



WASHINGTON'S LOTTERY COMMISSION MEETING MINUTES

February 15, 2024

Lottery HQ – Olympia, WA/Microsoft Teams

Commission Member Attendees:

Eileen Sullivan, Commissioner
Schuyler Hoss, Commissioner

Lottery Staff Attendees:

Joshua Johnston, Director
Cassandra Villegas, Deputy Director
Crystal Fischer, Director of Information Services
Ron Smerer, Director of Sales & Marketing
Randy Warick, Assistant Director of Marketing
Rita Hawkins, Executive Assistant
Kristi Weeks, Director of Legal Services
Tiffany Pringle, Legal Services Coordinator
Gaylene Gray, Instant Product Manager
Shar Hawley, Director of Org. Perf. & Planning
Chris Rhodes, IT Customer Support Specialist
Cheryl Earsley, Promotion/Scratch Coordinator
Jenna Johnson, Procurement Manager

Anquone Conyer, Support Services Manager
David Seeley, Warehouse Operator
Lenee Otto, Acting Chief Financial Officer
Kim Ficek, Customer Service Specialist
David Boudia, Customer Service Supervisor
Leah White-Noreen, Director of Human Resources
Jim Bevan, SharePoint and Office Administrator
Beverly Reinhold, Drawing Program Manager, Security Specialist
Debbie Porter, Licensing Coordinator, Security Specialist
Jenny Whiteside, Corporate Acct. Manager

Other Attendees:

Eric Allen, Assistant Attorney General
Emily Libby, VML
Madeline Geller, Curator
Scooter Churchill, IGT
Becky Bogard, IGT
Kristie Christensen, VML
Brent Ludeman, Gano and Associates

Drew Scolaro, Scientific Games
Xiamara Garza, Curator
Rebecca George, WIGA
Chris Abate, Marcus Thomas
Shannon Struempff, IGT

Call to Order:

8:30 a.m. – Commissioner Eileen Sullivan called the Lottery Commission meeting to order. She asked for a roll call of the Commissioners present at the meeting. In addition to Commissioner Sullivan, Commissioners Schuyler Hoss was confirmed in attendance.

Approval of Meeting Minutes:

Commissioner Sullivan announced that we do not have a quorum today and no actions are on the agenda, we will only be going through updates and important introductions.

Commissioner Sullivan and Commissioner Hoss reviewed the minutes, no additions or changes needed. No approval due to no quorum.

Director's and Deputy Director's Update:

Director Joshua Johnston began by thanking everyone for coming during a snowy day and thanked Commissioner Hoss for calling in from Hawaii.

Director Johnston continued with a few personnel announcements. Rita Hawkins is our new Executive Assistant. Her previous role was with the Security and Licensing division at the Lottery and was an amazing candidate that rose to the top of more than 150 applicants. Director Johnston is excited to have her helping us.

Director Johnson also introduced the new Deputy Director, Cassi Villegas. Cassi comes to us from the Department of Social and Human Services (DSHS). She brings great energy and ideas with her. She has a strong management and leadership background as well as sales experience. She has been a terrific addition to the team already. You will hear from her in a moment when Cassi will announce a third and final addition to our executive team. Director Johnston is proud to share that after about a year, we have a complete executive team and is excited about the various perspectives and talent each member brings.

Next, Director Johnston shared an update on Mega Millions game change. As a refresher, we are changing the game to a five-dollar price point with an imbedded multiplier. What that means is when a player buys a ticket, they will receive, for free, a multiplier on the lower tier prizes (second, third, fourth tier prizes) that is randomly selected for the players. For example, if a player gets a 10X multiplier, they could win \$10,000,000 dollars on a \$1,000 prize. Currently, we have a megaplier that people can add to their game for an additional cost. We are going to be dropping that because there is no reason to buy a megaplier when you are going to get an imbedded multiplier.

Mega millions has updated the logo and style guide because we learned some lotteries around the country were not using the proper logo for Mega Millions. Fortunately, we are not one of the states that was using an incorrect or altered logo. Some states embellished it and put a personal spin on it, but they have been asked to use the official logo to help with recognition across the country. As we finalize the logo and style guide, those will be rolled out to states. As states purchase jackpot signs and other things that are out in retail, they can begin to update those.

