

TEXAS LOTTERY COMMISSION
Scratch Ticket Game Closing Analysis
SUMMARY REPORT

Scratch Ticket Information

Date Completed 8/13/2020

Game #	2173	Confirmed Packs	1,027
Game Name	Hit \$1,000,000	Active Packs	799
Quantity Printed	5,135,150	Warehouse Packs	249
Price Point	\$30	Returned Packs	304
Start Date	9/3/2019	Printed Payout Percentage	74.97%
Top Prize	\$ 1,000,000	Percent Sold	98.36%
Number of Top Prizes Remaining	0	Number of Weeks Out	49

Current Game Sales Analysis

TANGIBLE COSTS

Expenditure Impact:

Cost to print tickets	\$ 590,828	Actual ticket production costs
Prize payout expense	\$ 112,726,700	Data from Instant Ticket Tier Liability screen in ES

Estimated Direct Costs **\$ 113,317,528**

TANGIBLE BENEFITS

Revenue Impact:

Estimated sales	\$ 151,528,006	Based on # of tkts printed, times % sold from DaVinci report, times the price point
Total Estimated Benefits	\$ 151,528,006	

Excess of Revenue over Expended \$ 38,210,478

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	\$	379,620	
Next week	\$	475,980	
Next week	\$	604,680	
Avg Weekly Sales Current Game	\$	486,760	
Avg Weekly Sales \$30; 5M Qty*	\$	3,795,213	
Percentage Of Variance In Sales		87%	

TEXAS LOTTERY COMMISSION
Scratch Ticket Game Closing Analysis
RECOMMENDATION AND APPROVALS

Instant Ticket Information

Game #	2173	Printed Payout Percentage	74.97%
Game Name	Hit \$1,000,000	Actual Payout Percentage	74.39%
Percent Sold	98.36%	Number of Weeks Out	49
Average # of Weeks for 85% Sell-through for Same Price Point Game With Similar Print Run.			40*

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

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):

Scratch Ticket Strategy Coordinator Date

Products Manager Date

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

Lottery Operations Division Director Date

Controller Date

Executive Director Date

Bowersock, Dale

From: Bowersock, Dale
Sent: Thursday, August 13, 2020 10:22 AM
To: ProductsScratchTeam
Subject: Fwd: HIT \$1,000,000

This will cause a ZTP. The game is in Pre-call status but not Called yet so all ZTP processes need to be followed.

I'll process the STM update and the game close analysis.

Begin forwarded message:

From: "Barkley, Lea" <Lea.Barkley@lottery.state.tx.us>
Date: August 13, 2020 at 10:14:24 AM CDT
To: \$1 Million Publicity <1MillionPublicity@lottery.state.tx.us>
Subject: HIT \$1,000,000

Today we processed a HIT \$1,000,000 #2173 for one million:

Selling Retailer#:	185830
Selling Retailer Name:	MARKET AT HEIGHTS
Address:	1535 N DURHAM
City, State Zip Code:	HOUSTON, TX 77008
Selling Retailer Phone #:	3467017933
Selling Retailer Contact Name and Phone Number:	MOHSIN MOMIN 643-701-7933

The claimant declined publicity, they elected to remain anonymous.

Lea Barkley
Validation Specialist I - Austin
Texas Lottery Commission

512-344-5343

Lea Barkley
Validation Specialist I - Austin
Texas Lottery Commission
512-344-5343



Play the Games of Texas!

Da Vinci Report

8/13/20

Week End Date:8/8/20

Product Line	Game	\$	Tix Run	Name	Start	Call	Close	Wks	% Sold	Confirmed	Active	Ware	Return	Net Sales			
														8/8/20	8/1/20	7/25/20	7/18/20
Sold/Closing	2202	\$10	6,074,650	JUMBO BUCKS 300X	2/3/20	8/2/20	9/16/20	27	97.31%	601	259	8	1,548	\$89,430.00	\$124,370.00	\$176,640.00	\$195,250.00
	2167	\$10	26,558,050	MEGA LOTERIA	9/16/19			47	97.83%	6,792	2,014	332	368	\$1,607,180.00	\$2,236,300.00	\$2,945,320.00	\$3,751,390.00
	2144	\$20	6,114,200	MILLION DOLLAR LOTERIA	10/7/19	7/5/20	8/19/20	44	99.17%	21	4	61	1,469	\$4,860.00	\$17,480.00	\$15,240.00	\$40,480.00
	2178	\$20	7,183,550	MONEY	10/21/19	7/23/20	9/6/20	42	98.07%	1,009	649	336	450	\$370,460.00	\$661,500.00	\$998,220.00	\$1,308,240.00
	2173	\$30	5,135,150	HIT \$1,000,000	9/3/19	8/30/20	10/14/20	49	98.36%	1,027	799	249	304	\$379,620.00	\$475,980.00	\$604,680.00	\$803,100.00
	2141	\$50	4,623,120	MILLION DOLLAR JACKPOT	5/20/19			64	98.10%	1,621	1,258	336	188	\$987,800.00	\$1,260,800.00	\$1,644,150.00	\$2,069,600.00

