

TEXAS LOTTERY COMMISSION
Scratch Ticket Game Closing Analysis
SUMMARY REPORT

Scratch Ticket Information

Date Completed

2/3/2017

Game #	1740	Confirmed Packs	13,871
Game Name	Hit \$1,000,000	Active Packs	5,059
Quantity Printed	10,279,550	Warehouse Packs	12,088
Price Point	\$20	Returned Packs	27
Start Date	12/21/2015	Printed Payout Percentage	74.97%
Top Prize	\$ 1,000,000	Percent Sold	91.90%
Number of Top Prizes Remaining	0	Number of Weeks Out	58

Current Game Sales Analysis

TANGIBLE COSTS

Expenditure Impact:

Cost to print tickets	\$ 332,132	Actual ticket production costs
Prize payout expense	\$ 140,891,190	Data from Instant Ticket Tier Liability screen in ES

Estimated Direct Costs \$ 141,223,322

TANGIBLE BENEFITS

Revenue Impact:

Estimated sales	\$ 188,938,129	Based on # of tkts printed, times % sold from DaVinci report, times the price point
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Total Estimated Benefits \$ 188,938,129

Excess of Revenue over Expended \$ 47,714,807

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

Previous 3 Weeks Sales from DaVinci

Most recent week sales	\$	1,729,080
Next week	\$	1,771,780
Next week	\$	2,024,500
Avg Weekly Sales Current Game	\$	1,841,787
Avg Weekly Sales \$20; >9M Qty	\$	4,464,715
Percentage Of Variance In Sales		59%

TEXAS LOTTERY COMMISSION
Scratch Ticket Game Closing Analysis
RECOMMENDATION AND APPROVALS

Instant Ticket Information

Game #	1740	Printed Payout Percentage	74.97%
Game Name	Hit \$1,000,000	Actual Payout Percentage	74.57%
Percent Sold	91.90%	Number of Weeks Out	58
Average # of Weeks for 85% Sell-through for Same Price Point Game With Similar Print Run			39*

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

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)

Insta

Not Required. Zero Top Prize.

Product Manager

Date

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

Lottery Operations Division Director

Contr

Not Required. Zero Top Prize.

Executive Director

Date

 *Play the Games of Texas!*	
Da Vinci Report	2/3/17
Week End Date:1/28/17	

Product Line	Game	\$	Tlx Run	Name	Start	Call	Close	Wks	% Sold	Confirmed	Active	Ware	Return	Net Sales			
														1/28/17	1/21/17	1/14/17	1/7/17
Sold/Closing	1740	\$20	10,279,550	HIT \$1,000,000	12/21/15			58	91.90%	13,871	5,059	12,088	27	\$1,729,080.00	\$1,771,780.00	\$2,024,500.00	\$1,851,340.00

Liability for 1740 / for Life to Date

Product Status SmartCash Enabled Validation Range 11/26/2015 - 09/17/2017
 Active N/A
 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	\$20 00	118899	\$2,377,980 00	1114823	\$22,296,460 00	90.36%	9288866
2	2	N/A	\$40.00	38635	\$1,545,400 00	372500	\$14,900,000 00	90 60%	9313564
3	3	N/A	\$40 00	33414	\$1,336,560 00	377727	\$15,109,080 00	91.87%	9444116
4	4	N/A	\$50 00	8191	\$409,550.00	94564	\$4,728,200 00	92.03%	9460127
5	5	N/A	\$50 00	8443	\$422,150 00	94359	\$4,717,950 00	91 79%	9435303
6	6	N/A	\$50 00	8337	\$416,850.00	94445	\$4,722,250 00	91.89%	9445740
7	7	N/A	\$50 00	9674	\$483,700 00	93169	\$4,658,450 00	90.59%	9312596
8	0	N/A	\$100 00	2510	\$251,000 00	23060	\$2,306,000 00	90 18%	9270489
9	0	N/A	\$100 00	2167	\$216,700.00	23499	\$2,349,900 00	91.56%	9411639
10	0	N/A	\$100 00	2148	\$214,800 00	23485	\$2,348,500 00	91.62%	9418141
11	0	N/A	\$100 00	2155	\$215,500 00	23479	\$2,347,900 00	91.59%	9415368
12	0	N/A	\$100 00	8086	\$808,600 00	86762	\$8,676,200 00	91 47%	9403195
13	0	N/A	\$200 00	1600	\$320,000 00	15551	\$3,110,200 00	90 67%	9320580
14	0	N/A	\$200 00	1418	\$283,600 00	15713	\$3,142,600 00	91 72%	9428671
15	0	N/A	\$200 00	1454	\$290,800 00	15682	\$3,136,400 00	91.51%	9407323
16	0	N/A	\$200 00	1380	\$276,000 00	15792	\$3,158,400 00	91 96%	9453450
17	0	N/A	\$200 00	2874	\$574,800 00	31441	\$6,288,200 00	91 62%	9418602
18	0	N/A	\$200 00	2881	\$576,200 00	31442	\$6,288,400 00	91 61%	9416706
19	0	N/A	\$200 00	5673	\$1,134,600 00	62863	\$12,572,600 00	91 72%	9428670
20	0	N/A	\$500 00	102	\$51,000 00	928	\$464,000 00	90 10%	9261575
21	0	N/A	\$500 00	81	\$40,500 00	958	\$479,000 00	92.20%	9478160
22	0	N/A	\$500 00	197	\$98,500 00	2198	\$1,099,000 00	91 77%	9434008
23	0	N/A	\$500 00	198	\$99,000 00	2201	\$1,100,500 00	91 75%	9431133
24	0	N/A	\$500 00	214	\$107,000.00	2202	\$1,101,000 00	91 14%	9369026
25	0	N/A	\$10,000 00	8	\$80,000 00	79	\$790,000 00	90.80%	9334304
26	0	N/A	\$10,000 00	4	\$40,000 00	83	\$830,000 00	95 40%	9806927
27	0	N/A	\$10,000 00	16	\$160,000 00	157	\$1,570,000 00	90 75%	9328840
28	0	N/A	\$100,000 00	1	\$100,000 00	9	\$900,000 00	90 00%	9251595
29	0	N/A	\$100,000 00	3	\$300,000 00	7	\$700,000 00	70 00%	7195685
30	0	N/A	\$1,000,000 00	0	\$0 00	5	\$5,000,000 00	100 00%	10279550
Totals				260763	\$13,230,790 00	2,619,183	\$140,891,190.00		

