

TEXAS LOTTERY COMMISSION
Scratch Ticket Game Closing Analysis
SUMMARY REPORT

Scratch Ticket Information

Date Completed 11/30/2016

Game #	1735	Confirmed Packs	5,604
Game Name	Hit \$50,000	Active Packs	3,243
Quantity Printed	22,518,500	Warehouse Packs	21,413
Price Point	\$2	Returned Packs	6
Start Date	1/4/2016	Printed Payout Percentage	64.99%
Top Prize	\$ 50,000	Percent Sold	81.33%
Number of Top Prizes Remaining	3	Number of Weeks Out	47

Current Game Sales Analysis

TANGIBLE COSTS

Expenditure Impact:

Cost to print tickets	\$ 291,615	Actual ticket production costs
Prize payout expense	\$ 23,486,563	Data from Instant Ticket Tier Liability screen in ES

Estimated Direct Costs \$ 23,778,178

TANGIBLE BENEFITS

Revenue Impact:

Estimated sales	\$ 36,628,592	Based on # of tkts printed, times % sold from DaVinci report, times the price point
Total Estimated Benefits	<u style="text-decoration: underline double;">\$ 36,628,592</u>	

Excess of Revenue over Expended \$ 12,850,415

INTANGIBLE POSITIVE BENEFITS:

- Allows for open bin space for new games at same price point with higher average weekly sales.
- Allows retailers to return inventory to TLC that is not selling thus releasing their financial burden

INTANGIBLE NEGATIVE BENEFITS:

- There are still valuable prizes remaining in this game.

Assumptions:

- Estimated sales revenue is calculated based on the number of tickets printed times the percent sold from the DaVinci report. The percent sold amount is based on pack settlements. Some partial packs could be returned thus slightly reducing the sales revenue amount reported above.

Weekly Sales Comparison Information

<u>Previous 3 Weeks Sales from DaVinci</u>		
Most recent week sales	\$	303,918
Next week	\$	356,536
Next week	\$	358,280
Avg Weekly Sales Current Game	\$	339,578
Avg Weekly Sales \$2; 25M-29.99M Qty*	\$	1,169,247
Percentage Of Variance In Sales		71%

TEXAS LOTTERY COMMISSION
Scratch Ticket Game Closing Analysis
RECOMMENDATION AND APPROVALS

Instant Ticket Information

Game #	<u>1735</u>	Printed Payout Percentage	<u>64.99%</u>
Game Name	<u>Hit \$50,000</u>	Actual Payout Percentage	<u>64.12%</u>
Percent Sold	<u>81.33%</u>	Number of Weeks Out	<u>47</u>
Average # of Weeks for 85% Sell-through for Same Price Point Game With Similar Print Run.*			<u>38</u>

* 25M-29.99M range was used due to the fact that there was no data available in the 20M-24.99M range.

Recommendation

Based on the findings in this Summary Report, I am recommending closing the above game.

I am recommending closing the above game based on the below business reason(s):

Dale Boussoch 11/30/16
 Instant Product Coordinator Date

[Signature] 12/8/16
 Products Manager Date

By signing below, I agree with the recommendation of the Products Department Staff to close the above game.

[Signature] for Michael Ange 12.5.16
 Lottery Operations Division Director Date

Kathy Lynn 12/8/16
 Controller Date

[Signature] 12-8-16
 Executive Director Date

Play the Games of Texas!