Finally, Director Johnston shared we have started our biennial strategic planning work. We had one kick-off meeting and another one tomorrow, then our executive team, along with managers and supervisors, will be going to a retreat February 26th-28th. Director Johnston acknowledged Shar Hawley for organizing the retreat and for her work on the mobile app project.

Commissioner Hoss commented he is pleased to hear we have rounded out the executive team and it sounds like some great additions were made. Commissioner Hoss said he is happy to work with the new folks and do new things.

Director Johnston continued and announced it is Lenee Otto, acting CFO's, last meeting in that capacity and thanked her; for she doing a terrific job stepping into a difficult situation. Commissioner Sullivan also thanked Lenee for her work.

Deputy Villegas began her update by introducing Todd Steben, the new CFO beginning February 16. He has a variety of relevant experiences for over 20 years in both finance and budget. He has also been in the private sector, which is exciting. Todd will bring with him knowledge that will help us round out our

Finance division. He can create and implement process improvements and measure success, which is necessary to achieve our goals. We are very excited for him to join our team. Deputy Villegas also thanked Lenee Otto for her work.

Deputy Villegas announced, for awareness, that Wunderman Thompson is now VML. VML is still the same people, doing the same work.

Deputy Villegas continued with more good news, Employee Engagement Survey results are in, and we had excellent scores. For employee engagement surveys, anything 75% or higher is generally considered excellent and 70% of our scores were 80% or above. We have very few that were below 75% and while nothing is perfect, we are still going to work on improving our scores and taking that data to the strategic planning. We want to make sure we incorporate that data into the strategic plan and use it to measure success. Our lowest scoring question was, "I have opportunities for advancement in my agency." It was particularly low, 42%, however, it's comparable to the statewide response to that question and it seems to be recognizable and understandable for Lottery, considering how small the agency is. We are going to look at how we can continue to invest and develop our staff to try to increase that score.

Deputy Villegas shared we have started our audit with the State Auditor's Office (SAO), and it will conclude in March. This audit will focus on cash receipting, accounts payable, use of purchase cards, use of fleet/fuel cards, and retailer reimbursement for stolen tickets. Deputy Villegas shared this is a small, routine audit and so far, everything is positive. Our hope is to have results in April. We will make sure to brief the Commission as soon as we have the results.

Deputy Villegas continued with an update on DOI Southcenter. Sharing good news, last night, we received the approval for our change of conditions form from the Office of Financial Management (OFM) and we expect to have our updated lease from Westfield in the next two weeks. Westfield modified their lease proposal that had been previously approved. Ultimately, the lease update is beneficial to us because it reduces the initial investment risk, helps us stabilize our long-term operational base, and is a more strategic allocation of our resources. We hope to be in Southcenter by the end of the year. Deputy Villegas shared another office change; we moved our Yakima Regional Office to the Tri-Cities. That project began in May 2022 and the grand opening was November 21, 2023. It took about a year and a half, start to finish.

Finally, Deputy Villegas shared our new mobile app is ready to go live on March 18th. We moved over from Scientific Games to Marcus Thomas, as the app vendor, due to contract expiration and a new RFP. We do not see any major issues currently for this change. Shar Hawley, Randy Warick, and the team have done a great job developing a comprehensive plan to make sure everything is smooth. Customers will not need to download a new app, instead they will have a forced update, which will change over to the new app and which helps with potential issues that may arise. It also prevents losing customers or app users. There is customer support to effectively assist those customers switching or joining, or who have questions.

Commissioner Sullivan congratulated the group on getting the new lease agreement in place. Commissioner Sullivan wished good luck on the audit.

Commissioner Sullivan commented on the engagement survey and said the results did not surprise her at all because the culture at the Lottery is remarkable. It started with former Director Glasper and continued with Director Johnston. It is unique and remarkable -- congratulations on keeping that going. Commissioner Sullivan asked, understanding the Lottery is a small agency, if there is currently a focus, or

could we create a focus, for people who do want to advance, maybe not here, maybe to another agency, to help them think about where they want to go next?

Deputy Villegas responded that Lottery is supportive of our staff and want them to develop and grow, even if that means moving outside of our agency. In terms of strategic planning, we have been talking with Human Resources about opportunities for people to do cross training, developmental job assignments, or other opportunities to help people explore different options.

