

New Hampshire Lottery Commission
14 Integra Drive, Concord NH
Minutes of Commission Meeting
November 20, 2019 · 2:30 p.m.

Commissioners:

Debra Douglas, Chairman
Paul Holloway, Commissioner
J. Christopher Williams, Commissioner

Lottery staff in attendance:

Charles McIntyre	Katie Brown	Valerie King	Lynda Plante	Rick McLaughlin
John Conforti	Jim Duris	Maura McCann	Carmela Nolin	

Others in attendance:

Ryan Sahr, Intralot	Teri Blouin, Dept Admin Services	Lyndlee Hayes, GYK Antler
Kristen Paré, Intralot	Gina Powers, RYP	Taylor Yianokopolos

Chairman Douglas called the meeting to order at 2:29 p.m.

1. ACCEPTANCE AND SIGNING OF PREVIOUS MINUTES

Chairman Douglas sought a motion to accept the October 22 meeting minutes. Commissioner Holloway so moved, and was seconded by Commissioner Williams; all in favor, meeting minutes were approved as submitted.

2. FINANCIAL REPORTS

- a. Chief Financial Officer Jim Duris presented the financial statement for October. He reported that though we have decreased year-to-date in online sales due to last year's jackpot runs, Keno has increased by 42% and instants are up 3%. Games of chance revenue is performing well; and Chairman Douglas inquired why they are improving. Director McIntyre believes it is a decline month over month in Encore Boston traffic; people are returning to the New Hampshire charitable gaming facilities. Though we are down comparatively from this time last year, we are largely on target for what we projected. Tri-State will wire us our funds tomorrow, and the State audit is wrapping up. Our comprehensive financial report (CAFR) has been submitted and we are waiting on feedback from the Legislative Budget Assistant (LBA).
- b. Delinquent accounts have dropped due to in-house collections activities, and our operating expenses are in line with projections. We had one large payout in October in the form of retirement disbursement for Steve Johnston.
- c. With the completion of the agency's audit, we are now able to transfer an additional \$5.8 million to the Education Trust Fund.

3. SALES AND PRODUCT DEVELOPMENT

- a. Director McIntyre presented a synopsis of Intralot's state of the industry report in the absence of Sales and Product Development Director Kelley-Jaye Cleland. New Hampshire is fourth highest in instant sales per capita, and second in per capita sales for Powerball. The state is fifth for Mega Million sales, which is notable as New Hampshire is considered a Powerball state. We rank second in Keno sales with 224% growth; and we are 11th overall nationally.
- b. Commissioner Holloway inquired about the high-price point instant games, noting that the \$20 ticket is doing well, but the \$25 is down. Marketing Director Maura McCann noted that the \$25 game has sold faster than expected, and the next game in that price point will be released in February with a marketing

push to help its launch. The new \$20 game will launch at the end of December and is expected to do well as all prizes are \$100 or \$200, which resonates with players.

- c. Regional Manager Ryan Sahr of Intralot thanked Lottery for the allowing them to present the state of the industry report. He noted that Keno continues to set records week over week and is looking forward to getting Dover and Rochester locations up and running. Fast Play is our fastest-growing game. New \$1 and \$5 Fast Play games have just launched, and the hope is to launch a \$20 game in 2020.
- d. Katie Brown, Business and Systems Analyst, noted that the holiday subscription promotion starts next Friday. The annual offer saves customers 10% when they purchase their subscription at a Lottery retailer.

4. MARKETING

- a. Marketing Director Maura McCann thanked Taylor Yianakopolos of GYK Antler for helping to compile all activities into a single report. She directed the Commission to the point of sale artwork, noting that the creative for November and December holiday messaging tie in together. iLottery acquisition efforts continue with targeted free games with deposit promotions. We will be launching our first cross-promotion of "Holiday Cheer" instant and iLottery e-Instant game with related offers, along with Black Friday deals.
- b. Ms. McCann reviewed the press coverage we have received over the last month, particularly when the sports betting services RFP scores were posted. Upcoming media campaigns will address Commissioner Holloway's concerns that our success is not promoted enough throughout the state by featuring our record sales year; and we will concentrate on our winners, too.
- c. Lyndlee Hayes of GYK Antler reviewed the Lottery's web activity and social media activity. Highlights include that our conversion rates on the internet occur with search engine marketing; and our website's most visited page is the Pick 3/Pick 4 winning numbers. Additional conversion is seen as a result of Facebook dark posts, in which our sponsored content appears in the feeds of targeted users. Finally, our email promotions have proven valuable in how they demonstrate the habits of our customers.

5. TRI-STATE COMMISSION

The Tri-State Commission met for two days in Portland, Maine in October, and featured presentations by a select group of non-traditional vendors. The Commission's two advertising agencies pitched concepts for responsible gambling spots, which the Product Development committee will continue to discuss at their next weekly meeting. In addition, they will review possible game changes to Gimme 5 and Megabucks, and continue evaluation of The Big Spin instant game. Finally, the Tri-State auditor, Wipfli, presented the summary of their annual audit, which was positive and had no findings. The next Tri-State meeting will be on December 13 in Concord.

6. COMPLIANCE

- a. Valerie King, Director of Racing and Charitable Gaming, sought a motion to submit the final proposal for Lot 3000 (Sports Wagering Rule) to the Office of Legislative Services (OLS) for the December JLCAR 19 agenda. Commissioner Holloway so moved, and was seconded by Commissioner Williams. All in favor, motion carried.
- b. Director McIntyre reminded the Commission that he and they must submit Financial Interest filings to the Secretary of State per RSA 15-A, in December; this will be coordinated through Lottery administration.

7. NEXT MEETING

Next meeting is tentatively scheduled for December 11, 2019 at 2:30 p.m., and may be canceled if not needed.

At 3:22 p.m. Chairman Douglas entertained a motion to adjourn. So moved by Commissioner Holloway, seconded by Commissioner Williams, and meeting adjourned.



Debra Douglas, Chairman



Paul J. Holloway, Commissioner

J. Christopher Williams, Commissioner

Respectfully submitted, Carmela Nolin