo 5<sup>th</sup> Edition*
  - \$5 – *Lots of Cash*
  - \$10 – *Win \$50, \$100 or \$200 2<sup>nd</sup> Edition*
2. Soft Launch (6/17/24):

- \$10 – \$100,000 Crossword 8<sup>th</sup> Edition
- 3. *Multiplier Family of Games Second-Chance Promotion*: The fourth drawing for one winner of \$50,000 cash will be held on 6/11/24; as of 5/13/24 13,615,425 entries have been received.
- 4. *PAC-MAN™ Second Chance Promotion*: The final drawing for one winner of a PAC-MAN™ Pixel Bash Arcade Unit with White Glove Delivery Service will be held on 5/28/24; as of 5/13/24 174,323 entries have been received.

**b) Draw and Monitor Game Products and Promotions**

**i. Key Accomplishments last period:**

1. *CASH POP™ New Draw Game Launch 5/6/24*: Put a little POP in your Day! On 5/6/24 we launched the new draw game, CASH POP™! Players select their POP (single number selection) from a range of 1-15, or use Quick Pick to select their POP. Players can choose to play each POP for \$1, \$2, \$5, or \$10 as well as the number of advanced drawings (maximum of 10). Drawings will be held four times daily, at 9 a.m., 1 p.m., 6 p.m., and 11 p.m. where a single winning number is revealed. At purchase, each POP is assigned a prize from a predetermined table of prizes based on the amount played. Due to the variable prize assignment, tickets are printed individually for each drawing. All prizes won are at least 5X the cost of a single POP. CASH POP™ is a trademark of IGT Global Solutions Corporation.
2. *Racetrax Triple Crown \$6 for \$5 [4/29 – 6/9/24]*: The popular Racetrax \$6 for \$5 promotion is back for the Triple Crown racing season. The six week-long promotional period coincides with the Kentucky Derby, Preakness, and Belmont Races. This promotion offers \$1 discounts on every \$5 purchase (maximum discount is \$5 on a purchase of \$30 or more).
3. *Jackpot Reset Promotion [1/1 – 6/30/24]*: Our fourth reset promotion was triggered on 5/6/24 when the Powerball \$214.9 Million jackpot was hit. The promotion began on 5/8/24 and ran for two weeks through 5/21/24 – on an Nth ticket basis during the promotion, players who purchased Powerball received a free Mega Millions ticket.
4. *NASCAR® Powerball Playoff™ Second-Chance Promotion [5/20 – 7/1/24]*: Any Powerball tickets purchased and entered during the promotional period are eligible for entry into My Lottery Rewards. This is a national promotion; each participating state selects finalists to be entered into the Playoff Drawings to win cash prizes or a VIP trip to Phoenix for the 2024 NASCAR Championship Weekend at Phoenix Raceway™. There are two parts to this promotion:
  - *Maryland Drawings*: The Maryland Lottery will select 35 finalists, all of whom will receive \$1,000 for being selected. They then go on to participate in the Playoff Drawings, conducted by MUSL.
  - *MUSL Drawings*: The Playoff Drawings are a series of drawings from a national pool of entrants that mirror the elimination rounds of the NASCAR Playoffs. They will determine the four finalists who will win a VIP trip for two to NASCAR Championship Weekend at Phoenix Raceway, 11/8 – 11/11/24, and entry into the \$1 million drawing. Maryland is not guaranteed to send a player to the event.

**ii. Upcoming tasks for this period:**

1. *NASCAR® Powerball Playoff™ Second-Chance Promotion [5/20 – 7/1/24]*: The first drawing for seven winners of \$1,000 cash each will be held on 6/4/24.
2. *Mega Millions Team USA Second-Chance Promotion [6/10 – 8/11/24]*: Starting on 6/10/24 players can purchase and enter Mega Millions tickets into My Lottery

Rewards for a chance to win one of three trips to the Italy (2026) or Los Angeles (2028) Olympics, as well as Team USA themed merchandise such as jackets, range packs, hats, and tumblers. The first drawing for one trip winner and ten merchandise pack winners will be held on 7/2/24.

3. *Buy Multi-Match, Get Free Cash4Life Promotion* [6/3 – 6/30/24]: Starting on 6/3/24 players can purchase Multi-Match tickets and on an Nth ticket basis receive a free Cash4Life ticket.

**c) FAST PLAY Products and Promotions**

**i. Key accomplishments last period:**

1. *Contestant of the Game Second-Chance Promotion*: The third drawing for 29 winners will be held on 5/28/24; as of 5/13/24 144,109 entries have been received.