Commissioner Hoss commented echoing Commission Sullivan's questions, emphasizing the importance of having a planning process in place, because the Lottery does big work, has new tasks regularly, and constantly changing circumstances. Commissioner Hoss shared he wants to make sure we have internal resources to continue the excellence we have had over the years. Commissioner Hoss also wants to have the results of the SAO audit as soon as possible.

Director Johnston responded with a couple of notes. We think it would be fair to say our organization is stretched a bit thin. We do use up our expenditure authority within 1% every year, without overspending, so we usually return about 1% of our budget, which is a thin edge. A couple of things that are particularly impactful on our budget were opening Lottery owned locations because that places an additional burden on our Finance team, Sales team, and even our Human Resources team when we need to bring in new staff. We have been considering additional resources, discussing what it would look like to ask for additional people and how do we make that case. Director Johnston thinks we can point to increasing revenue over a number of years without adding a lot of additional staff and similar facts. Secondly, on the SAO audit, Director Johnston shared that both he and Commissioner Hoss have similar slight concerns around this audit, so we are looking at those closely. The SAO audit results will be reported at the next Commission meeting. We do not expect anything to come out of it because we have internally audited all the same aspects within the scope of the SAO audit within the last year or two. If anything, significant comes out of it, we will brief you immediately. We have a lot of trust in our Chief Audit Executive, Alex Satterlund, who does a very thorough job.

Commissioner Sullivan thanked Director Johnston and introduced Kristi Weeks and an update with Legislative and Legal Services.

Legislative & Legal Services Update:

Kristi Weeks began with a Legal Services update. Since the last meeting, we have processed 31 new formal or informal requests for public records which is lot. For perspective, in 2023, we received 13 requests total in January, February, and March and this year we received the same amount in January alone. These requests are motivated mostly by the big RFPs that we have processed in the last 6 months. We received one new request for an administrative hearing, which is a denial for retailer license application.

Ms. Weeks continued saying since the last meeting we received two demand letters from the copywrite holders of fonts. Fonts are copyrighted and licensed now. They allege we are using their proprietary fonts in our marketing and our webpage, mobile app, and scratch tickets. In both instances, the alleged misuse involves our work with contracted vendors. Our standard contract has provisions requiring them to work with us and potentially defend or indemnify us related to intellectual property issues. We are working with them trying to sort out roles, responsibilities, and next steps on how we will approach that.

Ms. Weeks moved on to the Scratch Ticket RFP, since that has been a topic of concern. We currently have three contracts for scratch vendors expires in March 2024, we have one primary and two secondaries. In preparation, last fall we issued an RFP for new contracts, again expecting one primary and one or more secondary. We received three proposals in response. After announcing an apparent successful bidder, a different bidder filed a protest, which is allowed in the process. The protest was reviewed in accordance with procurement laws, rules, and policies from the Department of Enterprise Services (DES). The protest officer upheld the protest. In short, the officer found that the evaluation process that was used did not perfectly conform to the process that was described in the RFP. We notified the bidders and reexamined the RFP and evaluation process to ensure a fair evaluation. A new RFP was posted and will close on February 29, 2024. It is unlikely we will have new contracts in place by March 18th, the date our current contracts expires. We are accounting for the gap by ordering additional games from current vendors that can be used in March and April. We can execute an emergency contract, with one or more of our current vendors to get us over the gap. We are confident there will be no issue with scratch stock. While the protest and the need to re-post the RFP was unfortunate, it was a valuable learning experience and will not be a huge roadblock for us.

Shifting over to the Legislative update, Tuesday of this week was the last day to get a bill out of the chamber of origin. Today is the 39th day of the 60-day session. There were very few gambling bills this year; none passed the crucial cut off except a bill to allow additional funding for the Horse Racing Commission. This is a gambling bill but has no effect on Lottery. One gambling-related bill that failed to advance was HB 2055, which would have created a gambling court diversion program. Similar to drug court diversion, gambling court allows a person who has committed crimes due to a gambling disorder to have their charges delayed while they get treatment and, if they complete treatment and otherwise comply with the court's orders, have the charges dismissed. Right now, there are only three gambling division courts in the U.S.; the first one was in Las Vegas. They are successful in terms of reducing recidivism for participants, but they are also very costly to operate and require a dedicated judge with specialized knowledge.