Da Vinci Report 11/29/16

Week End Date: 11/26/16

Product Line	Game	\$	Tix Run	Name	Start	Call	Close	Wks	% Sold	Confirmed	Active	Ware	Return	Net Sales			
														11/26/16	11/19/16	11/12/16	11/5/16
Baseline	1772	\$1	11,178,450	CASH 2 GO	10/3/16			8	45.83%	19,427	9,927	9,553	4	\$618,495.00	\$727,853.00	\$701,160.00	\$719,588.00
	1819	\$1	9,119,700	HIPSTER HOLIDAY	11/16/16			1	16.47%	25,840	11,162	11,054	5	\$908,085.00	\$274,950.00	\$0	\$0
	1809	\$1	10,275,750	TEXAS A&M UNIVERSITY	9/6/16			12	45.80%	12,936	7,076	15,754	64	\$316,616.00	\$385,100.00	\$401,106.00	\$438,322.00
	1810	\$1	10,206,150	THE UNIVERSITY OF TEXAS	9/6/16			12	53.92%	13,755	7,405	8,920	39	\$365,313.00	\$434,175.00	\$461,973.00	\$489,658.00
	1816	\$2	5,136,625	VETERANS CASH	11/7/16			3	16.40%	19,005	10,464	3,508	9	\$572,674.00	\$510,982.00	\$420,844.00	\$0
	1793	\$2	38,037,250	WEEKLY GRAND	9/19/16			10	13.95%	17,645	10,369	231,882	10	\$978,576.00	\$1,130,434.00	\$1,185,392.00	\$1,294,078.00
	1814	\$3	7,342,950	HOLIDAY LOTERIA	10/17/16			6	42.40%	23,533	10,636	19,225	14	\$1,616,448.00	\$1,664,637.00	\$1,678,821.00	\$1,742,196.00
	1811	\$5	8,192,325	\$100,000 CASH	9/6/16			12	64.01%	15,921	6,287	15,594	27	\$1,175,260.00	\$1,390,110.00	\$1,558,420.00	\$1,949,380.00
	1808	\$5	18,320,550	BONUS BREAK THE BANK	11/7/16			3	6.20%	21,666	7,965	197,458	5	\$1,863,410.00	\$2,187,075.00	\$1,128,235.00	\$0
	1782	\$5	8,369,025	CRAZY CASH	9/19/16			10	36.52%	15,906	6,615	46,905	74	\$889,150.00	\$1,107,660.00	\$1,264,515.00	\$1,649,360.00
	1815	\$5	7,649,475	GARLAND RICHES	10/17/16			6	42.08%	26,123	10,375	19,992	13	\$2,141,670.00	\$2,488,185.00	\$2,674,780.00	\$3,247,710.00
	1817	\$5	7,998,975	GOLDEN TICKET	11/7/16			3	18.80%	21,693	9,058	53,833	14	\$2,255,865.00	\$2,985,855.00	\$1,713,560.00	\$0
	1813	\$5	8,420,625	HIT THE JACKPOT	10/3/16			8	34.98%	17,676	7,570	46,805	14	\$1,108,465.00	\$1,401,925.00	\$1,473,765.00	\$1,914,450.00
	1820	\$5	8,115,750	WILD CASH BONANZA	11/16/16			1	9.38%	21,593	8,826	65,560	2	\$2,231,560.00	\$933,750.00	\$0	\$0
	1869	\$10	6,113,400	\$1,000,000 HIGH ROLLER	11/16/16			1	11.47%	27,635	7,402	71,098	2	\$4,065,470.00	\$1,815,000.00	\$0	\$0
	1781	\$10	5,083,450	CASINO CASH	9/19/16			10	55.71%	19,572	7,362	16,423	9	\$1,891,760.00	\$2,313,820.00	\$2,592,640.00	\$3,070,990.00
	1818	\$10	5,249,950	HOLIDAY COUNTDOWN SUPER TICKET	11/7/16			3	25.44%	37,061	9,648	28,895	23	\$4,185,680.00	\$4,773,880.00	\$3,321,400.00	\$0
	1779	\$20	8,076,320	SUPER BREAK THE BANK	10/3/16			8	27.28%	49,323	9,348	231,733	22	\$3,205,960.00	\$3,740,280.00	\$4,496,800.00	\$5,699,140.00
	1832	\$50	3,668,520	\$7,500,000 ULTIMATE CASH	10/17/16			6	9.62%	15,645	5,866	142,558	44	\$2,613,350.00	\$3,114,950.00	\$2,897,250.00	\$3,269,700.00
Mature	1757	\$1	12,237,450	\$7 MILLION PAYOUT	8/1/16			17	88.27%	4,246	3,777	0	472	\$243,333.00	\$337,598.00	\$388,490.00	\$446,318.00
	1626	\$1	1,091,250	DID I WIN?	9/12/14			115	0.00%	0	0	1,611	133	\$0	\$0	\$0	\$0
	1447	\$1	860,400	MONEY CRAZE	9/17/12			219	0.00%	0	0	0	182	\$0	\$0	\$0	\$0
	1800	\$1	30,135,750	WEEKLY BONUS	6/20/16			23	33.53%	9,305	5,578	116,780	36	\$266,763.00	\$298,347.00	\$304,949.00	\$287,583.00
	1802	\$2	29,893,250	BREAK THE BANK	8/1/16			17	32.55%	18,620	9,934	129,918	7	\$1,302,976.00	\$1,400,776.00	\$1,438,048.00	\$1,552,380.00
	1735	\$2	22,518,500	HIT \$50,000	1/4/16			47	81.33%	5,604	3,243	21,413	6	\$303,918.00	\$356,536.00	\$358,280.00	\$404,088.00
	1795	\$2	35,193,500	INSTANT BINGO	3/7/16			38	54.70%	17,739	9,387	98,407	51	\$984,746.00	\$1,035,272.00	\$1,056,432.00	\$1,083,576.00
	1805	\$2	6,028,375	PITBULL	7/18/16			19	75.14%	3,580	2,456	3,255	1,895	\$159,290.00	\$224,726.00	\$240,972.00	\$308,438.00
	1798	\$3	35,460,375	BONUS CASHWORD	2/29/16			39	66.36%	16,554	9,165	67,195	22	\$2,061,339.00	\$2,186,067.00	\$2,136,636.00	\$2,129,769.00
	1801	\$3	20,504,625	TEXAS LOTERIA	6/27/16			22	44.74%	25,130	8,246	115,504	14	\$1,178,724.00	\$1,268,274.00	\$1,299,876.00	\$1,361,631.00
	1799	\$5	20,213,625	\$100,000 SUPER CASHWORD	7/18/16			19	34.12%	17,198	6,772	151,583	31	\$1,570,065.00	\$1,672,770.00	\$1,721,460.00	\$1,854,675.00