End of Production Prize Structure
November 23, 2015 (Pools 1-95) Complete

Prize Structure
TEXAS LOTTERY
GAME NO.1740 "HIT \$1,000,000"
8/24/2015 VERSION A

Order Quantity:	10,279,550	Pack Size:	25	Pool Size:	120,000	Winners:	2,879,946	Total Payout:	
Price Point:	\$20.00	Packs/Game:	411,182	Number of Pools:	85 66	Non-winners:	7,399,604	Prize Fund:	\$154,121,980.00
Revenue:	\$205,591,000.00	Packs/Pool:	4,800			Overall Odds:	3.5694	Payout:	74.97%

SHIPMENT # 1-4
COMPLETE
POOLS # 1 - 95

Kind	Wins	Get	Win	Value	Odds (1 in)	Winners			Total	Total Prize Cost	% Prize Fund
						Pack	Pool	Total			
01	1	\$20	\$20	\$20.00	8.3321	3.00	14,400.00	1,233,722	\$24,674,440.00	16.01%	
02	1	\$40	\$40	\$40.00	25.0029	1.00	4,800.00	411,136	\$16,445,400.00	10.67%	1233722
03	3	\$20 + (\$10 x 2)	\$40	\$40.00	25.0025	1.00	4,800.00	411,141	\$16,445,640.00	10.67%	411135
04	3	(\$20 x 2) + \$10	\$50	\$50.00	100.0394	0.25	1,200.00	102,766	\$5,137,760.00	3.33%	411141
05	2	\$40 + \$10	\$50	\$50.00	99.9937	0.25	1,200.00	102,802	\$5,140,100.00	3.34%	102755
06	5	\$10 x 5	\$50	\$50.00	100.0131	0.25	1,200.00	102,782	\$5,139,100.00	3.33%	102802
07	1	\$50	\$50	\$50.00	99.9838	0.25	1,200.00	102,843	\$5,142,150.00	3.34%	102782
08	1	\$100	\$100	\$100.00	402.0160	0.06	300.00	25,670	\$2,567,000.00	1.66%	102843
09	2	\$50 x 2	\$100	\$100.00	400.5124	0.06	300.00	25,666	\$2,566,600.00	1.67%	25570
10	5	\$20 x 5	\$100	\$100.00	401.0280	0.06	300.00	25,633	\$2,563,300.00	1.66%	25666
11	4	\$50 + (\$20 x 2) + \$10	\$100	\$100.00	401.0123	0.06	300.00	25,634	\$2,563,400.00	1.66%	25633
12	1	\$10 (10X)	\$100	\$100.00	108.3792	0.23	1,106.00	94,848	\$9,484,800.00	6.15%	25634
13	1	\$200	\$200	\$200.00	599.3567	0.04	200.00	17,151	\$3,430,200.00	2.23%	94848
14	2	\$100 x 2	\$200	\$200.00	600.0555	0.04	200.00	17,131	\$3,426,200.00	2.22%	17151
15	7	(\$50 x 2) + (\$20 x 5)	\$200	\$200.00	599.8804	0.04	200.00	17,136	\$3,427,200.00	2.22%	17131
16	5	\$100 + \$50 + (\$20 x 2) + \$10	\$200	\$200.00	598.6228	0.04	200.00	17,172	\$3,434,400.00	2.23%	17136
17	1	\$20 (10X)	\$200	\$200.00	299.5643	0.08	400.00	34,315	\$6,863,000.00	4.45%	17172
18	1	\$10 (20X)	\$200	\$200.00	299.4945	0.08	400.00	34,323	\$6,864,600.00	4.45%	34315
19	1	\$200 (HIT)	\$200	\$200.00	149.9876	0.17	800.00	68,536	\$13,707,200.00	8.89%	34323
