



January 24, 2020  
COMMISSION  
REPORT

## Table of Contents

<b>Notice of Public Meeting And Executive Session .....</b>	<b>3</b>
<b>Commission Minutes of December 20, 2019, Meeting.....</b>	<b>5</b>
<b>Agency Reports .....</b>	<b>9</b>
Retailer Of The Quarter Presentation.....	9
Director’s Presentation .....	9
Financial Report Presentation .....	9
Vending And Out Of Stocks Presentation.....	9
2 <sup>nd</sup> Quarter Product & Sales Review - No Presentation.....	9
New Games Introduction – No Presentation.....	9
<b>New Business Item #1 .....</b>	<b>12</b>
Instant Scratch Game Profiles .....	12

## **NOTICE OF PUBLIC MEETING AND EXECUTIVE SESSION OF THE ARIZONA STATE LOTTERY COMMISSION**

Pursuant to Arizona Revised Statute (A.R.S.) § 38-431.02, notice is hereby given to the members of the Arizona State Lottery Commission and to the general public that the Arizona State Lottery Commission will hold a meeting open to the public on **January 24, 2020, at 10:00 a.m.**, in the **Arizona Lottery Board Room**, located at **4740 East University Drive, Phoenix, Arizona**.

Pursuant to A.R.S. § 38-431.02(B), further notice is hereby given to the Arizona State Lottery Commission and members of the public that the Arizona State Lottery Commission may vote to go into Executive Session, which will not be open to the public, for the purpose of obtaining legal advice pursuant to A.R.S. § 38-431.03(A)(3) regarding any of the agenda items, as well as for the purposes listed on the agenda under Executive Session. The Commission may also vote on any item listed on the agenda. One or more members of the Commission may participate by means of telephonic communication.

### **Call to Order**

1. Call for Quorum
2. Call for Notice
3. Approval of Minutes for December 20, 2019, Public Meeting

### **Agency Reports**

1. Retailer of the Quarter Presentation
2. Director's Presentation
3. Financial Report Presentation
4. Vending and Out of Stocks Presentation
5. 2<sup>nd</sup> Quarter Product & Sales Review – No Presentation
6. New Games Introduction – No Presentation

### **New Business**

1. Discussion and action on new instant scratch game profiles: *\$100,000 Instant Jackpot #1265, Route 66 Road to \$1,000,000 #1266, Joker's Wild Crossword #1267, and \$50 or \$100 #1270.*

### **Call to the Public**

Consideration and discussion of comments from the public. Those members of the public wishing to address the Commission need not request permission in advance and will be given approximately five minutes for their comments and requests. Action taken as a result of public comment will be limited to directing staff to study the matter or rescheduling the matter for further consideration at a later date to comply with A.R.S. § 38-431.02.

### **Announcements**

1. The next Commission meeting will be held February 21, 2020, at 10:00 a.m.

### **Adjournment**

### **Materials**

A copy of the agenda and background material provided to Commission members, which is not exempt by law from public inspection, is available for public inspection at least 24 hours in advance of the meeting at the Lottery Office located at 4740 East University Drive, Phoenix, Arizona.

### **Notice**

Any amendments or additions to the agenda will be made available at least 24 hours prior to the meeting.

Dated this 16<sup>th</sup> day of January, 2020

---

Gregory R. Edgar  
Executive Director

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by calling (480) 921-4486. Requests should be made as early as possible to allow time to arrange the accommodation

## **PUBLIC MEETING OF THE ARIZONA LOTTERY**

Commission Minutes of December 20, 2019, meeting

**PRESIDING** Chair Jeff Weintraub (in person)

**COMMISSIONERS** Chad Wilson (in person), Debra Roth (in person), Julie Katsel (in person), and Trent Crump (in person)

**LOTTERY** Gregg Edgar, Executive Director; Chris Rogers, Deputy Director of Products & Marketing; Sherri Zendri, Deputy Director of Legal Services; Raynie Hosto, Deputy Director of Sales and Customer Service; and Russ Harben, Deputy Director of Operations

Kimberly Siddall, Luanne Mansanares, Ivy Gilio, Shelby Alessi, Karla Henriksen, Mary Cimaglio, John Gilliland, and Susan Kalember

**GUESTS** Attorney General Representative: Pamela (Linnins) Peiser  
Scientific Games Representatives: Topper Wilson, Julio Dieppa and Rachelle Shackelford  
IGT Representative: Ernie Perez  
Owens Harkey Representative: Noelle Hobaica

**PUBLIC** None

### **Call to Order**

1. Call for Quorum: Pursuant to the Public Notice dated December 12, 2019, the Public Meeting of the Arizona State Lottery Commission was called to order at 10:02 a.m. by Chair Jeff Weintraub.

A quorum was present, with Chair Weintraub, Vice-Chair Wilson, Commissioners Roth, Katsel and Crump appearing in person.

2. Notice: Notice was posted by Luanne Mansanares on December 16, 2019, at 11:00 a.m., at the Arizona State Lottery, located at 4740 E. University Dr., Phoenix, Arizona.
3. Approval of minutes: Chair Weintraub entertained a motion to approve the minutes of the November 22, 2019, Public Meeting. Commissioner Roth moved; Vice-Chair Wilson seconded. The vote was unanimous with all members voting aye and the motion was carried.

### **Agency Reports**

1. **Director's Presentation:** Director Edgar presented a video of the beneficiary of the month, Grand Canyon Conservancy. The Director's report is attached for the official minutes

2. **Financial Report:** Mr. Russ Harben presented financial information involving total sales from instant, Fast Play, and draw games for the past 12 months. Mr. Harben also provided information regarding the unclaimed prize fund. Director Edgar informed the Commission how the unclaimed prize funds are allocated, with the biggest portion going to the Court Appointed Special Advocates (CASA), one beneficiary of the Arizona Lottery. The presentation is attached for the official minutes.

Commissioner Katsel inquired if there was any media regarding the unclaimed ticket, as she was not aware of any media focusing on the unclaimed ticket in Tucson.

Ms. Raynie Hosto informed the Commission that yes, news stations in Tucson did broadcast information regarding the unclaimed ticket.

Director Edgar also informed the Commission that the media was throughout the state in addition to internationally. The presentation is attached for the official minutes.

3. **Quickcard Presentation:** Director Edgar presented information involving the new Powerball<sup>®</sup> and Mega Millions<sup>®</sup> Quickcards.

Commission Roth inquired if Kroger would be selling the Quickcards.

Director Edgar informed the Commission, after the initial start of the Quickcards, the Lottery will potentially sell the Quickcards in Kroger and eventually all other grocery stores.

Commissioner Katsel inquired of the potential opportunity to obtain fuel points for purchasing Quickcards.

Director Edgar informed the Commission that the Arizona Lottery is working with Kroger for potential opportunities. The presentation is attached for the official minutes.

4. **Marketing Presentation:** Ms. Karla Henriksen presented information on Fast Play, Triple Twist and Players Club. Ms. Shelby Alessi presented information on Players Club and the remaining fiscal year marketing campaigns. Ms. Alessi's presentation included information on Circle K retail programs at points of sale.

Chair Weintraub inquired if the Arizona Lottery pays for the Circle K promotional products.

Ms. Alessi informed the Commission that yes Arizona Lottery currently pays for the products however, Arizona Lottery is working with Circle K regarding a discounted price point.

Vice Chair Wilson inquired if the Arizona Lottery still has a mobile sales unit.

Director Edgar informed the Commission the Arizona Lottery has a very active promotions van team that travels throughout the state. The presentation is attached for the official minutes.

5. **Fast Play Game Development Policy Presentation:** Ms. Sherri Zendri presented information involving the proposed Fast Play Game Development Policy.

Chair Weintraub inquired what changes are from game to game.

Ms. Karla Henriksen informed the Commission the playstyle, price points and artwork.

Commissioner Katsel inquired about the verbiage “Culturally Sensitive” that was written on the policy.

Director Edgar informed the Commission that the Arizona Lottery is cognizant of the type of ticket that is sold, ensuring that the tickets are not offensive while still appealing to the age restricted audience of 21 and older. The presentation is attached for the official minutes.

6. **New Game Introduction:** No presentation.

### **New Business**

1. Chair Weintraub asked if any members of the public wanted to address the Commission regarding new instant scratch game profile: *Wild \$10 #1262*. There were no responses from the public.

In accordance with A.R.S. §5-554(C), Chair Weintraub entertained a motion to approve the order and authorize the Director to issue the order regarding new instant scratch game profile #1262. Commissioner Katsel moved; Commissioner Roth seconded. The vote was unanimous with all members voting aye and the motion was carried.

2. Chair Weintraub asked if any members of the public wanted to address the Commission regarding new Fast Play game profile: *Extreme Green #119*. There were no responses from the public.

In accordance with A.R.S. §5-554(C), Chair Weintraub entertained a motion to approve the order and authorize the Director to issue the order regarding Fast Play game profile #119. Commissioner Roth moved; Vice Chair Wilson seconded. The vote was unanimous with all members voting aye and the motion was carried.

3. Chair Weintraub asked if any members of the public wanted to address the Commission regarding amended draw game profiles: *Powerball Amendment #5 and Mega Millions Amendment #3*. There were no responses from the public.

In accordance with A.R.S. §5-554(C), Chair Weintraub entertained a motion to approve the order and authorize the Director to issue the orders regarding amended draw game

profiles: *Powerball Amendment #5 and Mega Millions Amendment #3*. Commissioner Roth moved; Commissioner Katsel seconded. The vote was unanimous with all members voting aye and the motion was carried.

4. Chair Weintraub asked if any members of the public wanted to address the Commission regarding: *Fast Play Game Development Policy*. There were no responses from the public.

In accordance with A.R.S. §5-554(D), Chair Weintraub entertained a motion to approve the order and authorize the Director to issue the order regarding *Fast Play Game Development Policy*. Vice Chair Wilson moved; Commissioner Katsel seconded. The vote was unanimous with all members voting aye and the motion was carried.

### **Call to the Public**

Chair Weintraub invited members of the public to speak before the Commission. There were no responses from the public.

### **Announcements –**

1. The next Commission meeting will be held January 24, 2020, at 10:00 a.m.

### **Adjournment**

Chair Weintraub adjourned the meeting.

Ms. Luanne Mansanares, informed the Commission a vote must take place for adjournment.

Chair Weintraub entertained a motion to adjourn. Commissioner Katsel moved; Commissioner Crump seconded. The vote was unanimous with all members voting aye and the motion was carried.

### **Materials**

A copy of the agenda and background material provided to Commission members, which is not exempt by law from public inspection, is available for public inspection at least 24 hours in advance of the meeting at the Lottery Office located at 4740 East University Drive, Phoenix, Arizona.

### **Notice**

Any amendments or additions to the agenda will be made available at least 24 hours prior to the meeting.



**Agency Reports**  
Report to Arizona Lottery Commission  
January 24, 2020

---

**Retailer of the Quarter Presentation**

**Director's Presentation**

**Financial Report Presentation**

**Vending and Out of Stocks Presentation**

**2<sup>nd</sup> Quarter Product & Sales Review - No Presentation**

**New Games Introduction – No Presentation**

The following games were introduced since the last Commission meeting: *\$20 Million Blowout #1221, One Word Crossword #1249, 5X the Cash #1251, 10X the Cash #1252, 20X the Cash #1253, and 50X the Cash #1254.*

More information on these games is available by visiting the [Scratchers](#) section at ArizonaLottery.com

The following games were approved to end consistent with the Instant Scratch Game Ending Policy. Players have 180 days from the game-ending date to claim prizes.

<b>Date Ended</b>	<b>Price Point</b>	<b>Game No.</b>	<b>Game Name</b>	<b>Beginning Inventory</b>	<b>% Sold through 12/28/19</b>
1/17/20	\$10	1198	Towering 10s	1,692,780	94.4%
1/17/20	\$5	1209	Arizona 7	2,423,460	75.3%
1/17/20	\$1	1212	Hot Ticket	2,207,100	82.6%
1/17/20	\$10	1225	\$100,000 Degrees	1,487,160	88.0%
1/17/20	\$1	1237	Fa La La	3,226,200	44.4%
1/17/20	\$2	1238	Stocking Stuffer	2,128,200	46.2%
1/17/20	\$3	1239	Jolly Holiday Crossword	2,135,500	55.4%
1/17/20	\$5	1240	Holiday 7	1,987,380	50.5%
1/17/20	\$10	1241	25 Days of Winning	1,501,740	55.6%
1/17/20	\$20	1242	Merry Multiplier	993,150	63.2%

# **ATTACHMENT A**



---

## Dashboard Report January 2020

---

**SERVING ARIZONA  
FOR 38 YEARS**

-12.2%

vs. Proj (FYTD)

Total Sales (FYTD)  
\$488,973,950

-8.1%

vs. PYTD

-34.9%

vs. Proj (FYTD)

Draw Sales

\$114,571,867<sup>23.4%</sup>  
%Total Sales

-33.9%

vs. PYTD

-1.7%

vs. Proj (FYTD)

Instant Sales

\$374,402,083<sup>76.6%</sup>  
%Total Sales

4.4%

vs. PYTD

-46.9%

vs. Proj (FYTD)

Multi-State

\$64,329,759<sup>56.1%</sup>  
%Draw Sales

-50.0%

vs. PYTD

-1.5%

vs. Proj (FYTD)

Scratchers Sales

\$369,923,869<sup>98.8%</sup>  
%Instant Sales

4.4%

vs. PYTD

-12.9%

vs. Proj (FYTD)

In-State

\$39,208,221<sup>34.2%</sup>  
%Draw Sales

6.4%

vs. PYTD

-17.6%

vs. Proj (FYTD)

Charitable Pulltab Sales

\$3,126,054<sup>0.8%</sup>  
%Instant Sales

-11.8%

vs. PYTD

11.5%

vs. Proj (FYTD)

Fast Play

\$11,033,887<sup>9.6%</sup>  
%Draw Sales

39.2%

vs. PYTD

-10.4%

vs. Proj (FYTD)

Age Rest. Pulltab Sales

\$1,112,400<sup>0.3%</sup>  
%Instant Sales

18.7%

vs. PYTD

Draw Sales : From 7/1/2014 - To  
1/2/2020

Fast Play Sales : From 2/11/2018 -  
To 1/2/2020

Scratcher Sales : From 7/1/2014 - To  
1/2/2020

Pulltab Sales : From 7/1/2014 - To  
1/2/2020

—

vs. Proj (FYTD)

