

MEMORANDUM

Date: October 22, 2009

To: California State Lottery Commission

From: Joan M. Borucki

Director

Prepared By: Ed Fong, Chief of Product Development, Marketing

Subject: Item 9(b) – Scratchers® Game Profiles for Games 624, 625, 626, 627, 628,

629, 630 and 631

ISSUE

Should the California State Lottery Commission (Commission) approve Game Profiles for Scratchers Games 624, 625, 626, 627, 628, 629, 630 and 631?

RECOMMENDATION

Staff recommends approval of Game Profiles for Scratchers Games 624, 625, 626, 627, 628, 629, 630 and 631.

BACKGROUND

Scratchers Games 624, 625, 626, 627, 628, 629, 630 and 631 are scheduled to launch in February and March 2010.

DISCUSSION

In light of possible future payout relief, staff proactively developed a set of profiles for each game, a version with standard prize payouts and another version with higher prize payouts. These actions will allow the California State Lottery (Lottery) to quickly and efficiently optimize the benefits from this long-awaited change. 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.

California State Lottery Commission October 22, 2009 Page 2

Game Profiles with Standard Prize Payouts:

Scratchers Game 624

Staff recommends this \$1 game as a Key Number Match playstyle with a specific variant. Players match "Your Numbers" to the "Winning Number" to win prizes ranging from free tickets to \$1,000. In addition, if players uncover the specified symbol the prize is automatically doubled. This game has a \$1,000 top prize, and the overall odds of winning are 1 in 5.03.

Scratchers Game 625

This \$2 game has a seasonal/heart theme and is recommended as a Key Symbol Match playstyle with two specific variants. Players match either "Winning Number" to "Your Numbers" to win the associated prize. In addition, players who uncover a specified symbol automatically win that prize while revealing another specified symbol doubles their win. The top prize for this game is \$14,000 with overall odds of 1 in 3.82.

Scratchers Game 626

Staff recommends launching a new \$2 game using a crossword theme. This is the first \$2 game to offer this type of play action. Players will match letters from the "Your Letters" area in order to complete words and win associated prizes next to the actual word(s) completed. The ease of play and friendly layout should appeal to those who played and enjoyed our \$1 crossword game which launched earlier in the year. This game will offer a \$10,000 top prize and overall odds of 1 in 4.89.

Scratchers Game 627

Our next \$5 game is slated to launch in February 2010. This game will include a \$2 million top prize, our highest top prize ever, to be paid out in annuitized yearly payments of \$80,000 for 25 years. This game will feature a Key Symbol Match playstyle and two specific variants to maintain player interest and excitement. Players match "Your Numbers" to any of the "Winning Numbers" to win prizes, however if a specified symbol is revealed the prize is multiplied by 10 and if another specified symbol is revealed the prize is multiplied by 20. The overall odds are 1 in 3.52.

Scratchers Game 628

For this \$1 game, staff recommends a Match 3 playstyle with a specific variant utilizing a popular 7's theme. Players matching three like prizes will win that prize and revealing a special symbol in the "Quick Spot" will automatically win them \$7. The top prize for this game will be \$777 and the overall odds are 1 in 5.31.

California State Lottery Commission October 22, 2009 Page 3

Scratchers Game 629

Staff suggests a \$2 luck-themed game featuring lucky symbols/icons for a March 2010 launch. This game will feature a Key Symbol Match playstyle and two specific variants with a lucky top prize of \$17,000. Players match "Your Numbers" to either "Winning Number" to win the prize indicated. If a specified symbol is uncovered, players win triple the prize shown. In addition, if another specified symbol is revealed, players will automatically win that prize. The overall odds of winning are 1 in 4.83.

Scratchers Game 630

This \$2 game is recommended as a Key Number Match playstyle with two specific variants and a top prize of \$10,000. Players match "Your Numbers" to either "Winning Number" to win the prize indicated. If a specific symbol is revealed, players will automatically win four times the prize shown and if another specific symbol is revealed the players will automatically win that prize. The overall odds of winning are 1 in 4.13.

Scratchers Game 631

To round out the March line up, staff recommends launching our next \$3 Crossword game with a brand new feature. This theme and playstyle continues to be a staple in our Scratchers game portfolio, attracting players that prefer unique and involving playstyles. The game includes the traditional way of playing by completing words in the play area/grid as a result of matching letters found in the "Your Letters" area. However, this game will also feature two "Bonus" words which will offer players two additional chances to win prizes. This will add to the winning opportunity thereby engaging the player even further. The top prize is \$20,000 and the overall odds of winning are 1 in 3.15.

Game Profiles with Higher Payouts:

Scratchers Game 624

Everything remains the same except for the overall odds which will be 1 in 4.53.

Scratchers Game 625

Everything remains the same except for the overall odds which will be 1 in 3.35.

Scratchers Game 626

Everything remains the same except for the overall odds which will be 1 in 4.47.

California State Lottery Commission October 22, 2009 Page 4

Scratchers Game 627

Everything remains the same except for the overall odds which will be 1 in 3.38.

Scratchers Game 628

Everything remains the same except for the overall odds which will be 1 in 4.34.

Scratchers Game 629

Everything remains the same except for the overall odds which will be 1 in 3.80.

Scratchers Game 630

Everything remains the same except for the overall odds which will be 1 in 3.95.

Scratchers Game 631

Everything remains the same except for the overall odds which will be 1 in 3.33.