Liability for 1735 / for Life to Date

Product Status:
Active

SmartCash Enabled:
N/A

Validation Range: 11/20/2015 - 12/31/2037

Outstanding Prizes

Tier	Ref	SmartCash	Tier Value	Count	Amount	Tickets Paid Life to Date	Amount Paid Life to Date	% paid	Est. Tickets Sold
1	1	N/A	\$2.00	488357	\$976,714.00	1673274	\$3,346,548.00	77.41%	17431102
2	2	N/A	\$4.00	113952	\$455,808.00	426470	\$1,705,880.00	78.91%	17770301
3	3	N/A	\$4.00	126264	\$505,056.00	504300	\$2,017,200.00	79.98%	18009395
4	4	N/A	\$5.00	165902	\$829,510.00	644849	\$3,224,245.00	79.54%	17910589
5	5	N/A	\$10.00	17676	\$176,760.00	72419	\$724,190.00	80.38%	18100525
6	6	N/A	\$10.00	16751	\$167,510.00	73302	\$733,020.00	81.40%	18329768
7	7	N/A	\$10.00	16570	\$165,700.00	73483	\$734,830.00	81.60%	18375029
8	0	N/A	\$25.00	17159	\$428,975.00	72862	\$1,821,550.00	80.94%	18226219
9	0	N/A	\$25.00	16068	\$401,700.00	74059	\$1,851,475.00	82.17%	18503857
10	0	N/A	\$25.00	33111	\$827,775.00	147037	\$3,675,925.00	81.62%	18379620
11	0	N/A	\$50.00	441	\$22,050.00	1899	\$94,950.00	81.15%	18274623
12	0	N/A	\$50.00	418	\$20,900.00	1940	\$97,000.00	82.27%	18526665
13	0	N/A	\$50.00	401	\$20,050.00	1934	\$96,700.00	82.83%	18651292
14	0	N/A	\$50.00	1272	\$63,600.00	5965	\$298,250.00	82.42%	18560566
15	0	N/A	\$100.00	285	\$28,500.00	1123	\$112,300.00	79.76%	17960418
16	0	N/A	\$100.00	267	\$26,700.00	1140	\$114,000.00	81.02%	18245261
17	0	N/A	\$100.00	253	\$25,300.00	1148	\$114,800.00	81.94%	18451985
18	0	N/A	\$100.00	1077	\$107,700.00	5004	\$500,400.00	82.29%	18530265
19	0	N/A	\$200.00	315	\$63,000.00	1367	\$273,400.00	81.27%	18301296
20	0	N/A	\$200.00	310	\$62,000.00	1377	\$275,400.00	81.62%	18380537
21	0	N/A	\$200.00	307	\$61,400.00	1385	\$277,000.00	81.86%	18432691
22	0	N/A	\$500.00	91	\$45,500.00	385	\$192,500.00	80.88%	18213487
23	0	N/A	\$500.00	84	\$42,000.00	392	\$196,000.00	82.35%	18544642
24	0	N/A	\$1,000.00	54	\$54,000.00	232	\$232,000.00	81.12%	18266750
25	0	N/A	\$1,000.00	56	\$56,000.00	227	\$227,000.00	80.21%	18062537
26	0	N/A	\$50,000.00	3	\$150,000.00	11	\$550,000.00	78.57%	17693102
Totals:				1017444	\$5,784,208.00	3,787,584	\$23,486,563.00		