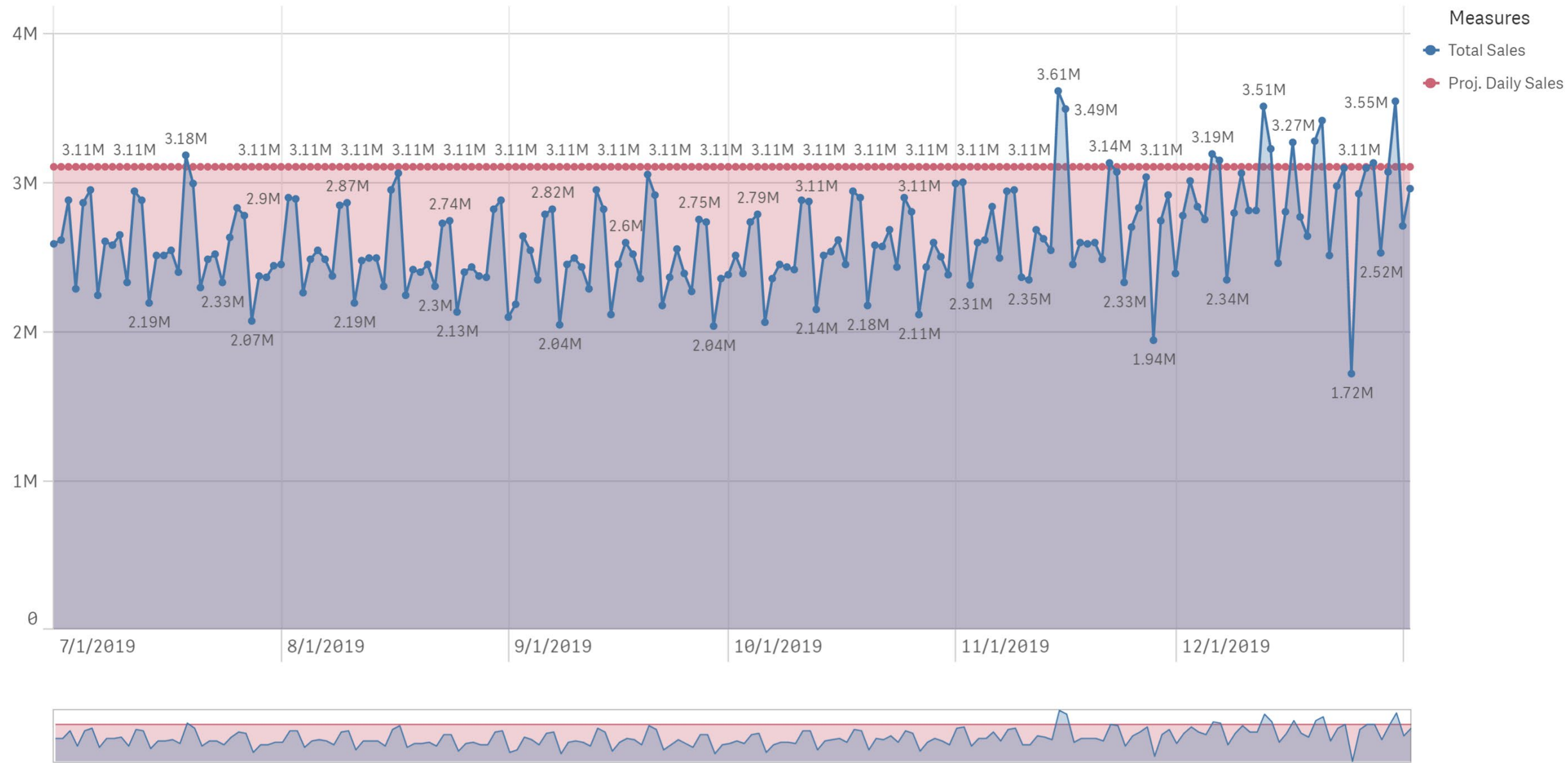
Other Pulltab Sales

\$238,680<sup>0.1%</sup>  
%Instant Sales

351.0%

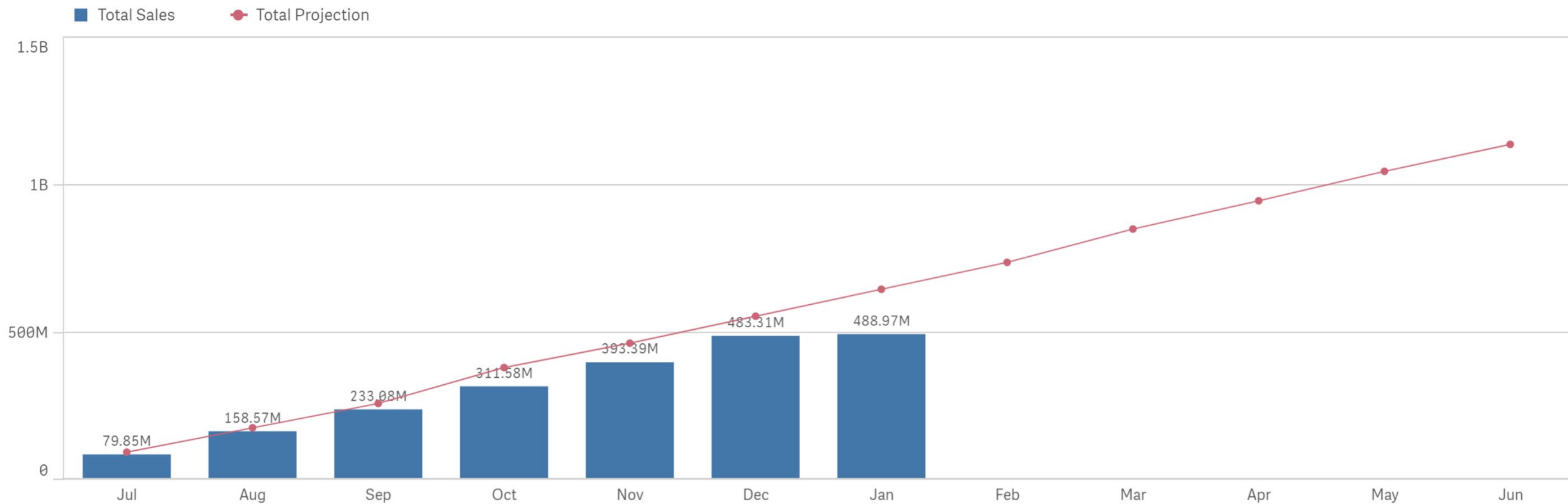
vs. PYTD

# Daily Sales vs Goal



# YTD Sales vs. Projection

FY 2020 Total Sales vs. Projection



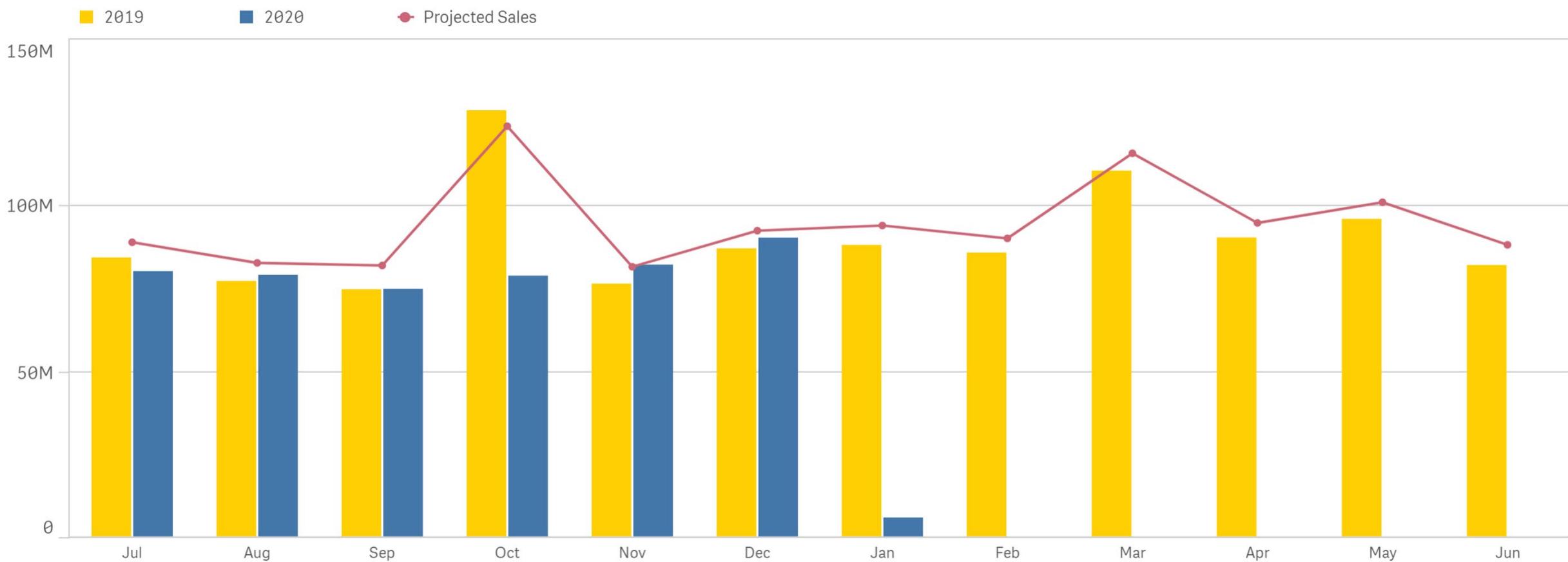


# Rolling 12 Month Total Sales

Rolling 12 Month Sales

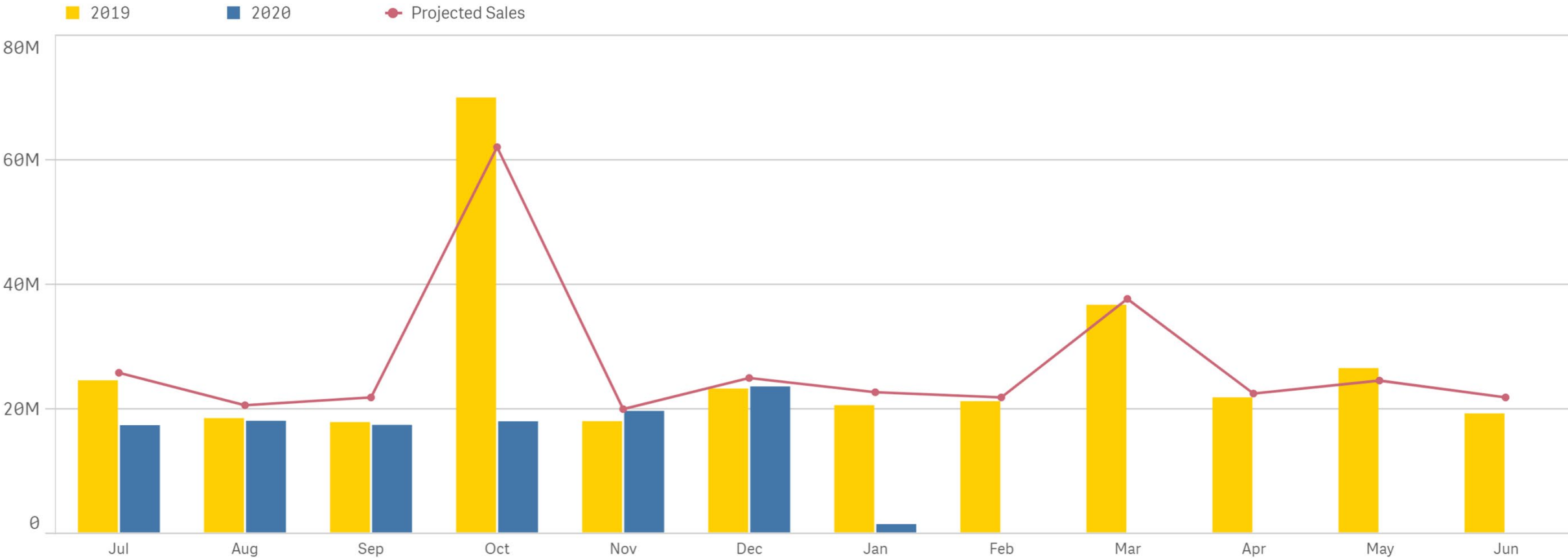


Total Sales FY 2019 vs. 2020 vs. Projection

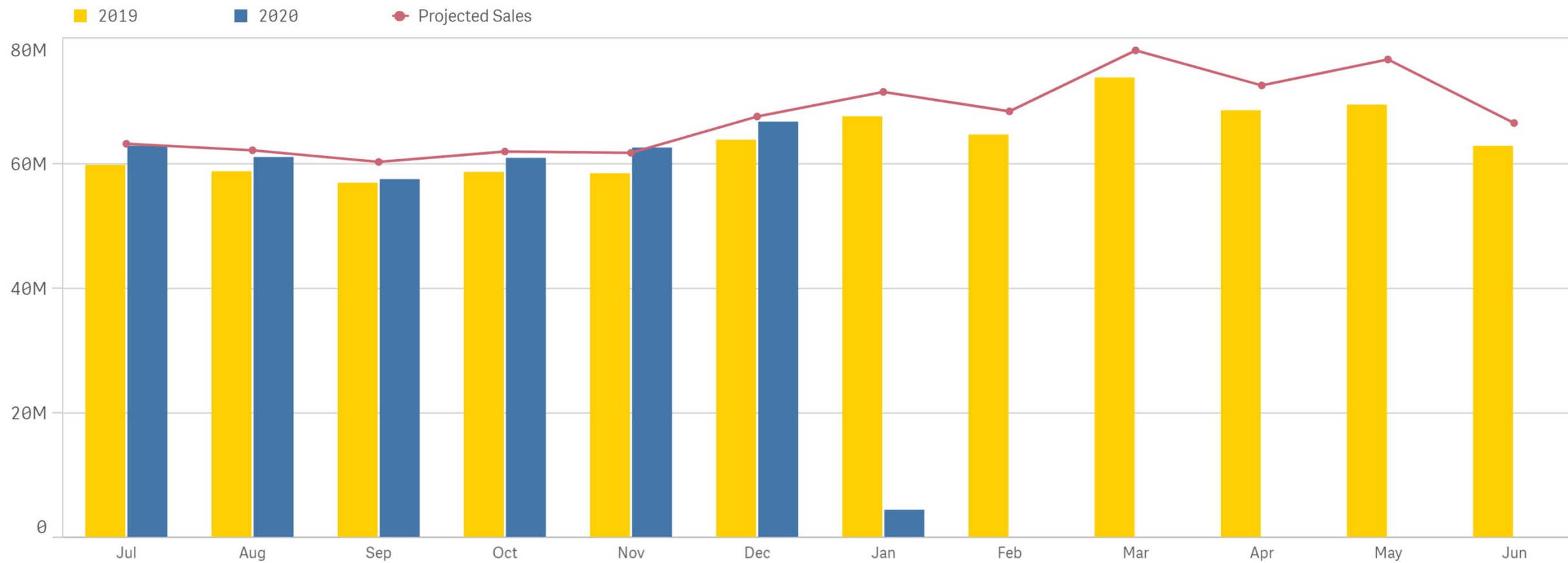




Draw Sales FY 2019 vs. 2020 vs. Projection

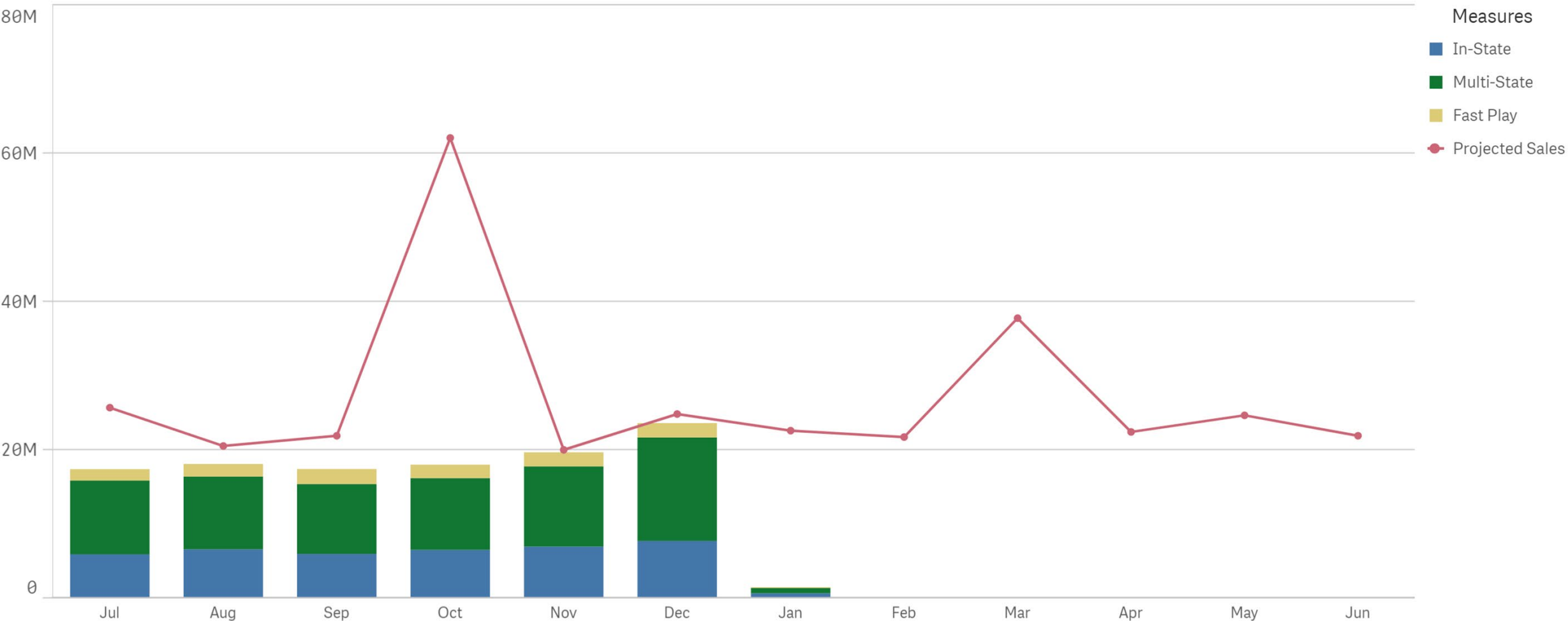


Instant Sales FY 2019 vs. 2020 vs. Projection



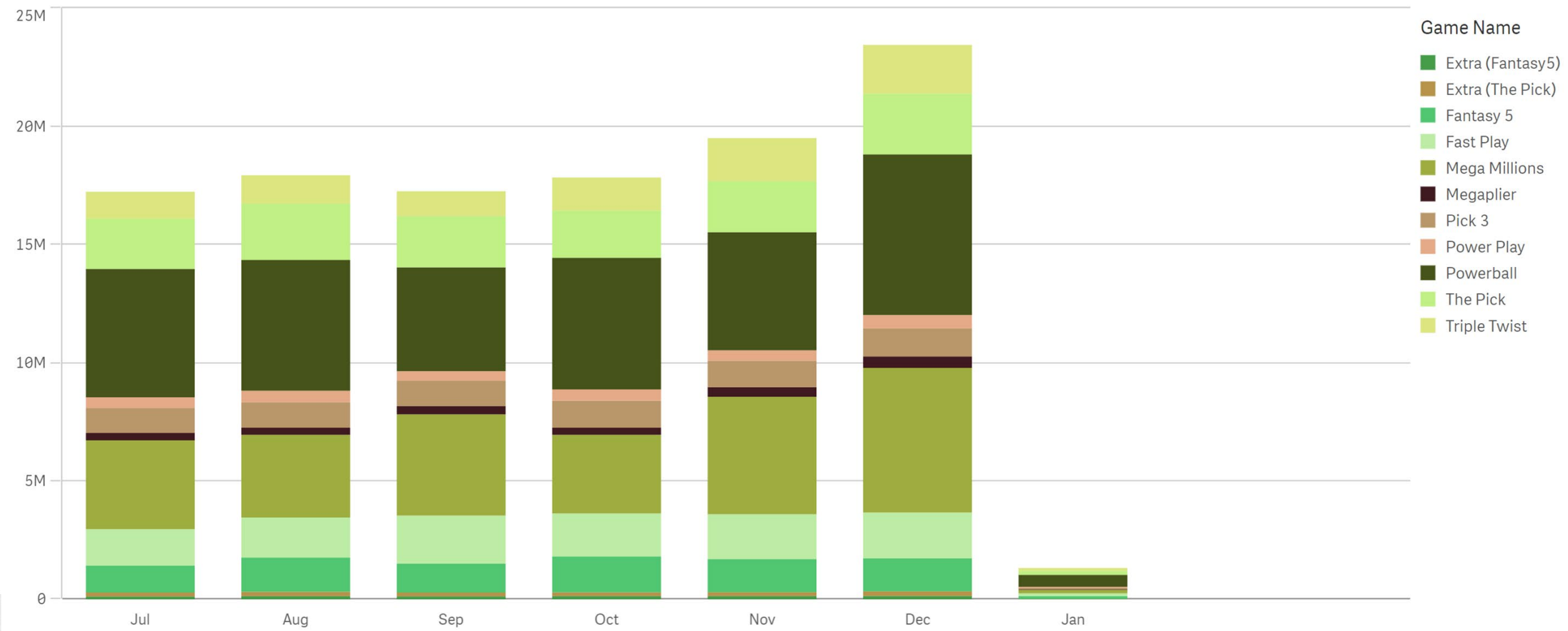
# Draw Sales by Month

FY 2020 Draw Sales by Multi-State & In-State



# Draw Sales by Game

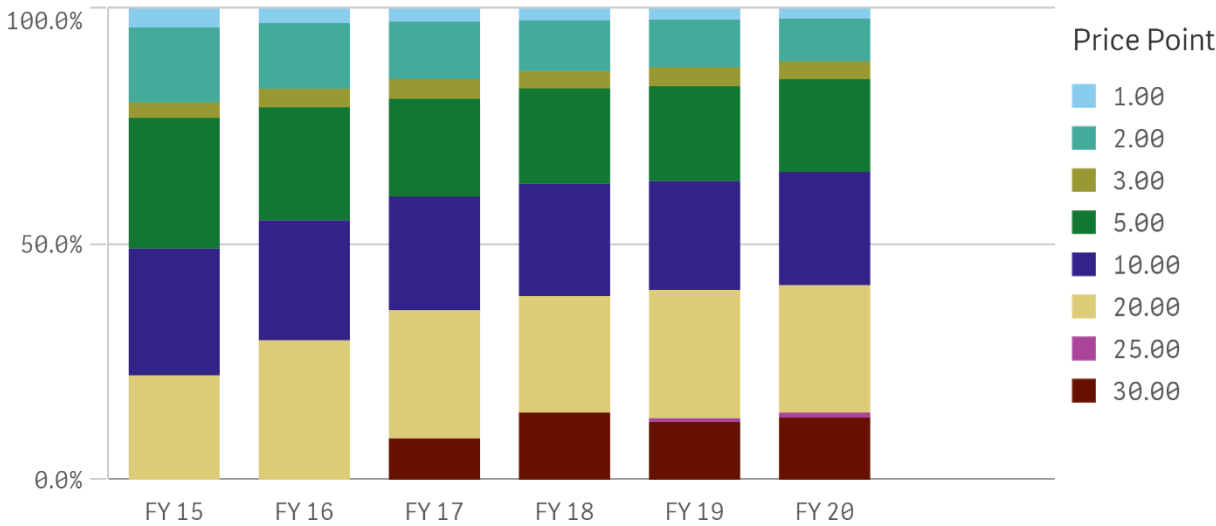
FY 2020 Draw Sales by Game



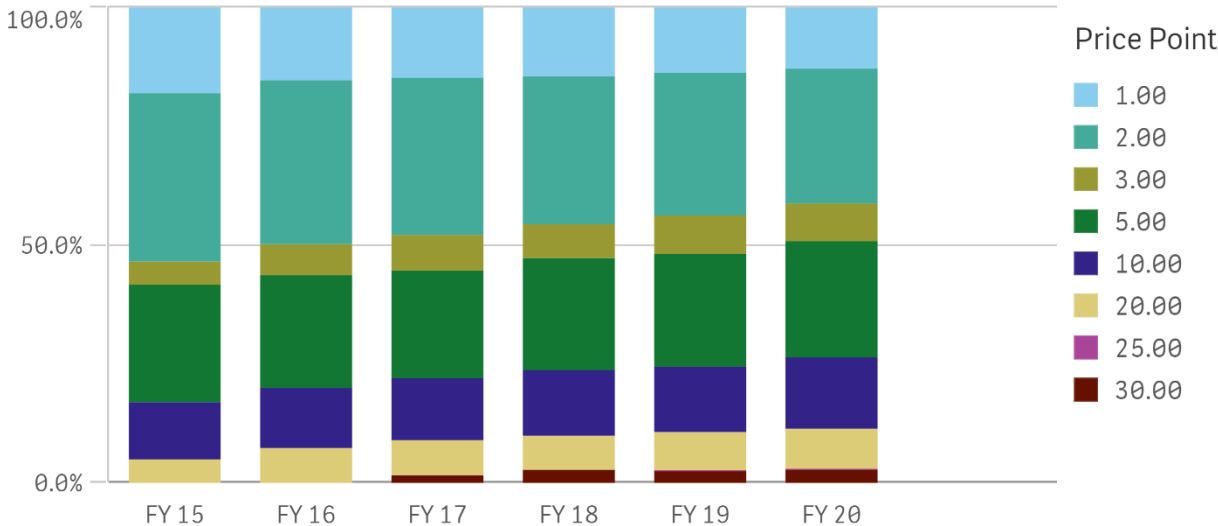
# Scratcher Sales by Price Point



Based on Dollars Sold



Based on Tickets Sold



Price Point	FY 16	FY 17	FY 18	FY 19	FY 20