Ms. Weeks continued, on the non-gambling front, that she has been tracking some regulatory reform bills, including two related to rulemaking transparency. If these bills pass, they will not create any issues. One will require, for instance, us to put a simple summary of what the rulemaking would do on our rule-making webpage. We will probably do that anyway, even if the bills do not pass. We have also had to analyze and complete fiscal notes on numerous law enforcement bills, as we are a law enforcement agency.

Commissioner Sullivan thanked Ms. Weeks and said she was happy to see things are quiet on the hill.

Commissioner Hoss thanked Ms. Weeks for her review.

Commissioner Sullivan asked for any questions, with none, we continued to FY24, Quarter 2 Financial update.

FY 2023-2025 Budget Review and Approval:

Lenee Otto started by sharing the financial comparison between fiscal year 23 and 24. Ms. Otto shared some highlights including the addition of Cash Pop, our new game. We started in October of 2023 with that game, and we earned almost \$3.7 million in that first quarter. Sales are higher this year than last year, which is great. Expenses and vendor expenses are a little higher, but when sales go up, vendor expenses go up too. Non-operating revenue is higher this year than last year due to bank interest rates increasing

from last year. We also have had higher contributions this year and we started giving to the general fund a month earlier than last year. Once we hit \$102 million in sales for in-state games and Powerball, we must give to the general fund.

Ms. Otto continued by sharing the budget to actuals. Although we have been spending more than our budget was planned for in sales and expenses, this is comparable to last year and everything reflects the same way on both slides.

Vendor expenses are higher than last year on actuals, but as said before, as sales increase, vendor costs increase too. Instant ticket vendors were a little higher with actuals, but lower on budget. VML, formerly Wunderman Thompson, costs are comparable from last year and a little higher on budget.

Ms. Otto continued by sharing profit by product and concluded with the appropriation expenditure. We are halfway through the year, and we have an appropriation of \$16 million. We have spent \$8.2 million so we are on target.

Commissioner Sullivan asked for any questions.

Commissioner Hoss thanked Lenee for her work and complimented the Lottery for doing well and having another great year so far. Commissioner Hoss continued and asked about big jackpots, understanding we cannot plan for them, but do we think we will do better than last year, the same? Also, Commissioner Hoss asked about internal management and if we foresee any changes to internal costs, for example full-time employees.

Director Johnston responded, the question will be answered in the Sales and Marketing presentation by Ron Smerer. Director Johnston went on to say one of the things the previous Chair Loveland would focus on is our allotted FTEs (full-time equivalent). We carry 145 and we only use 130. The 130 really accounts for how much we can afford. We do carry the allotment of 145 so we have the capacity to add FTEs when we open kiosks at DOIs. It is a different funding source to fund those positions because they only do sales. That is how we define them for that funding source. We carry those on the books, so we do not have to ask for additional headcount. We do not expect or anticipate seeing anything dramatic. One thing to note, we are moving from a mall setting from our Federal Way office and that rate increases substantially. We anticipated it and planned for it, so we have other options to pull from and there will be no effect on employees.

Commissioner Hoss thanked Director Johnston and appreciated the deep dive into financials. Commissioner Hoss is grateful and impressed by the management and forecast. He congratulated the team.

Director Johnston thanked Commissioner Hoss and said the credit really goes to Lenee Otto, who has done a terrific job. We have been really impressed by Lenee, she has been wearing two hats for close to a year, maybe over a year, and she's done a great job. We appreciate the comment.

Commissioner Sullivan asked for any additional questions and thanked Ms. Otto for her work. Commissioner Sullivan said we will take a quick 5-minute break and come back for the Sales and Marketing update.

Sales & Marketing Update:

Ron Smerer began the Sales and Marketing update. The question was asked about the two national games and Mr. Smerer said what keeps him up at night is thinking about not getting a large jackpot with one of the two games during the year. Each year they seem to continue to raise our numbers and we continue to hit our goals. We are at \$604 million and on track to hit a billion dollars again.