20	1	\$500	\$500	\$500.00	9980.1456	0.00	12.00	1,030	\$515,000.00	0.33%	68536
21	25	(\$50 x 3) + (\$20 x 13) + (\$10 x 9)	\$500	\$500.00	9893.9959	0.00	12.00	1,039	\$519,500.00	0.34%	1030
22	4	\$200 (HIT) + (\$50 x 2) + \$20 (10X)	\$500	\$500.00	4292.0877	0.01	28.00	2,386	\$1,197,500.00	0.78%	1039
23	14	\$100 + (\$50 x 2) + (\$40 x 4) + (\$20 x 7)	\$500	\$500.00	4284.9312	0.01	28.00	2,389	\$1,199,500.00	0.78%	2395
24	13	\$200 (HIT) + (\$50 x 2) + \$20 x 10	\$500	\$500.00	4254.7806	0.01	28.00	2,416	\$1,208,000.00	0.78%	2399
25	1	\$10,000	\$10,000	\$10,000.00	118155.7471	0.00	1.00	87	\$870,000.00	0.56%	2416
26	12	(\$1,000 x 5) \$200 (10X) + (\$500 x 6)	\$10,000	\$10,000.00	118155.7471	0.00	1.00	87	\$870,000.00	0.56%	87
27	1	\$500 (20X)	\$10,000	\$10,000.00	59419.3642	0.00	2.00	173	\$1,730,000.00	1.12%	87
28	1	\$10,000 (10X)	\$100,000	\$100,000.00	1027995.0000	0.00	0.12	10	\$1,000,000.00	0.65%	173
29	1	\$100,000	\$100,000	\$100,000.00	1027995.0000	0.00	0.12	10	\$1,000,000.00	0.65%	10
30	1	\$1,000,000	\$1,000,000	\$1,000,000.00	2055910.0000	0.00	0.06	5	\$5,000,000.00	3.24%	10
Total :					3.5694	7.60	33,618.30	2,879,946	\$154,121,980.00	100.00%	5

Exact quantity to be delivered to the lottery.

GLEPS

Description		G1		G2		G3		G4	
Packs/pool		1,200		1,200		1,200		1,200	
Value	Get	Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
20	\$20	1	\$20.00	3	\$60.00	3	\$60.00	5	\$100.00
40	\$40	2	\$80.00	0	\$0.00	1	\$40.00	1	\$40.00
	\$20 + (\$10 x 2)	1	\$40.00	2	\$80.00	1	\$40.00	0	\$0.00
50	(\$20 x 2) + \$10	1	\$50.00	0	\$0.00	0	\$0.00	0	\$0.00
	\$40 + \$10	0	\$0.00	1	\$50.00	0	\$0.00	0	\$0.00
	\$10 x 5	0	\$0.00	0	\$0.00	1	\$50.00	0	\$0.00
	\$50	0	\$0.00	0	\$0.00	0	\$0.00	1	\$50.00
		5	\$190.00	6	\$190.00	6	\$190.00	7	\$190.00

No.	12/10/15				
	Game Name	Game No	Inv No.	Vendor	TLC PO #
	Hit \$1,000,000	1740	1025955-4	SGI	362-16-9019 RL004

Truck #	Description/Tickets Delivered Qty	Units per 1000	Unit Price	Amount
1	2,606,625	2,606.63	\$32.31	\$84,220.05
2	2,609,400	2,609.40	\$32.31	\$84,309.71
3	2,607,200	2,607.20	\$32.31	\$84,238.63
4	2,456,325	2,456.33	\$32.31	\$79,363.86
				<u>\$332,132.26</u>

Delivered	10,279,550
Ordered	10,080,000
2% under	9,878,400
2% over	10,281,600
Accetable Range	0

Total	\$332,132.26
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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