1.00	\$18,183,806	\$17,230,930	\$17,675,313	\$17,327,856	\$7,649,060
2.00	\$82,257,128	\$77,080,640	\$76,286,420	\$76,045,580	\$33,639,506
3.00	\$23,323,455	\$26,348,367	\$26,204,778	\$30,416,967	\$14,115,453
5.00	\$141,578,675	\$131,823,090	\$144,423,905	\$150,294,810	\$72,866,620
10.00	\$150,398,690	\$152,231,750	\$168,662,410	\$173,763,390	\$88,752,500
20.00	\$174,963,960	\$172,393,320	\$176,364,760	\$204,007,420	\$100,023,080
25.00	\$0	\$0	\$0	\$6,504,400	\$4,116,700
30.00	\$0	\$55,673,280	\$101,269,350	\$91,917,900	\$48,760,950

Price Point	FY 16	FY 17	FY 18	FY 19	FY 20
1.00	18,183,806	17,230,930	17,675,313	17,327,856	7,649,060
2.00	41,128,564	38,540,320	38,143,210	38,022,790	16,819,753
3.00	7,774,485	8,782,789	8,734,926	10,138,989	4,705,151
5.00	28,315,735	26,364,618	28,884,781	30,058,962	14,573,324
10.00	15,039,869	15,223,175	16,866,241	17,376,339	8,875,250
20.00	8,748,198	8,619,666	8,818,238	10,200,371	5,001,154
25.00	0	0	0	260,176	164,668
30.00	0	1,855,776	3,375,645	3,063,930	1,625,365