We are \$77.4 million above goal, which is amazing and \$8.9 million over the last year, which is even more amazing. Mr. Smerer congratulated the team, both here at headquarters and out in the field. We look at many things to try to continue to roll those numbers each year, we depend on Mega Millions and Powerball, but they are not the only things that helps us hit our goals.

Mr. Smerer said we expect to exceed last year's sales numbers based on what we are seeing right now. We had some tough weather during the month of January; Eastern Washington was getting ice and snow, along with Vancouver area. Many stores in the Vancouver area shut down for a couple of days due to the weather. We also saw that in the Everett area too. The quarter to goal numbers presented do not look great, but over the last few weeks they have gone up. Our fiscal year numbers are in good shape, and we have hit our Powerball numbers. Mega Millions is down, but we are now seeing a large jackpot and we hope it continues for at least a few more rolls so we can make up the \$22.5 million dollars we are down.

Mr. Smerer shared about CashPop, one of the great things about it, we feel that these are incremental sales, over and above what we would normally sell. Right now, we expect to sell approximately \$51,000 per day. We are at 99.27% to that, our average ticket sale is \$8.06 per ticket, so people are buying more than one ticket at a time. Mr. Smerer mentioned another interesting point -- our sales from the counter, GT1200, is at 49% in sales and the machines are at 51%, meaning people are buying from both the counter and machines. Our hope is that will translate into debit sales off the machine, which right now we're at about 17% for overall debit sales.

Mr. Smerer said we are also running an ambassador program for CashPop. This program is where IGT and a District Sales Representatives (DSR) go out to a store with \$500.00 and they will match up to \$20 dollars when a player purchases CashPop tickets. We are finding out that a lot of people are still learning about CashPop, they don't know a lot about it. The ambassador programs are teaching them not only about the game, but also how to buy from the machine, which has some unique features that are just for CashPop. Hopefully this will teach more people how to play and buy.

We will also be running a CashPop happy hour promotion, where when somebody buys a CashPop ticket, they will get a Match 4 ticket that the happy hour runs from 5-7 every evening. We have done promotions like this in the past, but this is our first one with CashPop. Mr. Smerer believes it will draw more attention to the game. CashPop will likely hit the numbers we hope and expect, Everett and Federal Way are our biggest regions for that. Mr. Smerer also mentioned that Pick 3 and Keno players are our biggest CashPop players now. Mr. Smerer closed by saying we are at 114.7% and he expects that we will be well over one billion dollars and expect to surpass last year's numbers.

Commissioner Sullivan asked for any questions.

Commissioner Hoss had a couple of questions on CashPop. Commissioner Hoss said when CashPop was introduced to the Commissioners, it was said that it was very different and requires some amount of understanding of how it's played because of some of its unique features. The ambassador program sounds great in terms of introducing the game and explaining it, but have we run into any problems with people understanding it, or figure it out that are greater than we expected? Are people catching on to it?

Mr. Smerer replied it is the latter, people are catching on to it. We are finding mostly that the awareness of the game was not there. The ambassador programs provide us with a lot of information, and we believe once people see how it's played, it's a pretty simple game. Once you learn it, the unique features are more on the machine where they are allowed to pick their own numbers, versus quick pick, which is something that we don't have for all our games. This is something we didn't want on the machines for all our games because we felt we would end up with big lines, especially during large jackpots, where people would be picking their own numbers on the machine.

Commissioner Hoss thanked Mr. Smerer, saying the ambassador program sounds great. Commissioner Hoss applauded the team for coming up with the concept. The second question, related to CashPop, is there was the concern it was going to take sales away from the other games or cannibalize some of the other scratch products, but it doesn't seem to be doing that, by looking at the numbers.

Mr. Smerer said no, we don't see that it's cannibalizing anything. We think it's pretty much all incremental sales.

Commissioner Hoss is very excited, because it seems to be doing everything we said it would do. Commissioner Hoss again, appreciates the work done in analyzing the game and preparing for it and the subsequent marketing and now the ambassador program.

Commissioner Sullivan asked for any more questions. With none, we will begin the Marketing update portion of the agenda.

