



M E M O R A N D U M

Date: December 3, 2008

To: California State Lottery Commission

From: Joan M. Borucki
Director

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Subject: Item 9(a) – Scratchers[®] Game Profiles for Games 587, 588, 589, 591, and 592 and Alternate Profiles for Future Games

ISSUE

Should the California State Lottery Commission (Commission) approve Game Profiles for Scratchers Games 587, 588, 589, 591, 592 and alternate profiles for future games?

RECOMMENDATION

Staff recommends approval of Game Profiles for Scratchers Games 587, 588, 589, 591, 592 and alternate profiles for future games.

BACKGROUND

Scratchers Games 587, 588, 589, 591, and 592 are scheduled to launch in April and May 2009. Launch schedules for proposed alternate profiles will be determined at a later date.

DISCUSSION

Scratchers Game 587 – TBD

Staff recommends Game 587 as a Match 3 playstyle with a specific variant, using diamonds as the graphic theme. If players match three prizes, they win the prize shown. If two matching prizes are revealed with a specified symbol, players win four times the prize shown. The top prize for this \$1 game is \$1,000 and the overall odds of winning are 1 in 5.38.

Scratchers Game 588 – TBD

Game 588 is an exciting collaboration between the California Lottery (Lottery) and the California Peace Officers' Memorial Foundation (CPOMF). To appeal to CPOMF members and supporters as well as the Lottery's core player base, ticket graphics will pair CPOMF's logo with fresh lottery-industry designs. The Lottery will compensate CPOMF for the use of its properties through licensing fees based on the number of tickets sold (total fee amount not to exceed \$300,000). Further, CPOMF will dedicate \$100,000 in strategic marketing to promote this game. They also will provide outreach to all law enforcement associations statewide, participation at state and county promotional events, and prominent presentation of the Scratchers game on their website.

This game utilizes a familiar Key Symbol Match playstyle with an auto-win feature. Players match "Your Symbols" to "Winning Symbols" to win the prize indicated. In addition, if a specific symbol is revealed, players will automatically win that prize. The top prize is \$10,000 and the overall odds of winning are 1 in 4.70.

Scratchers Game 589 – TBD

This game is recommended as a \$1 Key Number Match playstyle featuring hot-themed graphics with a doubler feature. When players match "Your Numbers" to the "Winning Number," they win the prize indicated. In addition, if a specified symbol is revealed, the prize doubles. This game offers a spicy \$500 top prize which allows prizes to be claimed at retail locations. This is well-received among players and retailers alike. The odds of winning any prize are 1 in 4.88.

Scratchers Game 591 – TBD

Game 591 offers a Key Number Match playstyle with two specific variants. In addition to matching "Your Numbers" to "Winning Numbers," when a 5X or 10X symbol is revealed players automatically multiply their prize by five or ten times. This \$2 game offers over \$18 million in cash prizes with a \$10,000 top prize. The overall odds of winning are 1 in 4.49.

Scratchers Game 592 – TBD

Because of its continued popularity among players, staff recommends a new \$3 poker-themed Scratchers featuring fresh and trendy graphics. Players scratch off the “Your Hands” area on each ticket, and if they beat the “Dealer’s Hand” they win the indicated prize. Players can win up to six times. The top prize for this game is \$25,000. Overall odds of winning are 1 in 3.95.

Alternate Prize Structures

In light of possible payout legislation relief, staff proactively developed alternate game profiles with higher prize payouts, allowing the Lottery to optimize the benefits this exciting and long-awaited change brings. Game profiles with higher prize payouts provide players with increased winning experiences by seeding prize structures with additional winners. This represents yet another positive step in the direction towards a new and improved Lottery and our focus on creating more winners throughout California.

The approval of these game profiles presented today provide staff with the ability to implement these higher payout prize structures into the Lottery’s game portfolio “tool chest” as soon legislation restrictions are lifted. Staff will inform the Commission when these prize structures are assigned to specific games. Once legislation passes, staff will develop additional prize structures with higher payouts to support and maintain this new direction.

Alternate \$1 Scratchers Game Profile A:

Staff recommends this game as a Key Number Match playstyle with a tripler feature. Players have a chance to win a \$1,000 top prize with overall odds of winning at 1 in 4.67.

Alternate \$1 Scratchers Game Profile B:

Staff recommends this game as a Match 3 playstyle with a specific variant and a \$500 top prize. The overall odds of winning are 1 in 4.82.

Alternate \$2 Scratchers Game Profile:

Staff requests approval for this Key Number Match playstyle with two specific variants, 5X and 10X multipliers. This game will have a \$10,000 top prize and overall odds of 1 in 4.01.

Alternate \$3 Scratchers Game Profile:

Staff recommends a Key Number Match playstyle with three specific variants, 2X, 4X, and 8X multipliers. Players have the chance to win a top prize of \$50,000. Overall odds are 1 in 3.65.

Alternate \$5 Scratchers Game Profile:

This game features an exciting \$100,000 top prize. Players utilize a Key Number Match playstyle with 10X and 20X multipliers. In addition, if a specific symbol is revealed in the Fast \$50 Spot, they win \$50 instantly. The overall odds of winning are 1 in 3.48.