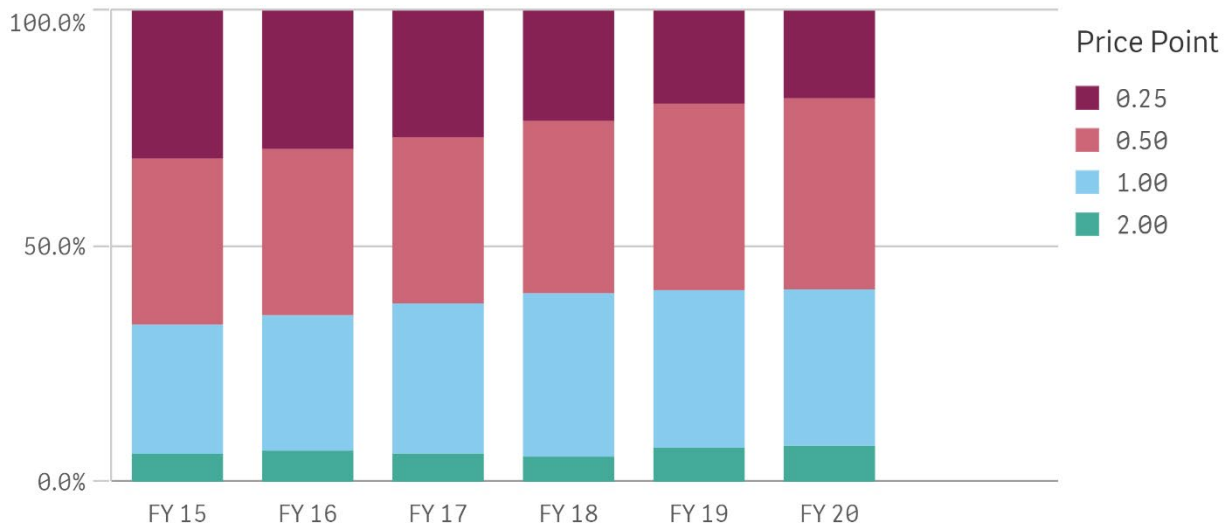
# Pull Tab Sales by Price Point



Based on Dollars Sold



Based on Tickets Sold

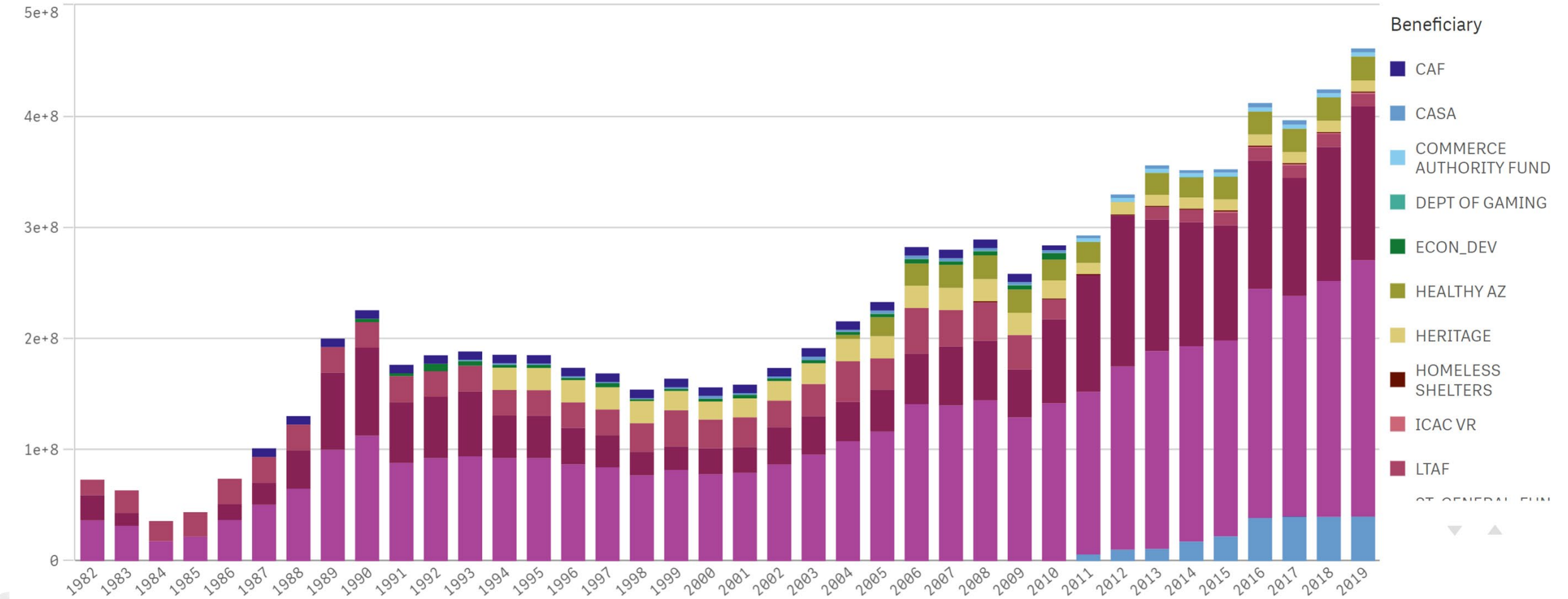


Price Point	FY 16	FY 17	FY 18	FY 19	FY 20
0.25	\$664,482	\$762,762	\$732,186	\$673,764	\$283,374
0.50	\$1,597,560	\$2,004,420	\$2,291,940	\$2,699,880	\$1,235,340
1.00	\$2,603,580	\$3,621,360	\$4,350,480	\$4,556,220	\$2,021,460
2.00	\$1,203,360	\$1,363,440	\$1,338,600	\$1,983,840	\$938,040

Price Point	FY 16	FY 17	FY 18	FY 19	FY 20
0.25	2,657,928	3,051,048	2,928,744	2,695,056	1,133,496
0.50	3,195,120	4,008,840	4,583,880	5,399,760	2,470,680
1.00	2,603,580	3,621,360	4,350,480	4,556,220	2,021,460
2.00	601,680	681,720	669,300	991,920	469,020



Arizona Lottery™

[illegible]

# Draw Game Monthly Sales



Month	POWERBALL	MEGA MILLIONS	TOTAL MULTI-STATE DRAW GAMES	THE PICK	FANTASY 5	PICK 3	ALL OR NOTHING	5 CARD CASH	TRIPLE TWIST	TOTAL IN-STATE DRAW GAMES	TOTAL DRAW GAMES
Jul	\$5,880,490	\$4,071,414	\$9,951,904	\$2,297,107	\$1,268,159	\$1,059,345	\$0	\$0	\$1,125,716	\$5,750,327	\$17,236,890
Aug	\$6,018,001	\$3,793,607	\$9,811,608	\$2,569,584	\$1,589,385	\$1,080,828	\$0	\$0	\$1,193,350	\$6,433,147	\$17,938,895
Sep	\$4,790,702	\$4,631,885	\$9,422,587	\$2,330,908	\$1,348,422	\$1,076,695	\$0	\$0	\$1,050,346	\$5,806,371	\$17,261,903
Oct	\$6,046,699	\$3,623,612	\$9,670,311	\$2,159,099	\$1,653,066	\$1,145,235	\$0	\$0	\$1,399,574	\$6,356,974	\$17,847,425
Nov	\$5,436,359	\$5,371,878	\$10,808,237	\$2,333,182	\$1,530,384	\$1,117,450	\$0	\$0	\$1,818,390	\$6,799,406	\$19,508,789
Dec	\$7,354,457	\$6,598,378	\$13,952,835	\$2,763,999	\$1,542,283	\$1,195,803	\$0	\$0	\$2,058,220	\$7,560,305	\$23,450,967
Jan	\$546,966	\$165,311	\$712,277	\$181,871	\$126,539	\$72,799	\$0	\$0	\$120,482	\$501,691	\$1,326,998





# Instant Game Monthly Sales

Month	SCRATCHERS	CHARITABLE PULL-TABS	AGE- RESTRICTED PULL-TABS	TOTAL INSTANT SALES CURRENT FY	TOTAL INSTANT SALES PREVIOUS FY	% of Change
Jul	\$61,828,525	\$548,022	\$195,480	\$62,608,747	\$59,536,899	5.2%
Aug	\$60,112,466	\$457,806	\$176,040	\$60,789,512	\$58,513,385	3.9%
Sep	\$56,616,634	\$415,722	\$192,240	\$57,244,036	\$56,685,728	1.0%
Oct	\$59,720,917	\$673,416	\$173,880	\$60,650,293	\$58,403,424	3.8%
Nov	\$61,681,325	\$436,362	\$157,680	\$62,303,447	\$58,202,770	7.0%
Dec	\$65,688,113	\$535,482	\$213,840	\$66,464,435	\$63,575,488	4.5%
Jan	\$4,275,889	\$59,244	\$3,240	\$4,341,613	\$67,318,971	-93.6%
Feb	\$0	\$0	\$0	\$0	\$64,393,312	-100.0%
Mar	\$0	\$0	\$0	\$0	\$73,524,672	-100.0%
Apr	\$0	\$0	\$0	\$0	\$68,280,835	-100.0%
May	\$0	\$0	\$0	\$0	\$69,167,313	-100.0%
Jun	\$0	\$0	\$0	\$0	\$62,589,230	-100.0%

# FY20 Year-To-Date Financial Status

## Overall

Percent of Year Elapsed

50.96%

Percent Used

50.07%

## Percent Spent by Appropriation

1. Operating:

59.51%

2. Advertising:

30.53%

3. Instant Printing:

91.19%

4. Sales Commissions:

32.38%

5. On-line Vendor Fees

82.25%

## Cash Balance by Fund

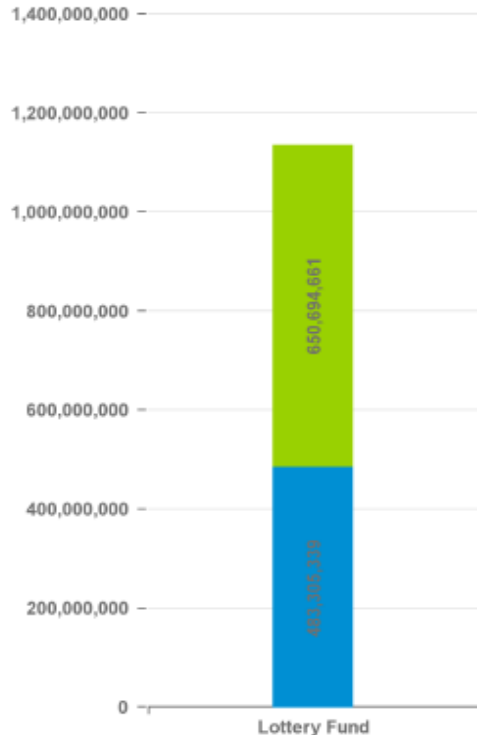
45,658,724

52,108,244

1.Lot Fd 2.Prize Fd 4.DT

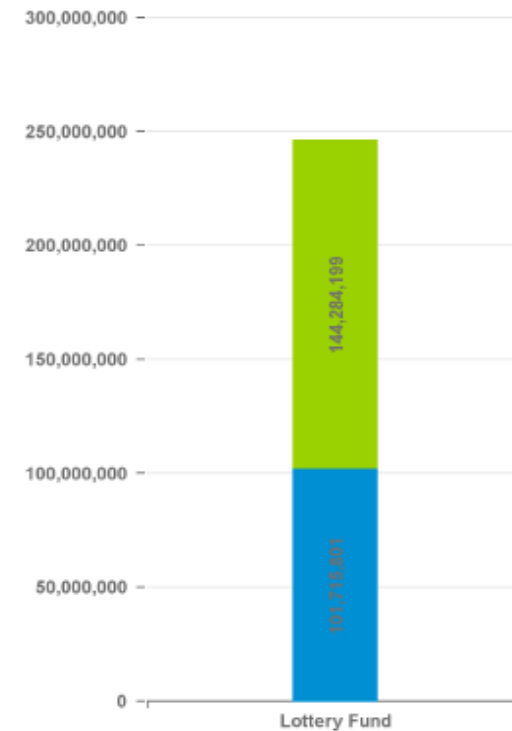
## Budget by Appropriation Type and Object Class

### Sales Goal: \$1,134 Million



Appropriation	Object Class	Budget	Expenditures	Encumbered	Remaining	% Used
1. Operating:	6000 - Personal Services	4,571,000	2,188,329	-	2,382,671	47.87%
	6100 - Employee Related Expenditures	1,993,000	901,787	-	1,091,213	45.25%
	6200 - Professional And Outside Services	386,800	316,365	498,666	-428,230	210.71%
	6500 - Travel - In-State	271,600	65,166	145,689	60,745	77.63%
	6600 - Travel - Out-Of-State	16,800	11,287	-	5,513	67.19%
	7000 - Other Operating Expenditures	1,658,200	486,807	673,951	497,442	70.00%
	8100 - Capital Outlay	-	-	-	-	100.00%
	8400 - Capital Equipment	-	-	14,108	-14,108	100.00%
	8500 - Non-Capital Equipment	75,000	30,558	48,190	-3,748	105.00%
	9100 - Transfers Out	230,000	95,661	-	134,339	41.59%
	- NOT ENTERED	-	-	-	-	100.00%
Total:		9,202,400	4,095,959	1,380,604	3,725,837	59.51%
2. Advertising:	7000 - Other Operating Expenditures	15,500,000	4,585,359	147,498	10,767,143	30.53%
	- NOT ENTERED	-	-	-	-	100.00%
	Total:	15,500,000	4,585,359	147,498	10,767,143	30.53%
3. Instant Printing:	7000 - Other Operating Expenditures	24,060,100	5,278,586	9,048,986	9,732,528	59.55%
	8400 - Capital Equipment	7,000,000	6,995,000	7,000,000	-6,995,000	199.93%
	- NOT ENTERED	-	-	-	-	100.00%
	Total:	31,060,100	12,273,586	16,048,986	2,737,528	91.19%
4. Sales Commissions:	7000 - Other Operating Expenditures	80,015,200	25,912,070	-	54,103,130	32.38%
	- NOT ENTERED	-	-	-	-	100.00%
	Total:	80,015,200	25,912,070	-	54,103,130	32.38%
5. On-line Vendor Fees:	6200 - Professional And Outside Services	11,009,400	2,843,629	6,211,371	1,954,400	82.25%
	- NOT ENTERED	-	-	-	-	100.00%
	Total:	11,009,400	2,843,629	6,211,371	1,954,400	82.25%
Total:		146,787,100	49,710,603	23,788,459	73,288,038	

### Beneficiary Transfer Goal: \$246 Million



YTD Revenue Rem. Revenue Budget

Transfers Rem. Transfers

# **ATTACHMENT B**

## **FY20 2nd Quarter Product and Sales Report**

The first section of this report focuses on individual product performance and is provided by the Products team. In the second section, Raynie Hosto, Deputy Director of Customer Service & Sales, has provided information on retailer sales and rankings in several different categories. Staff is available to answer any questions the Commission may have.

