M E M O R A N D U M

To: California State Lottery Commission **Date:** June 27, 2007

From: Joan M. Borucki
Director

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Subject: Item 9(e) – Approval of Scratchers® Game Profiles for Games 526, 527, 528, 529, 530, 531, 532, 533, and 601

ISSUE

Should the California State Lottery Commission (Commission) approve Game Profiles for Scratchers Games 526, 527, 528, 529, 530, 531, 532, 533, and 601?

RECOMMENDATION

Staff recommends that the Commission approve Game Profiles for Scratchers Games 526, 527, 528, 529, 530, 531, 532, 533, and 601.

BACKGROUND

These Scratchers Games are scheduled to launch in October and November 2007.

DISCUSSION

Scratchers Game 526 – "TBD"
This $1 game will contain a Match 3 playstyle with a specific variant. Players uncover three of a kind in any game and win the prize for that game or if they uncover two like symbols and a specified doubler symbol they automatically win

double the prize for that game. The top prize for this game is $2,500 with overall odds of winning at 1 in 4.97.

Scratchers Game 527 – Fire and Ice

This $2 game will incorporate graphics used successfully in other states as the main visuals. This game will feature a Key Number Match playstyle with ten "Your Numbers" to match two "Winning Numbers" and also includes two specific variants; an auto win by uncovering a "unique" symbol and a multiplier feature with an opportunity to win ten times the prize amount. Staff recommends a $10,000 top prize with overall odds of 1 in 4.67.

Scratchers Game 528 – Crossword – "TBD"

Staff recommends introducing this $3 crossword game utilizing the doubler feature offered in Game 522, Doubling Star Crossword. Players can win a prize by uncovering words in the play area and win prizes based on the number of words uncovered on the ticket. In addition, the doubler feature adds another element of excitement to the already popular game and play action. The top prize for this game is $20,000 with overall odds of winning 1 in 3.27.

Scratchers Game 529 – "TBD"

In order to continue the availability of $5 games in our product mix, staff is recommending launching a new $5 game in October. This game will have a Key Number Match playstyle and offer sixteen chances to win a prize on a ticket. Additionally, players will have the opportunity to multiply their prize won by ten times or twenty times by revealing the specified symbols on the ticket. In addition uncover a "50" in the "Fast Spot" and win $50 instantly. This game delivers over $46 million in cash prizes, including over $20 million in prizes that multiply, and it also recommends a top prize of $100,000. The overall odds of winning are 1 in 3.53.

Scratchers Game 530 – Holiday gift tag game – "TBD"

This $1 holiday gift tag themed game features a Match 3 playstyle with a separate "Quick $10" spot. The popular gift tag game is offered during the festive holiday gift giving season. This game has twelve different holiday scenes and offers a top prize of $1,000. The overall odds of winning for this game are 1 in 4.71.

Scratchers Game 531 – Golden Goose

Game 531 will utilize one of the industry's best selling themes - Golden Goose. Many animal themed games have performed well for the Lottery ($1.5MM higher sales in the first 12 weeks than other $1 games) and the connection of this animal with wealth and money makes it a strong theme at this price point. This $1 game has a Key Number Match playstyle with an opportunity to double the prize won using a special symbol. The odds for this game are 1 in 5.02 with a top prize of $1,000.

Scratchers Game 532 – Double It!

In this $2 game, staff has taken the popular Match 3 playstyle and added more value by increasing the number of ways a player can win on a ticket. The Lottery has successfully implemented modifications to existing popular playstyles at the $2 price point by offering three games for the price of $2 (Game 483 - Find the 9's) and its successor, Game 510 (Cherry Twist). These changes to traditional, yet proven, playstyles have produced strong sales results. This $2 game will feature four games on one ticket using a Match 3 playstyle with an additional opportunity to win double the prize with a special symbol. Game 532 has a $12,000 top prize with overall odds at 1 in 4.52.

Scratchers Game 533 – Holiday bingo –"TBD"

Bingo continues to be a very popular playstyle with Lottery players. To capture the potential sales of this involving playstyle, staff recommends continuing to offer two bingo games in the retail environment throughout the year. This $3 bingo game will offer a doubler feature, previously introduced in Game 511. Staff recommends that this game contain two scenes. The first scene will contain a holiday scene while the second scene will have non-holiday different graphics. Game 533 will provide consumers with the perfect gift giving opportunity during the holiday season. Our plan is to distribute the tickets with the second scene after the holiday bingo tickets are depleted, or when the holiday season has ended. The non-holiday bingo game will extend this game beyond the holiday season. Overall odds of this game are 1 in 3.79 with a top prize of $20,000.

Scratchers Game 601 – "TBD"

Game 601 is a $1 game that features a Match 3 playstyle with a separate "Quick $10" spot. This game has eight different scenes and offers a top prize of $1,000. The overall odds of winning for this game are 1 in 4.98. This game is being developed for inclusion in the anticipated "Value Gift Pack".

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