**ii. Upcoming tasks for this period:**

1. *Contestant of the Game Second-Chance Promotion*: The fourth drawing for 24 winners will be held on 6/25/24; as of 5/13/24 144,109 entries have been received.

**3. Creative Services**

**a) Traditional Advertising**

**i. Key accomplishments last period:**

1. *THE BIG SPIN Scratch-Off*:
  - a. *THE BIG SPIN* media plan began running on 4/22 and will continue through 6/16. All creative assets were completed, including out-of-home, digital and social media, plus the television and radio spots.
2. *Cash Pop*:
  - a. All *CASH POP* media was approved and placed. The statewide media plan will run for 6-weeks, 5/6 – 6/2 and 6/17 – 6/30. Production is complete on all creative assets, including the radio and television spots, out-of-home, digital and social media.
3. *Team USA*:
  - a. The *Team USA* media plan was approved and will run statewide for 2-weeks in FY'24, 6/10 – 6/23. The media plan includes radio and social media.
  - b. LIMs graphics and radio scripts were approved by the licensor. The radio spots will be produced in mid-May.
4. *NASCAR Powerball Promotion*:
  - a. The licensor approved the *NASCAR Powerball Promotion* graphics, as well as the retailer information sheet.
5. FY'25 Ravens  
The Lottery reached an agreement with the *Baltimore Ravens* on the 2024 season advertising sponsorship.

**ii. Upcoming tasks for this period:**

1. *FAST PLAY Home Run Riches*:
  - a. The Lottery and GKV to produce a *Home Run Riches* branding spot, 7<sup>th</sup> *Inning Stretch*, that will start running mid-season.
2. *Team USA*:
  - a. 9Rooftops to place all media buys for the 6/10 start.
  - b. GKV to produce both radio spots.
3. *FY'25 Ravens*:
  - a. The Lottery to finalize the contract with the *Baltimore Ravens* for the 2024 season advertising sponsorship.

- b. Lottery to begin planning with GKV and 9Rooftops for the Ravens scratch-off launch.
    - 4. *FY'25 Planning:*
      - a. The Lottery to work with GKV and 9 Rooftops to begin mapping out plans for FY'25, focusing on initiatives in the July – December timeframe.
      - b. The Lottery to work with 9Rooftops to secure annual contracts for its ongoing out-of-home commitments.
      - c. The Lottery to begin meeting with the *Washington Commanders* and the *University of Maryland* to discuss sponsorship plans for FY'25.
- b) **Web, Digital and Social**
  - i. **Key accomplishments last period**
    1. Promoted *CASH POP*, *THE BIG SPIN Scratch-Off*, the *Gold Rush 7s Family of Games*, the *SKEE-BALL Scratch-Off*, the *Home Run Riches Bases Loaded Contestant of the Game* promotion, *Racetrax \$6 for \$5 promotion*, and various winners and events through social media and the website.
    2. Broadcasted a video of the first *BIG SPIN* winner on Facebook as a "live" video.
    3. Continued to monitor performance of the new Maryland Lottery app.
  - ii. **Upcoming tasks for this period:**
    1. Execute social media and digital plans for the *NASCAR Powerball* and *Team USA* promotions.
    2. Monitor feedback on the new mobile app and respond to any player concerns that may arise.
- c) **My Lottery Rewards**
  - i. **Key accomplishments last period:**
    1. MLR had 48,043 average daily users in April '24; a 4.2% increase from the previous month and a 12.8% increase year-over-year.
    2. New registrations for April equaled 3,458; a 34.8% increase from the previous month, and a 28.5% increase from April 2023. Total registered users have reached 433,265.
    3. The most entered scratch ticket in April was *Money, Money, Money* (\$5), followed by *PAC-MAN* (\$2), and then *20X The Cash* (\$5).
    4. The most entered draw game continues to be *Pick 4*, with over 1.2M tickets entered in April. *Pick 3* followed with 792K entries, and then *Fast Play* with 701K entries.
    5. There were 13,577 new MLR app users in April.
    6. The overall coupon redemption rate for the program is 64%.
    7. The beginning of April saw the *MLR Prize Store* platform change from Reward the World to Gift & Go, accompanied by a design update to the PFD and Prize Store pages on the MLR website.
  - ii. **Upcoming tasks for this period:**
    1. Preparing an MLR one-panel brochure to be added to retail play centers. This "take-one" will provide useful and enticing information about the program and offer a simple step-by-step guide on how to register for the program.
    2. Preparing an MLR Retailer Information Sheet that will be distributed to District Managers. This piece will provide information about the MLR program and offer a step-by-step guide to player registration.
    3. Preparing State Fair PFD for launch in August.
    4. Beginning preparation for the 2024 Ravens Second-Chance Promotion.