**Arizona Lottery**  
**FY2020 – Product Review**  
**Mid-Year Review – July 2019 through December 2019**

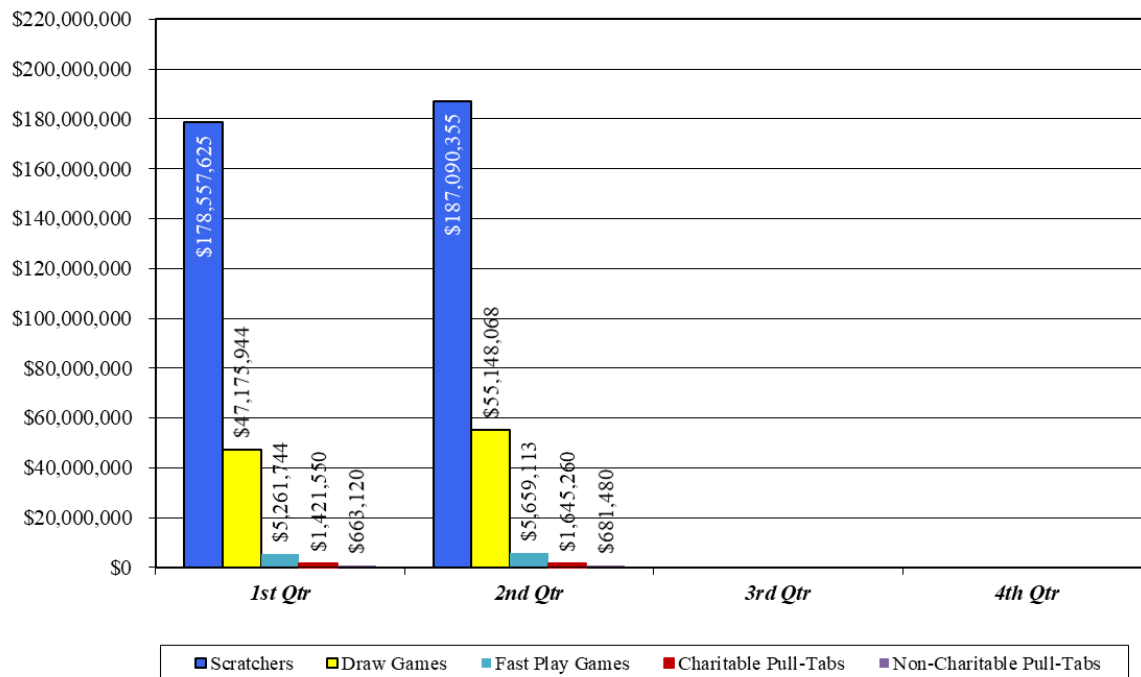
As part of a quarterly review process, we report to the agency on the performance of the individual Lottery products including draw, instant and Fast Play games. The information contained in this report includes the following:

- General overview midway through the fiscal year
- A top-line review of sales performance of each product
- A summary review by price point for the instant games
- A top down look at the top performing instant games by revenue and tickets
- A review of new game introductions and game endings

**General Overview**

Sales midway through FY20 reached \$483,304,259, a decrease of 8.2% from the same period last fiscal year. The breakdown by product is as follows:

	<u>1<sup>st</sup> Quarter</u>	<u>2<sup>nd</sup> Quarter</u>	<u>Total</u>	<u>Mkt Share</u>
<b>Scratchers<sup>®1</sup></b>	\$178,557,625	\$187,090,355	\$365,647,980	75.66%
<b>Draw Games</b>	\$47,175,944	\$55,148,068	\$102,324,012	21.17%
<b>Fast Play Games</b>	\$5,261,744	\$5,659,113	\$10,920,857	2.26%
<b>Charitable Pull-Tabs</b>	\$1,421,550	\$1,645,260	\$3,066,810	0.63%
<b>Non-Charitable Pull-Tabs</b>	\$663,120	\$681,480	\$1,344,600	0.28%
<b>Total</b>	<b>\$233,079,983</b>	<b>\$250,224,276</b>	<b>\$483,304,259</b>	



As indicated in the chart above, the Scratchers contribution to total sales in the first half of the year represented 75.66%. The market share for draw games is 21.17% of total sales, a decrease over the same quarter last fiscal year. Fast Play games represent 2.26% of total sales and pull-tabs represent 0.91% of total sales. Sales detail by product is provided in Attachments A and B.

<sup>1</sup> Scratchers<sup>®</sup> is a registered service mark of the California Lottery.

**Charitable Pull-Tabs**

The charitable games program has 149 organizations currently licensed and selling tickets. Sales through the second quarter of the fiscal year reached \$3,066,810, a decrease of 12% from the previous year.

**Non-Charitable Pull-Tabs**

In the non-charitable games program, there are currently 105 retailers licensed and selling tickets, an increase of 28 retailers over this time last year. Sales through the second quarter of the fiscal year reached \$1,344,600, an increase of 38.2% over the previous year.

**Scratchers Games**

Sales for Scratchers through the second quarter of the fiscal year totaled \$365,647,980, an increase of 4.3% over the previous year.

Based on validations, players have earned more than \$260 million in prizes. The prizes paid calculated against the sales revenues equate to an average payout of 71.3%.

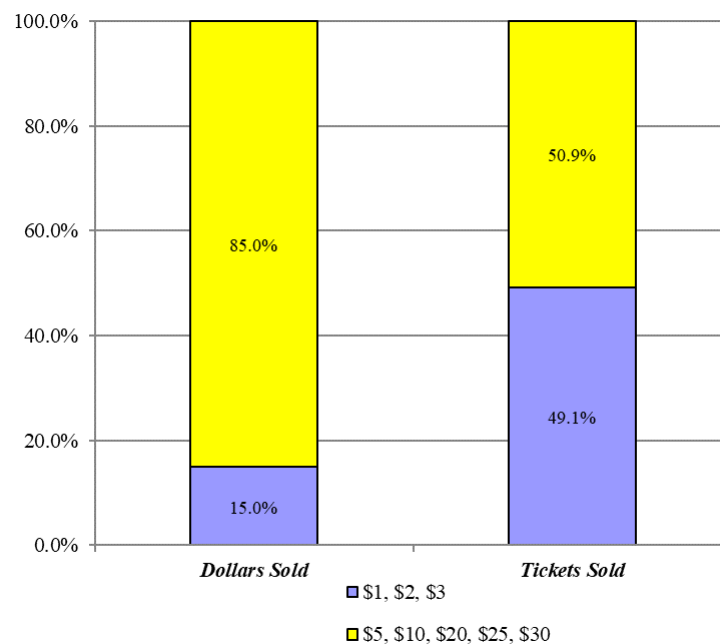
A total of 28 new games were introduced through the second quarter. Combined with the games carried forward, a total of 78 games contributed to the sales revenues.

Price Point	\$1	\$2	\$3	\$5	\$10	\$20	\$25	\$30	Total
# New Games	4	5	3	7	6	3	0	0	28
Carried Forward	9	15	5	16	16	7	1	2	71

During this same period 18 games were ended. Nine games were ended because the last top prize had been redeemed. The remaining games were ended as part of the standard quarterly game ending process, either because the games were out of inventory or the intended sales period had ended.

**Sales by price point**

Through the second quarter of the fiscal year, the \$1, \$2 and \$3 price points no longer represent the largest volume of tickets sold. These price points accounted for 49.1% of the tickets sold, and represent 15.0% of the Scratchers revenue. The \$5, \$10, \$20, \$25, and \$30 games accounted for 50.9% of the tickets sold and 85.0% of the Scratchers revenue. The chart below shows the breakdown of tickets and dollars for FY20. The charts on Attachment C show a comparable breakdown across all price points for the most recent five years.



Top 10 games

The Crossword and Bingo style games continue to be strong with more than \$100 million in sales, representing 27.49% of total Scratchers sales. In terms of dollars sold, three of the top ten games are Crossword or Bingo style games; they also represent seven of the top ten games in terms of tickets sold. The \$20 spotlight game, *\$215 Million Cash Explosion* (#1190) continues to perform well with sales totaling more than \$57.3 million, representing 15.7% of total Scratchers sales.

The table below identifies the top 10 games in terms of sales revenue generated and total tickets sold through the first quarter.

Top 10 games in sales revenue			Top 10 games in tickets sold		
	<u>Game</u>	<u>Sales Revenue</u>		<u>Game</u>	<u>Tickets Sold</u>
\$20	1190 \$215 Million Cash Explosion	\$57,320,060	\$2	1193 Bonus Ball Bingo	3,386,363
\$30	1217 Arizona Millionaire's Club	\$34,630,440	\$20	1190 \$215 Million Cash Explosion	2,866,003
\$10	1216 Sizzling Crossword	\$20,623,420	\$2	1171 Crossword	2,753,099
\$30	1134 Royal Millions	\$13,620,630	\$2	1231 Crossword	2,745,604
\$20	1242 Merry Multiplier	\$11,829,840	\$2	1219 Red Hot 7s	2,357,293
\$10	1210 \$100K Payday	\$11,607,860	\$10	1216 Sizzling Crossword	2,062,342
\$10	1208 Win it All	\$11,288,270	\$5	1215 Big Money Bingo	2,030,588
\$10	1225 \$100,000 Degrees	\$10,838,220	\$5	1195 Late Night Crossword	1,850,708
\$20	1191 \$250,000 Crossword	\$10,330,200	\$5	1222 Lady Luck	1,749,001
\$5	1215 Big Money Bingo	\$10,152,940	\$5	1226 Mystery Crossword	1,746,036

Draw Games

Total draw games sales through the second quarter reached \$102,324,012, a decrease of 37.4% from the same period last year.

Draw Games – Multi-State Games

**Powerball** – Sales through the second quarter of the year totaled \$35,526,708, a decrease of 36.2% from the previous year. The highest jackpot reached in the second quarter of the fiscal year was \$150 million in November 2019.

**Mega Millions** – Sales through the second quarter of the year totaled \$28,090,774, a decrease of 60.7% from the previous year. The highest jackpot reached in the second quarter of the fiscal year was \$372 million in December 2019.

Draw Games – In-State Games

**Triple Twist™** – Sales through the second quarter of the fiscal year totaled \$8,645,596, an increase of 58% over the first quarter of the fiscal year. Triple Twist sales for calendar year 2019 totaled nearly \$17M. This game reached its first full year in market on December 16, 2019. Year-over-year sales from December 16 – 31 experienced an average increase of 263%.

**The Pick™** – Sales through the second quarter of the year totaled \$14,453,879, a decrease of 25.3% from the previous year. The jackpot was not hit in the second quarter of this fiscal and reached \$3.2M at the end of December 2019.

**Fantasy 5™** – Sales through the second quarter of the year totaled \$8,931,699, a decrease of 17.3% from the previous year. The highest jackpot reached in the second quarter of the fiscal year was \$334,000 on October 25, 2019.

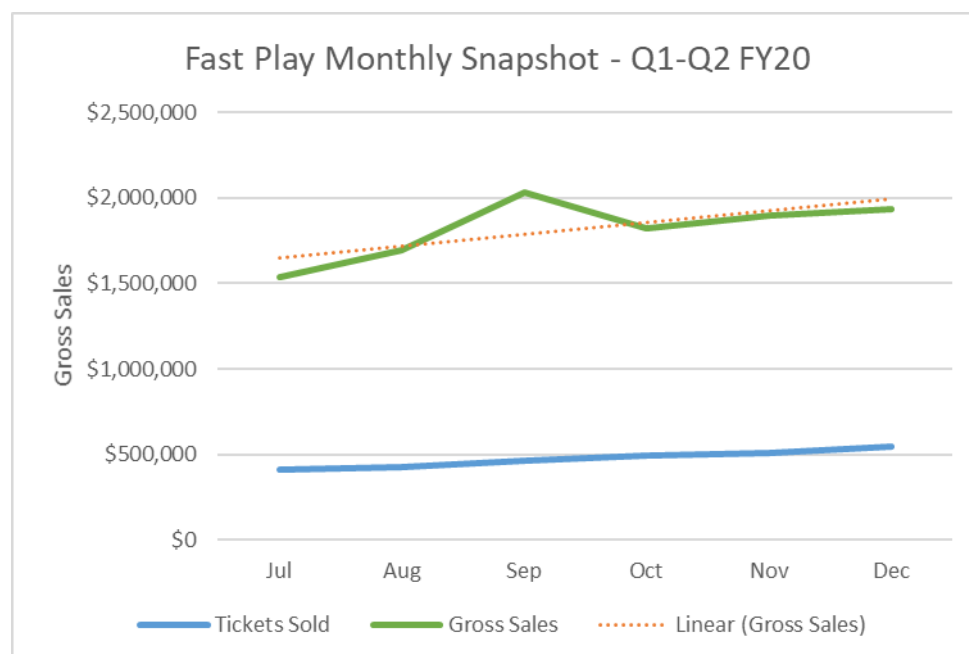
**Pick 3™** – Sales through the second quarter of the year totaled \$6,675,356, an increase of 13% over the previous year.

**Fast Play Games**

Two new Fast Play games were launched in the second quarter of FY20, expanding the portfolio to 14; five of which have progressive jackpots. Sales for this quarter totaled \$5,659,113, a 38% increase over the same period last year. The snapshot below shows a per-game breakdown.

Game	Price	Name	Tickets Sold	Gross Sales
102	\$5.00	CRAZY 8S	82,337	\$411,685.00
104	\$1.00	Piggy Bank BUCKS	113,126	\$113,126.00
105	\$2.00	JACKPOT PARTY PROGRESSIVE	116,441	\$232,882.00
106	\$1.00	COMIC CASH	91,927	\$91,927.00
107	\$2.00	Treasure Chase	55,855	\$111,710.00
108	\$1.00	\$20 ON THE SPOT	148,754	\$148,754.00
109	\$5.00	HOT NUMBERS	41,165	\$205,825.00
111	\$5.00	Cherry Twist PROGRESSIVE	175,116	\$875,580.00
112	\$2.00	LOTS OF \$50S	79,396	\$158,792.00
113	\$10.00	CASINO CASH	117,663	\$1,176,630.00
114	\$10.00	CASH BASH PROGRESSIVE	119,838	\$1,198,380.00
115	\$5.00	ARIZONA FAST FORTUNE	113,953	\$569,765.00
116	\$1.00	Fro\$ty Fun	280,657	\$280,657.00
117	\$5.00	XTREME MULTIPLIER PROGRESSIVE	16,680	\$83,400.00
<b>Grand Total</b>			<b>1,552,908</b>	<b>\$5,659,113.00</b>

The graph below illustrates Fast Play monthly gross sales through the second quarter of FY20. In its first three months in market, the seasonal \$1 Fro\$ty Fun ticket contributed \$140,395 to Fast Play sales. Ca\$h Bash Progressive had the highest jackpot in the second quarter of FY20, reaching \$116,762 on December 2, 2019.