Randy Warick started the discussion covering the PR update first. Mr. Warick said Curator has done another great quarter of work for us. This last quarter, they were able to generate 2,430 stories for us, of those, we had nine national stories and that generated 2.16 billion in impressions. Some highlights from last quarter was CashPop, the new family game series we launched, winner awareness, and the gift responsible campaign that we run in December. This program reminds our players to give the gift of scratch, but not to minors. This is a national program to make sure to remind everyone that lottery tickets are a great gift, but to be responsible about how you gift. The other popular message is unclaimed prizes. It's very popular when we put it out for PR, so kudos to the team once again for the work they've done. They continue to give a great message and typically it's positive impressions, which is what we really like to see.

Mr. Warick continued stating we are working with WSAC (Washington Student Achievement Council) on our updated beneficiary messaging. We have recently shot our new commercial supporting the WSAC message as well. We are in the process of finishing that and getting it ready to go out into the market. They've been a good partner for us, and they have corrected and taught us some of the terminology that we were using were incorrect. They are making a move to get away from using the term scholarship, so they've helped us with our current press release we are putting out. It's been a great opportunity to get to understand each other better and see how we can benefit from each other. The last fiscal year, we used the phrase "ABCs to PhDs". This year it will be "ABCs to Possibilities." Mr. Warick played the radio spot for the group.

Mr. Warick began again, saying it's a nice message and we believe the commercial spot will drive it home as well. We will use the bottom type, and out of home creative, you will see on the big billboards up and down the freeway. Our team will pull the messaging into our digital and social campaigns as well, so we will make sure we are placing it everywhere. We're excited to get all the new information out into the marketplace.

Mr. Warick moved on to the Department of Imagination (DOI). We have a new brand spot, if you happened to watch the Super Bowl, this last week, our spot played at about 2:58pm and the game kicked off at 3:30pm, so that was incredible placement from VML. We are also going to support it with what we call shorts. We have six different shorts that will be out in the market and then we are standing up a standalone DOI app, which will be discussed shortly. Mr. Warick played the commercial spot.

Mr. Warick continued by saying right now there is a lot of getting out with your close-knit friends. We are using the term 'squad up,' as group messaging is popular now. We built this spot and six different shorts that will show you what you are able to do as a squad. After the short was played Mr. Warick said again that six different spots will play in both digital and social media. We are excited to lean into "Test Drive A Win," which is a standalone app that you will be able to get. You will be able to swipe up and throw the dart at the dart board. It will land on an event, like running with the bulls or an African safari. Then you will take a selfie or upload a picture of yourself, and it will put your face into those environments and show you what it would like if you were there. Mr. Warick said how fun it has been beta testing. We're working through a couple of things, but there have been a lot of people here at the Lottery who have helped us test it. He then showed some examples of Lottery staff using the app.

Mr. Warick said what has been neat about developing this is, if you were to go back and do it again, it doesn't reproduce those pictures, but rather gives you three different pictures, so you really have a lot of fun. Once it's complete, we really think it will be very popular.

Mr. Warick continued by talking about the Bennett Media Group, which is the Seattle Medium Newspaper Group. We've been able to partner with them for the last four years. We ran print, digital and radio spots over the last few years. This was ABCs to PhDs. We didn't have our new beneficiary message yet, so we ran with last year's spot. We will do multiple things throughout the year with Bennett Media Group, we're happy to continue this relationship.

Mr. Warick moved on to share the promotional team completed some research. They used input from our player panel to come up with the idea that if a player purchases a \$10 Powerball and they will receive a chance to enter to win a trip to Chicago and do a warehouse dash. Who doesn't want to run through this giant warehouse and go and grab all these cool things? The winners will have a limited amount of time to put as many things in their cart as you can. Mr. Warick shared a video of the gas station TV spot. We are hoping to send somebody from the Lottery to go to Chicago and film our winners and capture the moments, the excitement, and craziness that will do well for the marketing side because we want to share that afterwards. People want to know that you can win, and that you get to do the things we say you can. It will be fun for us to put those messages out digitally and on social media.

Mr. Warick also mentioned we have a partnership with Toyota Center, where we have the ability to put up videos and spots. Mr. Warick played the commercial spot and said that as we move them through the promotional period, we give a final drawing call out too to make sure everyone gets their tickets in for a chance to win. Some DSR's have shared this, and as they are putting this out into the marketplace retailers and players have expressed excitement, so we are hopeful that it does great for us.