Liability for 2173 / for Life to DateProduct Status:
ActiveSmartCash Enabled:
N/A

Validation Range: 08/15/2019 - 04/13/2021

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	\$30.00	16758	\$502,740.00	599460	\$17,983,800.00	97.28%	4995500
2	2	N/A	\$50.00	14375	\$718,750.00	550517	\$27,525,850.00	97.46%	5004474
3	0	N/A	\$100.00	1435	\$143,500.00	49887	\$4,988,700.00	97.20%	4991567
4	0	N/A	\$100.00	1191	\$119,100.00	50199	\$5,019,900.00	97.68%	5016139
5	0	N/A	\$150.00	1968	\$295,200.00	83582	\$12,537,300.00	97.70%	5017020
6	0	N/A	\$150.00	643	\$96,450.00	20579	\$3,086,850.00	96.97%	4979561
7	0	N/A	\$200.00	1261	\$252,200.00	58670	\$11,734,000.00	97.90%	5027102
8	0	N/A	\$200.00	437	\$87,400.00	20939	\$4,187,800.00	97.96%	5030169
9	0	N/A	\$200.00	462	\$92,400.00	20916	\$4,183,200.00	97.84%	5024174
10	0	N/A	\$300.00	61	\$18,300.00	2083	\$624,900.00	97.15%	4989047
11	0	N/A	\$300.00	443	\$132,900.00	18822	\$5,646,600.00	97.70%	5017066
12	0	N/A	\$300.00	402	\$120,600.00	18856	\$5,656,800.00	97.91%	5027956
13	0	N/A	\$300.00	44	\$13,200.00	2100	\$630,000.00	97.95%	5029764
14	0	N/A	\$500.00	20	\$10,000.00	409	\$204,500.00	95.34%	4895749
15	0	N/A	\$500.00	16	\$8,000.00	624	\$312,000.00	97.50%	5006771
16	0	N/A	\$500.00	42	\$21,000.00	2761	\$1,380,500.00	98.50%	5058205
17	0	N/A	\$500.00	33	\$16,500.00	1255	\$627,500.00	97.44%	5003581
18	0	N/A	\$500.00	24	\$12,000.00	1265	\$632,500.00	98.14%	5039538
19	0	N/A	\$500.00	19	\$9,500.00	1268	\$634,000.00	98.52%	5059339
20	0	N/A	\$10,000.00	0	\$0.00	10	\$100,000.00	100.00%	5135149
21	0	N/A	\$10,000.00	4	\$40,000.00	36	\$360,000.00	90.00%	4621635
22	0	N/A	\$10,000.00	6	\$60,000.00	47	\$470,000.00	88.68%	4553812
23	0	N/A	\$100,000.00	0	\$0.00	12	\$1,200,000.00	100.00%	5135150
24	0	N/A	\$1,000,000.00	0	\$0.00	3	\$3,000,000.00	100.00%	5135150
Totals:				39644	\$2,769,740.00	1,504,300	\$112,726,700.00		