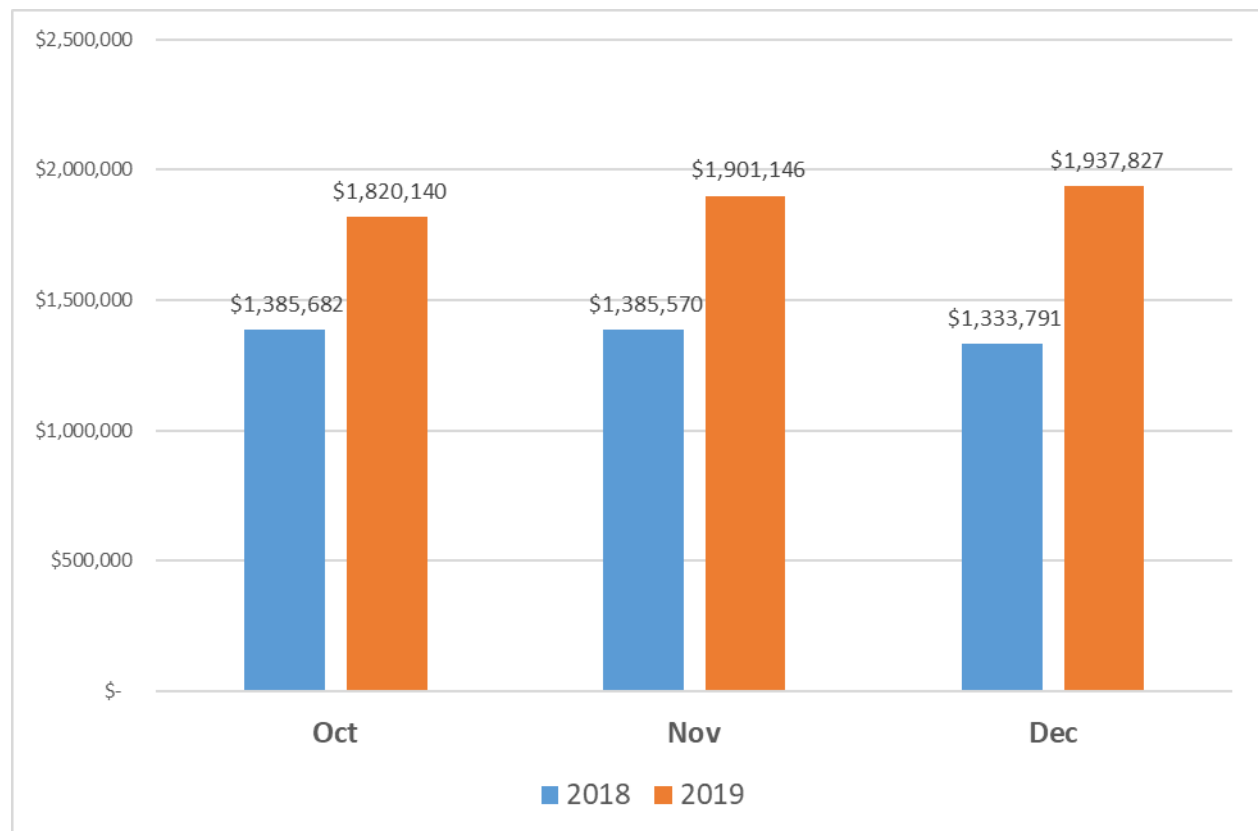




**FY19 Vs. FY20 SALES COMPARISON\***

	2018	2019	Weekly YOY
9/30 - 10/6	\$ 287,404	\$ 440,820	53%
10/7 - 10/13	\$ 313,834	\$ 438,121	40%
10/14 - 10/20	\$ 317,365	\$ 414,127	30%
10/21 - 10/27	\$ 324,954	\$ 393,364	21%
10/28 - 11/3	\$ 343,033	\$ 387,085	13%
11/4 - 11/10	\$ 333,503	\$ 425,873	28%
11/11 - 11/17	\$ 328,750	\$ 412,151	25%
11/18 - 11/24	\$ 298,256	\$ 443,133	49%
11/25 - 12/1	\$ 305,542	\$ 490,728	61%
12/2 - 12/8	\$ 312,665	\$ 463,306	48%
12/9 - 12/15	\$ 274,675	\$ 410,223	49%
12/16 - 12/22	\$ 308,473	\$ 437,236	42%
12/23 - 12/29	\$ 317,034	\$ 442,492	40%

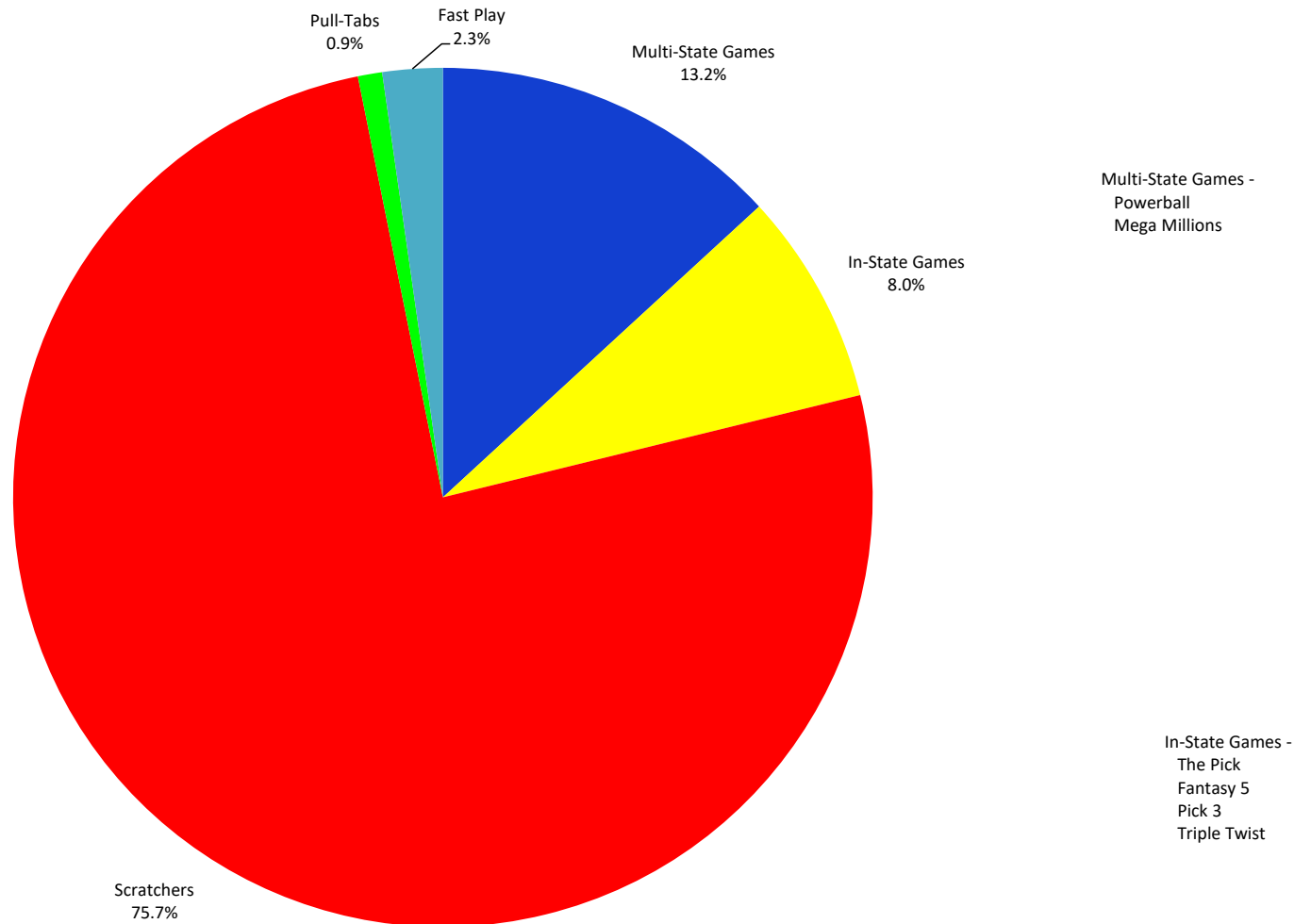
2019 sales continued to top 2018, as YOY second quarter FY20 sales increased an average of 38% over second quarter FY19.



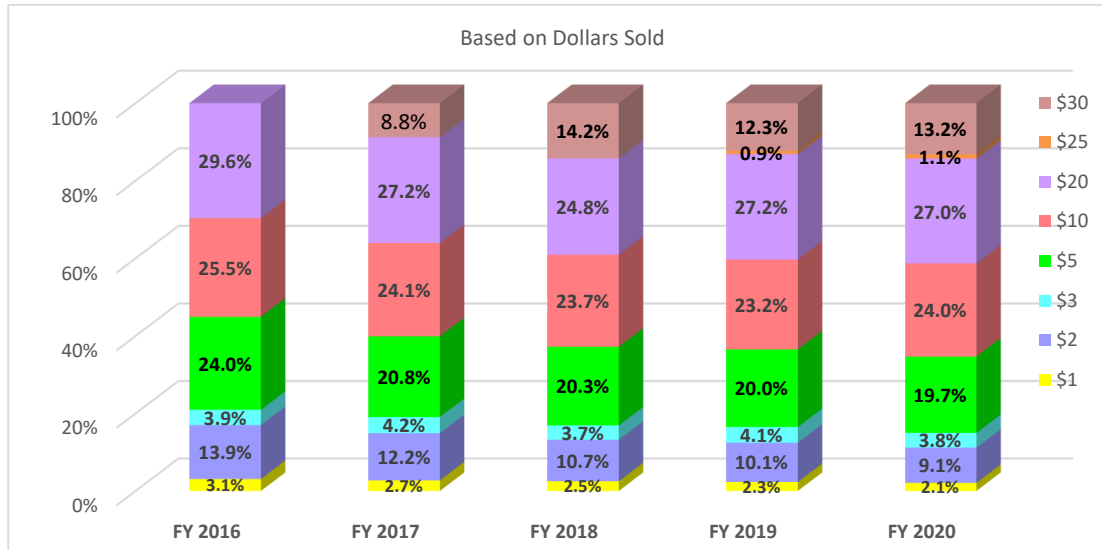
**ARIZONA LOTTERY**  
**QUARTERLY SALES BY PRODUCT**  
*Fiscal Year 2020 - July 2019 through December 2019*

<i>Month</i>	<i>Powerball</i>	<i>Mega Millions</i>	<i>The Pick</i>	<i>Fantasy 5</i>	<i>Pick 3</i>	<i>Triple Twist</i>	<i>Total Draw Games</i>	<i>Fast Play</i>	<i>Scratchers</i>	<i>Charitable Pull-Tabs</i>	<i>Non-Charitable Pull-Tabs</i>	<i>Total Instant Games</i>	<i>Total</i>	<i>Market Share</i>
<i>July</i>	\$5,880,490	\$4,071,414	\$2,297,107	\$1,268,159	\$1,059,345	\$1,125,716	\$15,702,231	\$1,534,659	\$61,828,525	\$548,022	\$232,200	\$62,608,747	\$79,845,637	16.5%
<i>August</i>	\$6,018,001	\$3,793,607	\$2,569,584	\$1,589,385	\$1,080,828	\$1,193,350	\$16,244,755	\$1,694,140	\$60,112,466	\$457,806	\$219,240	\$60,789,512	\$78,728,407	16.3%
<i>September</i>	\$4,790,702	\$4,631,885	\$2,330,908	\$1,348,422	\$1,076,695	\$1,050,346	\$15,228,958	\$2,032,945	\$56,616,634	\$415,722	\$211,680	\$57,244,036	\$74,505,939	15.4%
<i>1st Quarter</i>	<b>\$16,689,193</b>	<b>\$12,496,906</b>	<b>\$7,197,599</b>	<b>\$4,205,966</b>	<b>\$3,216,868</b>	<b>\$3,369,412</b>	<b>\$47,175,944</b>	<b>\$5,261,744</b>	<b>\$178,557,625</b>	<b>\$1,421,550</b>	<b>\$663,120</b>	<b>\$180,642,295</b>	<b>\$233,079,983</b>	<b>48.2%</b>
<i>October</i>	\$6,046,699	\$3,623,612	\$2,159,099	\$1,653,066	\$1,145,235	\$1,399,574	\$16,027,285	\$1,820,140	\$59,720,917	\$673,416	\$254,880	\$60,649,213	\$76,676,498	15.9%
<i>November</i>	\$5,436,359	\$5,371,878	\$2,333,182	\$1,530,384	\$1,117,450	\$1,818,390	\$17,607,643	\$1,901,146	\$61,681,325	\$436,362	\$185,760	\$62,303,447	\$79,911,090	16.5%
<i>December</i>	\$7,354,457	\$6,598,378	\$2,763,999	\$1,542,283	\$1,195,803	\$2,058,220	\$21,513,140	\$1,937,827	\$65,688,113	\$535,482	\$240,840	\$66,464,435	\$87,977,575	18.2%
<i>2nd Quarter</i>	<b>\$18,837,515</b>	<b>\$15,593,868</b>	<b>\$7,256,280</b>	<b>\$4,725,733</b>	<b>\$3,458,488</b>	<b>\$5,276,184</b>	<b>\$55,148,068</b>	<b>\$5,659,113</b>	<b>\$187,090,355</b>	<b>\$1,645,260</b>	<b>\$681,480</b>	<b>\$189,417,095</b>	<b>\$250,224,276</b>	<b>51.8%</b>
<i>January</i>														
<i>February</i>														
<i>March</i>														
<i>3rd Quarter</i>														
<i>April</i>														
<i>May</i>														
<i>June</i>														
<i>4th Quarter</i>														
<b>2020</b>	<b>\$35,526,708</b>	<b>\$28,090,774</b>	<b>\$14,453,879</b>	<b>\$8,931,699</b>	<b>\$6,675,356</b>	<b>\$8,645,596</b>	<b>\$102,324,012</b>	<b>\$10,920,857</b>	<b>\$365,647,980</b>	<b>\$3,066,810</b>	<b>\$1,344,600</b>	<b>\$370,059,390</b>	<b>\$483,304,259</b>	
<i>Mkt Share</i>	7.4%	5.8%	3.0%	1.8%	1.4%	1.8%	21.17%	2.26%	75.66%	0.63%	0.28%	76.57%		
<i>2019</i>	<i>\$55,667,668</i>	<i>\$71,478,435</i>	<i>\$19,360,886</i>	<i>\$10,800,430</i>	<i>\$5,906,359</i>	<i>\$267,194</i>	<i>\$163,480,972</i>	<i>\$7,862,666</i>	<i>\$350,458,740</i>	<i>\$3,486,264</i>	<i>\$972,690</i>	<i>\$354,917,694</i>	<i>\$526,261,332</i>	
<i>% of Change</i>	-36.2%	-60.7%	-25.3%	-17.3%	13.0%	3135.7%	-37.4%	38.9%	4.3%	-12.0%	38.2%	4.3%	-8.2%	