Mr. Warick concluded with his final slide asking what's next? It seems like we just finished the Seahawks, but as you can see, what's next is the Seahawks. We have already started working on the design for the next ticket. We asked our vendors to supply the mock-ups and we are reviewing them currently. Our team has a meeting coming up with the Seahawks to look at what opportunities exist this year. The Seahawks have been a strong anchor for us. In a recent report from our new research firm Angus Ried, it has shown how aligning with strong partners in our state, like the Seahawks, is a good

strategic move for us. When we do share things through the Seahawks and they tag us, or they pick up something, it magnifies anything we're doing so much more. But it also is fun; we get to lean in on them and when we share their post, it magnifies them, and it adds value for them too. Mr. Warick asked for any questions.

Commissioner Sullivan had a question, asking if Mr. Warick can expound on the through behind moving from ABCs to PhDs to ABCs to Possibilities?

Mr. Warick said when we met with WSAC, one of the things they said was they offer more than just traditional college scholarships and grants. They are putting an emphasis on trade school. They asked for the spot to be a bit broader, so the idea of possibilities really landed well and lands well with our brand too. We thought it would reach a larger audience.

Commissioner Sullivan said that it's a great evolution and wanted to make sure everyone understood.

Mr. Warick said he can't say enough about working with Katie from WSAC. She's been fantastic. We have also been working with Dan from Curator, and James from VML. Dan had a great relationship with DCYF and we can get more pertinent information because of those relationships. There was a time when we wouldn't get anyone at other agencies to return our calls and now we're building these relationships and we're getting the information that helps us talk about it for the press and the public. Any questions?

Director Johnston asked Mr. Warick to talk about some of the additional marketing for CashPop and we've done to shore it up.

Mr. Warick said one of the things we have done is, as the sales staff shared, is recognize that there seems to be a disconnect recognizing of the game. We made the decision to continue to put the advertisement out and keep it in the market. We have refreshed in some areas to make sure we lean in a little more on how to play CashPop. We are focusing on our track shows, which is what is played on the big screen on our vending machines because it really gets our players' attention. They have updated the button on the vending machines to draw more attention to CashPop and we're doing the happy hour promotion as well. We think that's going to be great and then we're also continuing to use digital and social media as well. We will also keep press on the big billboards, we had those scheduled to come down, but we made the decision to keep those up as well. Another thing, Angus Reid brought back to us about CashPop, if you are a core player, who play our whole portfolio, they're playing CashPop. They showed that \$5 tickets are doing well, players are not intimidated. Mr. Warick said the research showed the potential, we just need to get people to play so we can grow, to drive it higher. It showed us things are going well.

Commissioner Hoss had a few comments. He absolutely loves the ABCs to Possibilities beneficiary campaign. Commissioner Hoss said the number one question he gets is where does the money go? Commissioner Hoss encouraged us to continue working on letting people know what we do at the Lottery and what it is doing for students. He appreciated what was presented and said we can think creatively about the ways we can get that message out to the various stakeholders, constituencies, and customers. It's an important message.

Commissioner Sullivan asked for any more questions. If nothing else, we can move on to the second to the last item on our agenda.

Commission Business/Agenda Items:

Commissioner Sullivan asked Commissioner Hoss for any agenda items for the next meeting in April. Commissioner Hoss and Sullivan had none.

Public Comment:

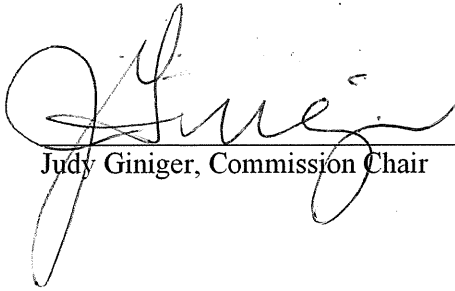
Commissioner Sullivan moved on to public comment, asking if anyone wanted to speak. There was none.

Adjournment:

Commissioner Sullivan thanked everyone for coming and will see everyone in April. Meeting adjourned.

The February 15, 2024, Lottery Commission Meeting Minutes were approved this 18th day of April, 2024.

Respectfully submitted,



Judy Giniger, Commission Chair



Rita Hawkins, Executive Assistant