END OF PRODUCTION PRIZE STRUCTURE
 November 16, 2015 - (POOLS # 1 - 104 COMPLETE)

Prize Structure
 TEXAS LOTTERY
 GAME NO. 1735 "HIT \$50,000"
 8/24/2015 - VERSION A

Order Quantity: 22,518,500 Pack Size: 125
 Price Point: \$2.00 Packs/Game: 180,148
 Revenue: \$45,037,000.00 Packs/Pool: 1,920

Pool Size: 240,000
 Number of Pools: 93.83

Winners: 4,805,028
 Non-winners: 17,713,472
 Overall Odds: 4.6864

Total Payout
 Prize Fund: \$29,270,771.00
 Payout: 64.99%

ORIGINAL ORDER

SHIPMENT # 1-3
 COMPLETE
 POOLS # 1 - 104

Kind	Wins	Get	Win	Value	Odds (1 in)	Winners		Total	Total Prize Cost	% Prize Fund	
						Pack	Pool				
01	1	\$2	\$2	\$2.00	10.4174	12.00	23,040.00	2,161,631	\$4,323,262.00	14.77%	
02	1	\$4	\$4	\$4.00	41.6684	3.00	5,760.00	540,422	\$2,161,688.00	7.39%	
03	2	\$2 x 2	\$4	\$4.00	35.7117	3.50	6,720.00	630,564	\$2,522,256.00	8.62%	
04	1	\$5	\$5	\$5.00	27.7749	4.50	8,640.00	810,751	\$4,053,755.00	13.85%	
05	1	\$10	\$10	\$10.00	249.9417	0.50	960.00	90,095	\$900,950.00	3.08%	
06	2	\$5 x 2	\$10	\$10.00	250.0583	0.50	960.00	90,053	\$900,530.00	3.08%	
07	4	\$4 + (\$2 x 3)	\$10	\$10.00	250.0583	0.50	960.00	90,053	\$900,530.00	3.08%	
08	1	\$25	\$25	\$25.00	250.1472	0.50	960.00	90,021	\$2,250,525.00	7.69%	
09	3	(\$10 x 2) + \$5	\$25	\$25.00	249.8530	0.50	960.00	90,127	\$2,253,175.00	7.70%	
10	1	\$25 (HIT)	\$25	\$25.00	125.0000	1.00	1,920.00	180,148	\$4,503,700.00	15.39%	
11	1	\$50	\$50	\$50.00	9623.2906	0.01	25.00	2,340	\$117,000.00	0.40%	
12	3	(\$20 x 2) + \$10	\$50	\$50.00	9549.8304	0.01	25.00	2,358	\$117,900.00	0.40%	
13	10	(\$10 x 2) + (\$5 x 4) + \$4 + (\$2 x 3)	\$50	\$50.00	9643.8972	0.01	25.00	2,335	\$116,750.00	0.40%	
14	4	\$25 (HIT) + (\$10 x 2) + \$5	\$50	\$50.00	3111.5794	0.04	77.00	7,237	\$361,850.00	1.24%	
15	1	\$100	\$100	\$100.00	15993.2528	0.01	15.00	1,408	\$140,800.00	0.48%	
16	4	\$50 + (\$20 x 2) + \$10	\$100	\$100.00	16004.6198	0.01	15.00	1,407	\$140,700.00	0.48%	
17	10	(\$20 x 2) + (\$10 x 4) + (\$5 x 4)	\$100	\$100.00	16073.1620	0.01	15.00	1,401	\$140,100.00	0.48%	
18	5	\$50 + \$25 (HIT) + (\$10 x 2) + \$5	\$100	\$100.00	3703.0916	0.03	65.00	6,081	\$608,100.00	2.08%	
19	1	\$200	\$200	\$200.00	13387.9310	0.01	18.00	1,682	\$336,400.00	1.15%	
20	2	\$100 x 2	\$200	\$200.00	13348.2513	0.01	18.00	1,687	\$337,400.00	1.15%	
21	5	\$100 + \$50 + (\$20 x 2) + \$10	\$200	\$200.00	13308.8061	0.01	18.00	1,692	\$338,400.00	1.16%	
22	1	\$500	\$500	\$500.00	47307.7731	0.00	5.00	476	\$238,000.00	0.81%	
23	3	(\$200 x 2) + \$100	\$500	\$500.00	47307.7731	0.00	5.00	476	\$238,000.00	0.81%	
24	1	\$1,000	\$1,000	\$1,000.00	78736.0140	0.00	3.00	286	\$286,000.00	0.98%	
25	2	\$500 x 2	\$1,000	\$1,000.00	79570.6714	0.00	3.00	283	\$283,000.00	0.97%	
26	1	\$50,000	\$50,000	\$50,000.00	1608464.2857	0.00	0.15	14	\$700,000.00	2.39%	
Total :						4.6864	26.67	51,212.15	4,805,028	\$29,270,771.00	100.00%