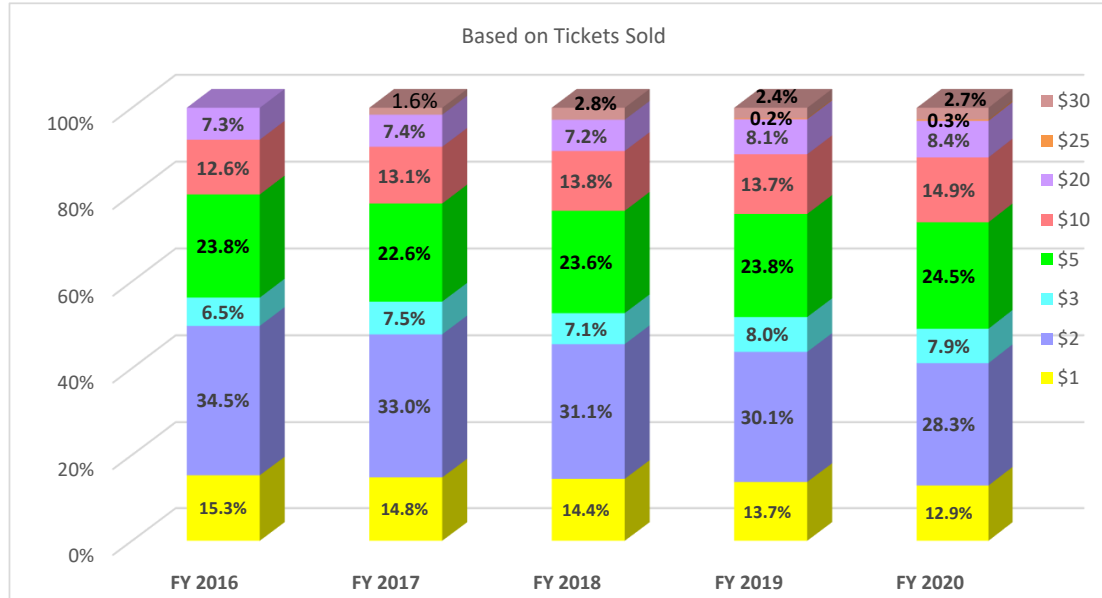
**ARIZONA LOTTERY**  
**QUARTERLY SALES BY PRODUCT**  
*Fiscal Year 2020 - July 2019 through December 2019*



# Arizona Lottery 5-Year Review by Price Point



	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
\$1	\$18,183,806	\$17,230,930	\$17,675,313	\$17,327,856	\$7,649,060
\$2	\$82,257,128	\$77,080,640	\$76,286,420	\$76,045,580	\$33,639,506
\$3	\$23,323,455	\$26,348,367	\$26,204,778	\$30,416,967	\$14,115,453
\$5	\$141,578,675	\$131,823,090	\$144,423,905	\$150,294,810	\$72,866,620
\$10	\$150,398,690	\$152,231,750	\$168,662,410	\$173,763,390	\$88,752,500
\$20	\$174,963,960	\$172,393,320	\$176,364,760	\$204,007,420	\$100,023,080
\$25				\$6,504,400	\$4,116,700
\$30		\$55,673,280	\$101,269,350	\$91,917,900	\$48,760,950
Total	\$590,705,714	\$632,781,377	\$710,886,936	\$750,278,323	\$369,923,869



	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
\$1	18,183,806	17,230,930	17,675,313	17,327,856	7,649,060
\$2	41,128,564	38,540,320	38,143,210	38,022,790	16,819,753
\$3	7,774,485	8,782,789	8,734,926	10,138,989	4,705,151
\$5	28,315,735	26,364,618	28,884,781	30,058,962	14,573,324
\$10	15,039,869	15,223,175	16,866,241	17,376,339	8,875,250
\$20	8,748,198	8,619,666	8,818,238	10,200,371	5,001,154
\$25				260,176	164,668
\$30		1,855,776	3,375,645	3,063,930	1,625,365
Total	119,190,657	116,617,274	122,498,354	126,449,413	59,413,725

# Interoffice Memorandum

**Date:** January 10, 2020  
**To:** Gregg Edgar, Executive Director  
**From:** Raynie Hosto, Deputy Director of Customer Service and Sales  
**Subject:** FY 2020 – Second Quarter Sales Review

---

## **Vending Machine Sales (Chart E)**

Total sales through vending machines during the second quarter of FY20 were \$101,316,004 a 21.8% increase over FY19 sales of \$83,132,124. This is the highest sales quarter for vending machines in lottery history. Vending sales accounted for 40.9% of total overall sales.

While vending machine sales increased during the second quarter of FY20, out of stocks decreased to 4.49% down from 5.10% in FY19. Adding the visual cue on the touchscreen vending machines, which alerts store associates to an impending out of stock or an existing out of stock, has continued to help reduce out of stocks. The goal for FY20 is 3.9%. The team will continue to work with our retailers and focus on out-of-stock conditions to ensure optimal availability for customers.

## **Corporate Account Review (Chart F)**

- Major retail chains represent 54.5% of all lottery accounts down from 56.4% in the second quarter of FY19. Convenience stores represent 40.0% of total accounts while chain food store represent 14.5%.
- Major retail chains comprise 74.0% of the total market share at the Lottery with convenience stores and food stores accounting for 47.7% and 26.3% respectively.
- Fry's food stores continue to lead with the highest per store average of \$227,815. QuikTrip, Safeway, and Albertsons follow with per store average sales of \$185,591, \$154,199 and \$149,049 respectively. This ranking remains the same from the previous fiscal year.
- Through the first six months of the fiscal year retailers earned over \$15,014,695 in commissions. Circle K ranks highest with commissions of \$3,717,602, which is 24.8% of total commissions.

## **Business Classification Review (Charts G and H)**

Collectively, chain and independent convenience stores account for 68.8% of total Lottery accounts and 66.8% of the market share in sales. These figures show a slight decline from the previous fiscal year. Chain and independent grocery stores account for 16.6% of total Lottery accounts and 27.6% total sales, which is consistent from the same period last year.

#### County Review (Charts I and J)

- The overall estimated per capita weekly sales for the second quarter of FY20 were \$2.57 compared to \$2.92 in FY19.
- Maricopa and Pima counties held a market share of 69.5% of total sales. The remaining counties represent 30.5% of sales.
- Greenlee County posted the highest weekly per capita sales at \$4.64, followed by La Paz at \$4.34, and Mohave at \$4.28.

Arizona Lottery Vending Machine							
	FY 2020						
	# of Units (Qtly Avg)	Per Unit Game Capacity	Instant Sales	Draw Sales	Total Sales	Per Unit Average	Average Out-of-Stock Percentage
1st Quarter Total % of Lottery Sales							
	1303		\$ 77,425,246	\$ 10,022,817	\$ 87,448,063	\$ 67,112.86	3.91%
			43.4%	19.1%	37.9%		
2nd Quarter Total % of Lottery Sales							
	1266		\$ 88,313,402	\$ 13,002,602	\$ 101,316,004	\$ 80,028.44	4.49%
			47.2%	21.4%	40.9%		
3rd Quarter Total % of Lottery Sales					\$ -		
					\$ -	#DIV/0!	
			#DIV/0!	#DIV/0!	#DIV/0!		
4th Quarter Total % of Lottery Sales					\$ -		
					\$ -	#DIV/0!	
			#DIV/0!	#DIV/0!	#DIV/0!		
Total Vending			\$ 165,738,648	\$ 23,025,419	\$ 188,764,067		
Total Fiscal Year % of Total Sales			\$ 165,738,648	\$ 23,025,419	\$ 188,764,067		4.20%
			45.3%	20.3%	39.4%		

ARIZONA LOTTERY CORPORATE ACCOUNT REVIEW Fiscal Year 2020 July 2019 through September 2019													
	Total Draw Games						Scratchers			All Products Combined			Commission
	# of Accts	% of Accts		Market Share	Per Store Average		Market Share	Per Store Average		Market Share	Per Store Average	Earned To Date	
	Sales					Sales			Sales				
4 Sons	9290/9814	21	0.7%	\$ 488,968	0.9%	\$23,284	\$ 1,399,588	0.8%	\$66,647.05	\$1,888,556	0.8%	\$89,931	\$122,756
7-Eleven	8706	56	1.8%	\$ 719,172	1.4%	\$12,842	\$ 3,927,434	2.2%	\$70,133	\$4,646,606	2.0%	\$82,975	\$302,029
Carioca	8821	36	1.2%	\$ 551,971	1.1%	\$15,333	\$ 1,489,618	0.8%	\$41,378	\$2,041,589	0.9%	\$56,711	\$132,703
Circle K	8037	613	19.8%	\$ 10,485,435	20.0%	\$17,105	\$ 46,708,444	26.2%	\$76,196	\$57,193,879	24.8%	\$93,302	\$3,717,602
Cobblestone		12	0.4%	\$ 220,510	0.4%	\$18,376	\$ 471,299	0.3%	\$39,275	\$691,809	0.3%	\$57,651	\$44,968
Fry's Gas	8052	93	3.0%	\$ 703,757	1.3%	\$7,567	\$ 3,205,544	0.3%	\$5,068	\$3,909,301	1.7%	\$42,035	\$254,105
Good 2 Go	8024	17	0.5%	\$ 170,082	0.3%	\$10,005	\$ 626,376	0.4%	\$36,846	\$796,458	0.3%	\$46,850	\$51,770
Jackson's Food Stores	8021	11	0.4%	\$ 374,279	0.7%	\$34,025	\$ 794,247	0.4%	\$72,204	\$1,168,526	0.5%	\$106,230	\$75,954
Loves	9800	12	0.4%	\$ 148,613	0.3%	\$12,384	\$ 448,331	0.3%	\$37,360.92	\$596,944	0.3%	\$49,745	\$38,801
Maverik	9905	22	0.7%	\$ 519,535	1.0%	\$23,615	\$ 1,500,368	0.8%	\$68,199	\$2,019,903	0.9%	\$91,814	\$131,294
Pilot Travel Centers	9926	18	0.6%	\$ 199,831	0.4%	\$11,102	\$ 638,958	0.4%	\$35,498	\$838,789	0.4%	\$46,599	\$54,521
Quik Mart	8375	23	0.7%	\$ 383,750	0.7%	\$16,685	\$ 1,566,539	0.9%	\$68,110	\$1,950,289	0.8%	\$84,795	\$126,769
QuikTrip	9849	114	3.7%	\$ 4,931,517	9.4%	\$43,259	\$ 16,225,892	9.1%	\$142,332	\$21,157,409	9.2%	\$185,591	\$1,375,232
Quik-Way Retail	8028	24	0.8%	\$ 623,627	1.2%	\$25,984	\$ 2,424,667	1.4%	\$101,028	\$3,048,294	1.3%	\$127,012	\$198,139
Safeway Gas	8128	31	1.0%	\$ 374,251	0.7%	\$12,072.61	\$ 1,173,956	0.7%	\$37,870	\$1,548,207	0.7%	\$49,942	\$100,633
Shay's	8938	21	0.7%	\$ 272,039	0.5%	\$12,954	\$ 1,060,528	0.6%	\$50,501	\$1,332,567	0.6%	\$63,456	\$86,617
Superpumper	8025	13	0.4%	\$ 357,181	0.7%	\$27,475	\$ 1,011,546	0.6%	\$77,811	\$1,368,727	0.6%	\$105,287	\$88,967
Terribles	8004	9	0.3%	\$ 336,497	0.6%	\$37,388.56	\$ 397,976	0.2%	\$44,220	\$734,473	0.3%	\$81,608	\$47,741
Woody's	8607	15	0.5%	\$ 96,700	0.2%	\$6,447	\$ 397,713	0.2%	\$26,514	\$494,413	0.2%	\$32,961	\$32,137
Speedway	9956	77	2.5%	\$ 626,688	1.2%	\$8,139	\$ 2,159,353	1.2%	\$28,044	\$2,786,041	1.2%	\$36,182	\$181,093
Convenience Total		1,238	40.0%	\$22,584,403	43.1%	\$18,243	\$87,628,377	49.1%	\$70,782	\$110,212,780	47.7%	\$89,025	\$7,163,831
Albertson's	8027	30	1.0%	\$ 1,305,593	2.5%	\$43,519.77	\$ 3,165,880	1.8%	\$105,529	\$4,471,473	1.9%	\$149,049	\$290,646
Bashas'	8011	47	1.5%	\$ 1,599,907	3.1%	\$34,041	\$ 3,796,801	2.1%	\$80,783	\$5,396,708	2.3%	\$114,824	\$350,786
El Super	8030	6	0.2%	\$ 22,170	0.0%	\$3,695	\$ 220,696	0.1%	\$36,782.67	\$242,866	0.1%	\$40,478	\$15,786
Food City		46	1.5%	\$ 312,057	0.6%	\$6,784	\$ 1,989,227	1.1%	\$43,244.07	\$2,301,284	1.0%	\$50,028	\$149,583
Fry's	8052	121	3.9%	\$ 8,317,733	15.9%	\$68,742	\$ 19,247,897	10.8%	\$159,074	\$27,565,630	11.9%	\$227,815	\$1,791,766
Los Altos Ranch Market	8026	7	0.2%	\$ 58,917	0.1%	\$8,417	\$ 444,298	0.2%	\$63,471	\$503,215	0.2%	\$71,888	\$32,709
Safeway	8128	105	3.4%	\$ 5,236,822	10.0%	\$49,874	\$ 10,954,042	6.1%	\$104,324	\$16,190,864	7.0%	\$154,199	\$1,052,406
Walmart	8022	85	2.7%	\$ 925,425	1.8%	\$10,887	\$ 3,090,151	1.7%	\$36,355	\$4,015,576	1.7%	\$47,242	\$261,012
Food Store Total		447	14.5%	\$17,778,624	33.9%	\$39,773	\$42,908,992	24.0%	\$95,993	\$60,687,616	26.3%	\$135,766	\$3,944,695
Major Chains		1,685	54.5%	\$40,363,027	77.0%	\$23,954	\$130,537,369	73.1%	\$77,470	\$170,900,396	74.0%	\$101,425	\$11,108,526
All Stores		3092		\$52,437,688		\$16,959	\$178,557,625		\$57,748	\$230,995,313		\$74,707	\$15,014,695