NO. OF TICKETS: 5,135,150
NO. POOLS: 42.79
PACK SIZE: 25
PACKS/POOL: 4,800
PACKS/GAME: 205,406

Minimum: 4,939,200
Maximum: 5,140,800

TEXAS LOTTERY COMMISSION
"HIT \$1,000,000" - GAME NO. 2173
END OF PRODUCTION PRIZE STRUCTURE
7-Aug-19

VERSION A

5,135,150				\$30 TICKETS		\$154,054,500	REVENUE	PRIZE FUND	\$115,496,440	PAYOUT %	74.97%		
PRIZE LEVEL	PRIZE CODE	TIER CODE	GET:	# OF WAYS		ODDS OF 1 IN:	WINNERS IN	WINNERS IN	WINNERS IN	PRIZE COST	PERCENT OF PRIZE FUND **	VALIDATION	
				TO WIN:	WIN:		42.79 POOLS	25 (PER PACK*)	120,000 (Per Pool)			TIER LEVELS	
1	1	G	\$30	1	\$30	8.33	616,218	3.000	14,400.000	\$18,486,540	16.01%	LOW TIER	
2	2	G	\$50	1	\$50	9.09	564,892	2.750	13,200.000	\$28,244,600	24.45%	40.46% ****	
3	0	M	\$100	1	\$100	100.06	51,322	0.250	1,200.000	\$5,132,200	4.44%		
4	0	M	\$50 x 2	2	\$100	99.93	51,390	0.250	1,200.000	\$5,139,000	4.45%		
5	0	M	\$30"5X"	1	\$150	60.03	85,550	0.417	2,000.000	\$12,832,500	11.11%		
6	0	M	\$150	1	\$150	241.97	21,222	0.103	496.000	\$3,183,300	2.76%		
7	0	M	\$30"5X" + \$50	2	\$200	85.68	59,931	0.292	1,400.000	\$11,986,200	10.38%		
8	0	M	\$50 x 4	4	\$200	240.23	21,376	0.104	500.000	\$4,275,200	3.70%		
9	0	M	\$100 x 2	2	\$200	240.21	21,378	0.104	500.000	\$4,275,600	3.70%		
10	0	M	\$300	1	\$300	2,395.13	2,144	0.010	50.000	\$643,200	0.56%		
11	0	M	\$30"10X"	1	\$300	266.55	19,265	0.094	450.000	\$5,779,500	5.00%		
12	0	M	\$60"5X"	1	\$300	266.65	19,258	0.094	450.000	\$5,777,400	5.00%		
13	0	M	\$150 x 2	2	\$300	2,395.13	2,144	0.010	50.0000	\$643,200	0.56%		
14	0	M	\$500	1	\$500	11,970.05	429	0.002	10.0000	\$214,500	0.19%		
15	0	M	\$150 x 2 + \$50 x 4	6	\$500	8,023.67	640	0.003	15.0000	\$320,000	0.28%		
16	0	M	\$30"10X" + \$30"5X" + \$50	3	\$500	1,832.02	2,803	0.014	65.0000	\$1,401,500	1.21%		
17	0	M	\$100"5X"	1	\$500	3,986.92	1,288	0.006	30.0000	\$644,000	0.56%		
18	0	M	\$50"10X"	1	\$500	3,983.82	1,289	0.006	30.0000	\$644,500	0.56%		MID TIER
19	0	M	\$60"5X" + \$50 x 4	5	\$500	3,990.02	1,287	0.006	30.0000	\$643,500	0.56%		55.01%
20	0	H	\$10,000	1	\$10,000	513,515.00	10	0.000	0.2337	\$100,000	0.09%		
21	0	H	\$100"10X" + \$500 x 8 + \$1,000"5X"	10	\$10,000	128,378.75	40	0.000	0.9347	\$400,000	0.35%		
22	0	H	\$50 x 8 + \$100 x 6 + \$500 x 14 + \$1,000 x 2	30	\$10,000	96,889.62	53	0.000	1.2385	\$530,000	0.46%		
23	0	H	\$10,000"10X"	1	\$100,000	427,929.17	12	0.000	0.2804	\$1,200,000	1.04%		HIGH TIER
24	0	H	\$1,000,000	1	\$1,000,000	1,711,716.67	3 ***	0.000	0.0701	\$3,000,000	2.60%	4.53%	
							3.33	1,543,944	7.516	36,078.757	\$ 115,496,440	100.00%	100.00%
							3.3260						

Note: "5X" = win 5 TIMES the prize by revealing one (1) "5X" Play Symbol.
Note: "10X" = win 10 TIMES the prize by revealing one (1) "10X" Play Symbol.

Consolidated odds are 1 in:

\$30	8.33	616,218
\$50	9.09	564,892
\$100	50.00	102,712
\$150	48.09	106,772
\$200	50.01	102,685
\$300	119.95	42,811
\$500	663.80	7,736
\$10,000	49,855.83	103
\$100,000	427,929.17	12
\$1,000,000	1,711,716.67	3
		1,543,944

* Each of the following GLEPS will be used in approximately 25% of each pack of 25 tickets
** Numbers are rounded.
*** This number of prizes is guaranteed delivery to the Lottery.
**** \$30 and \$50 prizes are GLEPS and programmed as low tier prizes.



INTEROFFICE MEMO

Gary Grief, Executive Director Michael P. Farrell, Charitable

Payment Approval

August 29, 2019

The attached invoice(s) for service is being submitted for approval.