22518500

2161631

540422

630564

810751

90095

90053

90053

90021

90127

180148

2340

2358

2335

7237

1408

1407

1401

6081

1682

1687

1692

476

476

286

283

14

No.	11/29/16				
	Game Name	Game No	Inv No.	Vendor	TLC PO #
	Hit \$50,000	1735	1025939-3	SGI	362-16-9019 RL007

Truck #	Description/Tickets Delivered Qty	Units per 1000	Unit Price	Amount
1	7,542,375	7,542.38	\$12.95	\$97,673.76
2	7,555,125	7,555.13	\$12.95	\$97,838.87
3	7,421,000	7,421.00	\$12.95	\$96,101.95
				<hr/>
				\$291,614.58

Delivered	22,518,500
Ordered	22,080,000
2% under	21,638,400
2% over	22,521,600
Accetable Range	0

Total \$291,614.58

**Instant Ticket Game Analysis
8/31/14-8/27/16**

Average Number of Weeks for 85% Average Sell Through

Print Quantities	Price Point				Print Quantities	Price Point			
	\$1	\$2	\$3	\$5		\$10	\$20	\$25	\$50
< 5M	None	None	None	None	2M	None	None	None	None
5M-9.99M	Week 11*	Week 20	Week 18*	Week 18	3M	None	Week 12*	None	None
10M-14.99M	Week 18	None	Week 26	Week 26	4M	None	None	None	None
15M-19.99M	None	Week 21*	None	Week 26	5M	Week 17	Week 47*	None	None
20M-24.99M	Week 35*	None	Week 25	Week 40	6M	Week 27	None	None	None
25M-29.99M	Week 29	Week 38	Week 33	None	7M	None	None	None	None
30M-34.99M	None	None	None	None	8M	Week 19	None	None	None
>35M	None	None	None	None	>9M	Week 30	Week 39*	None	None

Average Weekly Dollar Sales at 85% Average Sell Through

Print Quantities	Price Point				Print Quantities	Price Point			
	\$1	\$2	\$3	\$5		\$10	\$20	\$25	\$50
< 5M	None	None	None	None	2M	None	None	None	None
5M-9.99M	\$578,969	\$671,321	\$861,712	\$1,964,653	3M	None	\$5,141,903	None	None
10M-14.99M	\$557,959	None	\$1,236,839	\$2,142,670	4M	None	None	None	None
15M-19.99M	None	\$1,273,552	None	\$2,531,546	5M	\$2,712,692	\$2,150,202	None	None
20M-24.99M	\$551,431	None	\$2,124,488	\$2,208,168	6M	\$1,986,191	None	None	None
25M-29.99M	\$786,366	\$1,169,247	\$2,004,832	None	7M	None	None	None	None
30M-34.99M	None	None	None	None	8M	\$4,563,190	None	None	None
>35M	None	None	None	None	>9M	\$3,124,159	\$4,464,715	None	None

None = no games at this level with 85% sell through

* only one game at this level with 85% sell through

Excludes Promotional Tickets
Unaudited - For Internal Use Only