**ARIZONA LOTTERY  
BUSINESS CODE REVIEW**

**Fiscal Year 2020**

**July 2019 through December 2019**

<b>Business Classification</b>	<b>Business Code</b>	<b># of Accts</b>	<b>% of Accts</b>	<b>Total Draw Games</b>			<b>Scratchers</b>			<b>All Products Combined</b>			<b>Commission Earned To Date</b>
				<b>Sales</b>	<b>Market Share</b>	<b>Per Store Average</b>	<b>Sales</b>	<b>Market Share</b>	<b>Per Store Average</b>	<b>Sales</b>	<b>Market Share</b>	<b>Per Store Average</b>	
Shopping Malls	01	4	0.1%	\$39,285	0.0%	\$9,821	\$40,877	0.0%	\$10,219	\$80,162	0.0%	\$20,041	\$5,211
Smoke/Gift Shops - Newstands	02	106	3.3%	\$766,221	0.7%	\$7,229	\$3,394,551	0.9%	\$32,024	\$4,160,772	0.9%	\$39,253	\$270,450
Chain Supermarkets	03	478	15.1%	\$39,283,254	34.7%	\$82,183	\$89,021,975	24.3%	\$186,238	\$128,305,229	26.8%	\$268,421	\$8,339,840
Independent Supermarkets	04	47	1.5%	\$904,869	0.8%	\$19,253	\$3,162,988	0.9%	\$67,298	\$4,067,857	0.8%	\$86,550	\$264,411
Chain Convenience Stores	05	1162	36.6%	\$46,119,473	40.7%	\$39,690	\$171,311,844	46.9%	\$147,428	\$217,431,317	45.4%	\$187,118	\$14,133,036
Independent Convenience	06	872	27.5%	\$18,042,675	15.9%	\$20,691	\$70,706,697	19.3%	\$81,086	\$88,749,372	18.5%	\$101,777	\$5,768,709
Liquor Stores	07	98	3.1%	\$736,134	0.7%	\$7,512	\$5,338,794	1.5%	\$54,477	\$6,074,928	1.3%	\$61,989	\$394,870
Drug Stores	08	4	0.1%	\$8,032	0.0%	\$2,008	\$55,771	0.0%	\$13,943	\$63,803	0.0%	\$15,951	\$4,147
Auto/Gas Stations	09	148	4.7%	\$2,764,366	2.4%	\$18,678	\$10,732,804	2.9%	\$72,519	\$13,497,170	2.8%	\$91,197	\$877,316
Truck Service Centers	10	48	1.5%	\$1,203,044	1.1%	\$25,063	\$3,335,473	0.9%	\$69,489	\$4,538,517	0.9%	\$94,552	\$295,004
Bars/Restaurants	11	75	2.4%	\$1,324,110	1.2%	\$17,655	\$2,570,996	0.7%	\$34,280	\$3,895,106	0.8%	\$51,935	\$253,182
Spec Non-Grocery	12	103	3.2%	\$1,471,182	1.3%	\$14,283	\$2,916,306	0.8%	\$28,314	\$4,387,488	0.9%	\$42,597	\$285,187
Bowling Centers	14	3	0.1%	\$23,633	0.0%	\$7,878	\$90,131	0.0%	\$30,044	\$113,764	0.0%	\$37,921	\$7,395
Mass Merchandise	16	1	0.0%	\$2,979	0.0%	\$2,979	\$28,030	0.0%	\$28,030	\$31,009	0.0%	\$31,009	\$2,016
In-House & Promotional	99	23	0.7%	\$555,612	0.5%	\$24,157	\$2,940,743	0.8%	\$127,858	\$3,496,355	0.7%	\$152,015	\$227,263
<b>Total</b>		<b>3172</b>	<b>100%</b>	<b>\$113,244,869</b>	<b>100%</b>	<b>\$35,701</b>	<b>\$365,647,980</b>	<b>100%</b>	<b>\$115,274</b>	<b>\$478,892,849</b>	<b>100%</b>	<b>\$150,975</b>	<b>\$31,128,035</b>

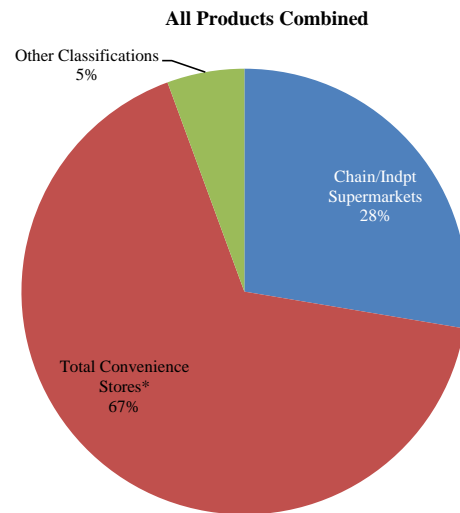
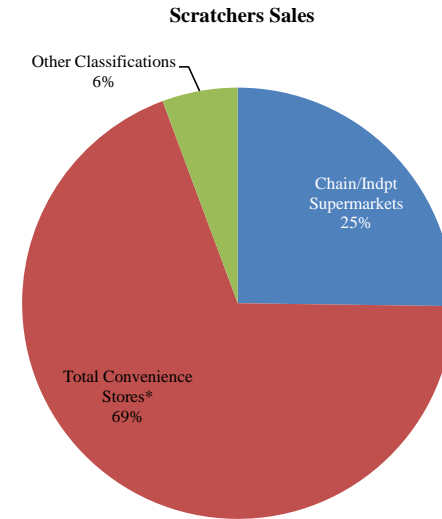
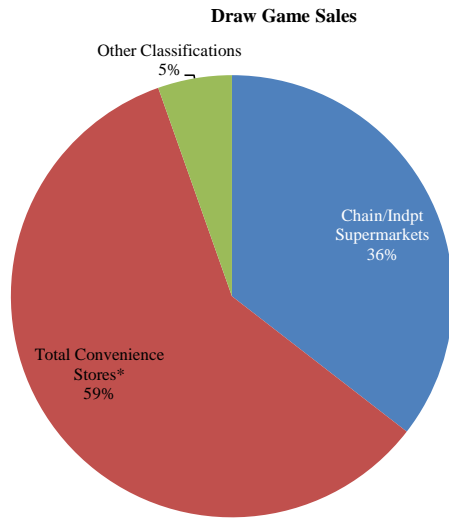
Summary Recap

Chain/Indpt Supermarkets	525	16.6%	\$40,188,123	35.5%	\$76,549	\$92,184,963	25.2%	\$175,590	\$132,373,086	27.6%	\$252,139	\$8,604,251
Total Convenience Stores*	2,182	68.8%	\$66,926,514	59.1%	\$30,672	\$252,751,345	69.1%	\$115,835	\$319,677,859	66.8%	\$146,507	\$20,779,061
Other Classifications	465	14.7%	\$6,130,232	5.4%	\$13,183	\$20,711,672	5.7%	\$44,541	\$26,841,904	5.6%	\$57,725	\$1,744,724
<b>Total All Classifications</b>	<b>3,172</b>	<b>100%</b>	<b>\$113,244,869</b>	<b>100%</b>	<b>\$35,701</b>	<b>\$365,647,980</b>	<b>100%</b>	<b>\$115,274</b>	<b>\$478,892,849</b>	<b>100%</b>	<b>\$150,975</b>	<b>\$31,128,035</b>

\*Includes chain/independent convenience stores and stores whose business is primarily gas with convenience

Chart G

**ARIZONA LOTTERY**  
**BUSINESS CODE REVIEW**  
*Fiscal Year 2020*  
*July 2019 through December 2019*



**ARIZONA LOTTERY  
COUNTY SALES REVIEW**

**Fiscal Year 2020  
July 2019 through December 2019**

County	Code	# of Accts	% of Accts	Total Draw Games			Scratchers			All Products Combined			Estimated Per Capita Wkly Sales
				Sales	Market Share	Per Store Average	Sales	Market Share	Per Store Average	Sales	Market Share	Per Store Average	
Apache	1	16	0.5%	\$175,539	0.2%	\$10,971	\$764,185	0.2%	\$47,762	\$939,724	0.2%	\$58,733	\$0.50
Cochise	2	88	2.8%	\$2,288,179	2.0%	\$26,002	\$9,517,320	2.6%	\$108,151	\$11,805,499	2.5%	\$134,153	\$3.58
Coconino	3	107	3.4%	\$2,228,952	2.0%	\$20,831	\$6,535,468	1.8%	\$61,079	\$8,764,420	1.8%	\$81,910	\$2.36
Gila	4	50	1.6%	\$899,407	0.8%	\$17,988	\$3,516,814	1.0%	\$70,336	\$4,416,221	0.9%	\$88,324	\$3.15
Graham	5	30	0.9%	\$349,129	0.3%	\$11,638	\$2,620,058	0.7%	\$87,335	\$2,969,187	0.6%	\$98,973	\$3.00
Greenlee	6	7	0.2%	\$120,356	0.1%	\$17,194	\$1,022,669	0.3%	\$146,096	\$1,143,025	0.2%	\$163,289	\$4.64
La Paz	15	36	1.1%	\$566,571	0.5%	\$15,738	\$1,813,159	0.5%	\$50,366	\$2,379,730	0.5%	\$66,104	\$4.34
Maricopa	7	1764	55.6%	\$69,871,707	61.7%	\$39,610	\$236,057,524	64.6%	\$133,819.46	\$305,929,231	63.9%	\$173,429	\$2.67
Mohave	8	154	4.9%	\$8,629,403	7.6%	\$56,035	\$14,680,192	4.0%	\$95,326	\$23,309,595	4.9%	\$151,361	\$4.28
Navajo	9	59	1.9%	\$1,142,321	1.0%	\$19,361	\$4,432,836	1.2%	\$75,133	\$5,575,157	1.2%	\$94,494	\$1.94
Pima	10	442	13.9%	\$14,934,095	13.2%	\$33,788	\$45,185,360	12.4%	\$102,229	\$60,119,455	12.6%	\$136,017	\$2.23
Pinal	11	147	4.6%	\$5,095,685	4.5%	\$34,665	\$18,600,881	5.1%	\$126,537	\$23,696,566	4.9%	\$161,201	\$2.04
Santa Cruz	12	21	0.7%	\$925,357	0.8%	\$44,065	\$1,744,380	0.5%	\$83,066	\$2,669,737	0.6%	\$127,130	\$2.21
Yavapai	13	130	4.1%	\$3,970,272	3.5%	\$30,541	\$12,092,691	3.3%	\$93,021	\$16,062,963	3.4%	\$123,561	\$2.66
Yuma	14	121	3.8%	\$2,047,896	1.8%	\$16,925	\$7,064,443	1.9%	\$58,384	\$9,112,339	1.9%	\$75,309	\$1.65
<b>Total</b>		<b>3172</b>	<b>100%</b>	<b>\$113,244,869</b>	<b>100%</b>	<b>\$35,701</b>	<b>\$365,647,980</b>	<b>100%</b>	<b>\$115,274</b>	<b>\$478,892,849</b>	<b>100%</b>	<b>\$150,975</b>	<b>\$2.57</b>

**Summary Recap**

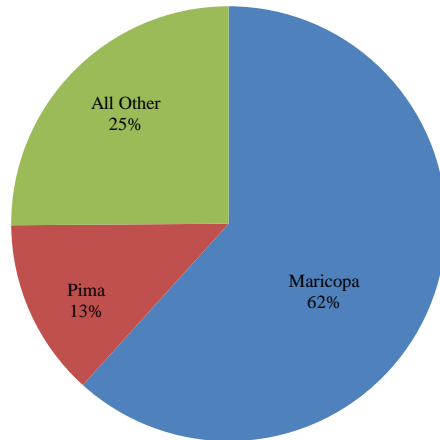
Maricopa and Pima Counties	2206	69.5%	\$84,805,802	74.9%	\$38,443	\$281,242,884	76.9%	\$127,490	\$366,048,686	76.4%	\$165,933	\$1.29
All Other Counties	966	30.5%	\$28,439,067	25.1%	\$29,440	\$84,405,096	23.1%	\$87,376	\$112,844,163	23.6%	\$116,816	\$1.26

Chart I

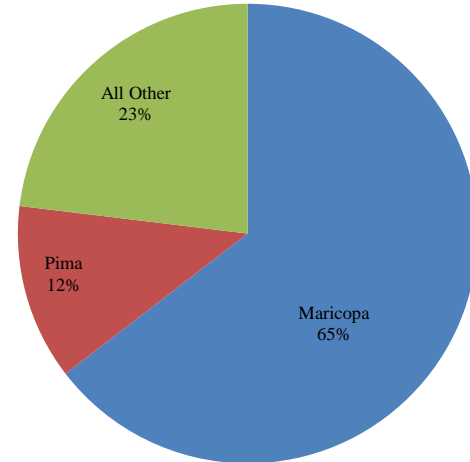
**ARIZONA LOTTERY**  
**COUNTY SALES REVIEW**

***Fiscal Year 2020***  
***July 2019 through December 2020***

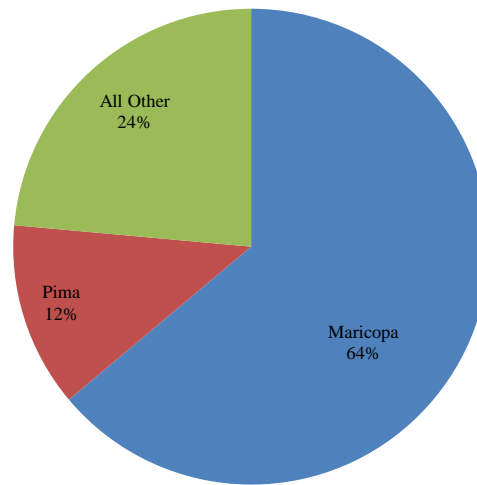
**Draw Game Sales**



**Scratchers Sales**



**All Products Combined**



**New Business Item #1**  
Instant Scratch Game Profiles  
Report to Arizona Lottery Commission  
January 24, 2020

---

This report has been provided to the Lottery Commission regarding game profiles planned for Arizona Lottery instant scratch games. The Commission is requested to approve these game profiles. After Commission approval, staff will commence with plans for printing, distribution, and sales of these games.

**NEW GAME PROFILES**

Attached for the Lottery Commission's action are new instant scratch game profiles: *\$100,000 Instant Jackpot #1265*, *Route 66 Road to \$1,000,000 #1266*, *Joker's Wild Crossword #1267*, and *\$50 or \$100 #1270*.

**\$100,000 Instant Jackpot #1265.** This \$10 game has a top prize of \$100,000 and will be printed at a quantity of approximately 1.8 million tickets.

**Route 66 Road to \$1,000,000 #1266.** This \$5 game has a top prize of \$50,000 and will be printed at a quantity of approximately 1.9 million tickets.

**Joker's Wild Crossword #1267.** This \$5 game has a top prize of \$50,000 and will be printed at a quantity of approximately 5.2 million tickets.

**\$50 or \$100 #1270.** This \$10 game has a top prize of \$100 and will be printed at a quantity of approximately 1.8 million tickets.

Attachments (Commissioners only)