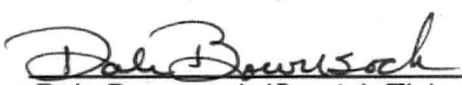
Vendor Name: Pollard Banknote Limited
P.O. Number (if applicable): 360-19-9010RL021
Invoice Number: 8512470
Tx Game Name: Hit \$1,000,000 Game #2066-2173

	Quantity	Unit Price	Amount
ticket size 10 x 4	5135.15	34.22	\$175,724.83
flourescent/neon ink	5135.15	5.32	\$27,319.00
integrated overprints	5135.15	10.00	\$51,351.50
silver scratch FX	5135.15	60.00	\$308,109.00
silver scratch FX	1	5000.00	\$5,000.00
ITVM cards	1	23323.96	\$23,323.96

Total Amount

\$590,828.29

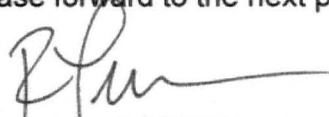
The above referenced invoice(s) have been reviewed and certified as proper, accurate and should be paid by the Texas Lottery Commission.


Dale Bowersock (Scratch Ticket Strategy Coordinator)

Please forward to the next person for approval



9/3/19
Date


Robert Tironi (Products Manager)

Please forward to the next person for approval

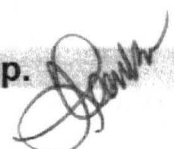
9/5/19
Date


Ryan Mindell (Lottery Operations Division Director)

9-6-19
Date

Please return to Maria Perez in the Office of the Controller by

In an effort to close out FY 19 please forward ASAP, thanks for you help.



INVOICE NO.: 8512470

Sold To: Texas Lottery Commission P.O. Box 16630 Austin, TX 78761-6630 United States	Ship To: Texas Lottery Commission P.O. Box 16630 Austin, TX 78761-6630 United States
Terms: Net 30 days after date of invoice	

Invoice Date	Order No.	Your Order	Customer No.
August 29, 2019	1056955		5008

Order name: HIT \$1,000,000 #2173
PO Number:

Product Description	Quantity	Unit Price	Amount
Ticket Size 10 x 4	5,135,150	34.22 /M	175,724.83
Fluorescent / Neon ink	5,135,150	5.32 /M	27,319.00
Integrated Overprints / Continuous Image	5,135,150	10.00 /M	51,351.50
Silver Scratch FX®	5,135,150	60.00 /M	308,109.00
Silver Scratch FX®	1	5,000.00 Ea	5,000.00
ITVM cards	1	23,323.96 Ea	23,323.96

Under unit price '/M' = price per thousand.

Before Taxes:	590,828.29 USD
Freight:	0.00
Deposit:	0.00
Amount Due:	590,828.29 USD

Banking Instructions:

TD Bank, NA
2035 Limestone Rd.
Wilmington, DE 19808
ABA# 026013673
Bank Account # 3248176206

Delivery: Prepaid
Tax ID/Contract Number: NA
GST Registration Number: 819251463

RECEIVED
2019 AUG 29 PM 4:43
OFFICE OF THE
CONTROLLER

Instant Ticket Game Analysis
2/25/18-2/29/20

Average Number of Weeks for 85% Average Sell Through

Print Quantities	Price Point				Print Quantities	Price Point			
	\$1	\$2	\$3	\$5		\$10	\$20	\$30	\$50
< 5M	None	None	None	None	2M	None	None	None	None
5M-9.99M	Week 13	Week 18	Week 16	Week 19	3M	None	None	None	Week 56*
10M-14.99M	None	None	None	Week 27	4M	Week 16*	None	None	Week 61*
15M-19.99M	Week 23	None	Week 34*	Week 26*	5M	Week 26*	Week 25*	Week 40*	None
20M-24.99M	None	None	None	None	6M	Week 20	Week 25*	None	None
25M-29.99M	Week 28*	None	None	None	7M	Week 25*	Week 64*	None	None
30M-34.99M	Week 56*	None	None	None	8M	Week 23	Week 38*	None	None
>35M	None	Week 60	Week 56	Week 47*	>9M	Week 27	Week 49*	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	\$30	\$50
< 5M	None	None	None	None	2M	None	None	None	None
5M-9.99M	\$616,770	\$761,968	\$962,270	\$1,810,073	3M	None	None	None	\$2,732,470
10M-14.99M	None	None	None	\$1,848,221	4M	\$2,364,236	None	None	\$3,177,965
15M-19.99M	\$631,464	None	\$1,225,446	\$3,225,872	5M	\$1,959,320	\$4,111,875	\$3,795,213	None
20M-24.99M	None	None	None	None	6M	\$3,291,377	\$4,223,614	None	None
25M-29.99M	\$900,100	None	None	None	7M	\$2,488,242	\$1,950,276	None	None
30M-34.99M	\$462,626	None	None	None	8M	\$3,151,041	\$4,005,888	None	None
>35M	None	\$1,085,176	\$1,761,946	\$3,641,275	>9M	\$4,077,657	\$3,200,387	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