

# South Dakota Lottery Commission Meeting June 13, 2024



*A DIVISION OF THE SOUTH DAKOTA DEPARTMENT OF REVENUE*

# Secretary of Revenue Comments



# **Executive Director Comments**



# Executive Director Comments

- Mobile Cashing Update
- Jane Aasby Retirement
- FY24 Sales
- Special Meeting
- Scientific Games Presentation





# Attorney General Opinion



# The South Dakota Lottery and Scientific Games

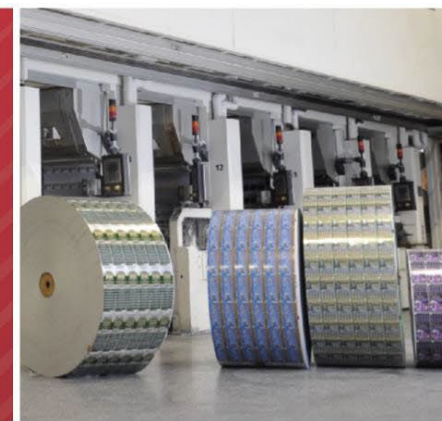
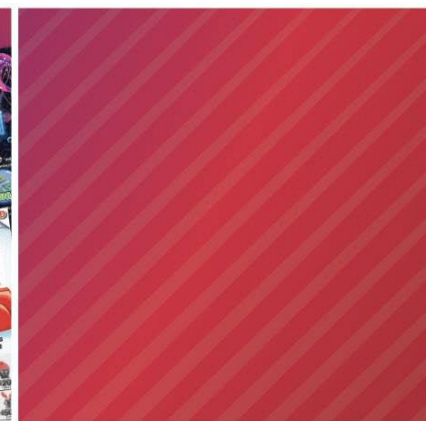
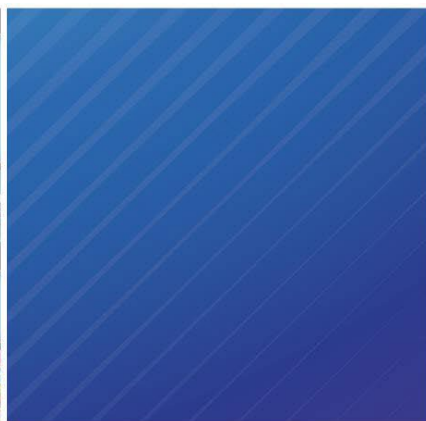
June 13, 2024



**SOUTH DAKOTA**  
**LOTTERY**™



# Company Overview







we've integrated science into everything we do. Our  
every game was created with scientific formulas, and  
**Science at Our Core**  
dedicated to power the lottery industry forward for 50  
years. Innovative, science-based products that drive  
revenue and returns to our customers' beneficiary programs.



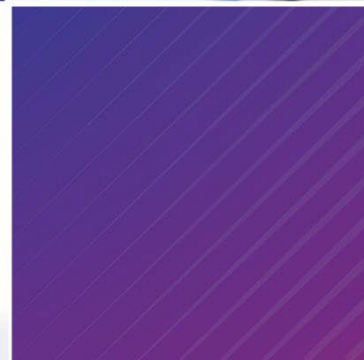
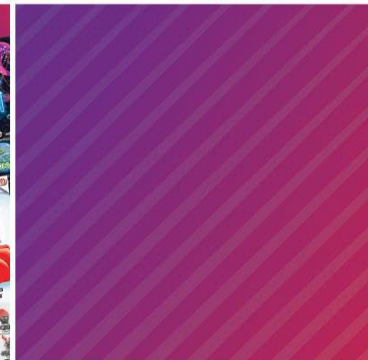
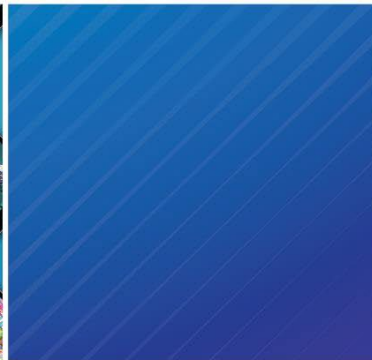
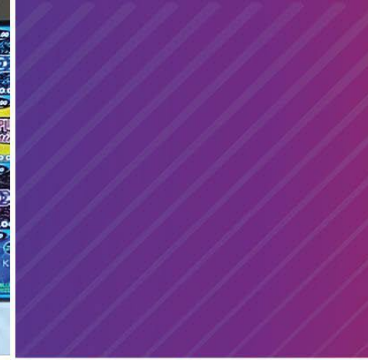
*Today*

- World's largest provider of lottery games
- Technologies, analytics and services driving performance for government-regulated lotteries and returns to their beneficiaries
- Trusted lottery partner with 50+ years of expertise
- Exclusively focused on lottery sector
- A private company owned by Brookfield Business Partners investing in innovation





Trusted Global  
Partner for  
Inspired Play  
and Maximized  
Beneficiary  
Funding





# Global LOTTERY COMPANY



2023 Revenue: USD\$1.2 Billion

## Games



## Technology



## Digital



## Sports



3,500+ EMPLOYEES | OPERATIONS ON 5 CONTINENTS | 150 CUSTOMERS | 50 COUNTRIES

# Driving Lottery Performance

- Providing 19 of the Top 20 performing instant game lotteries worldwide

*La Fleur's 2024 Almanac*

- Sole or primary provider to 16 of the Top 20 performing instant game lotteries in the world

*La Fleur's 2024 Almanac*

- 89 of Top 100 performing scratch games in U.S. (CY2023)

*MAP U.S. lottery data for games launched in CY2023, weekly per capita sales for first 12 weeks.*

- Industry's largest portfolio of 100+ licensed brands

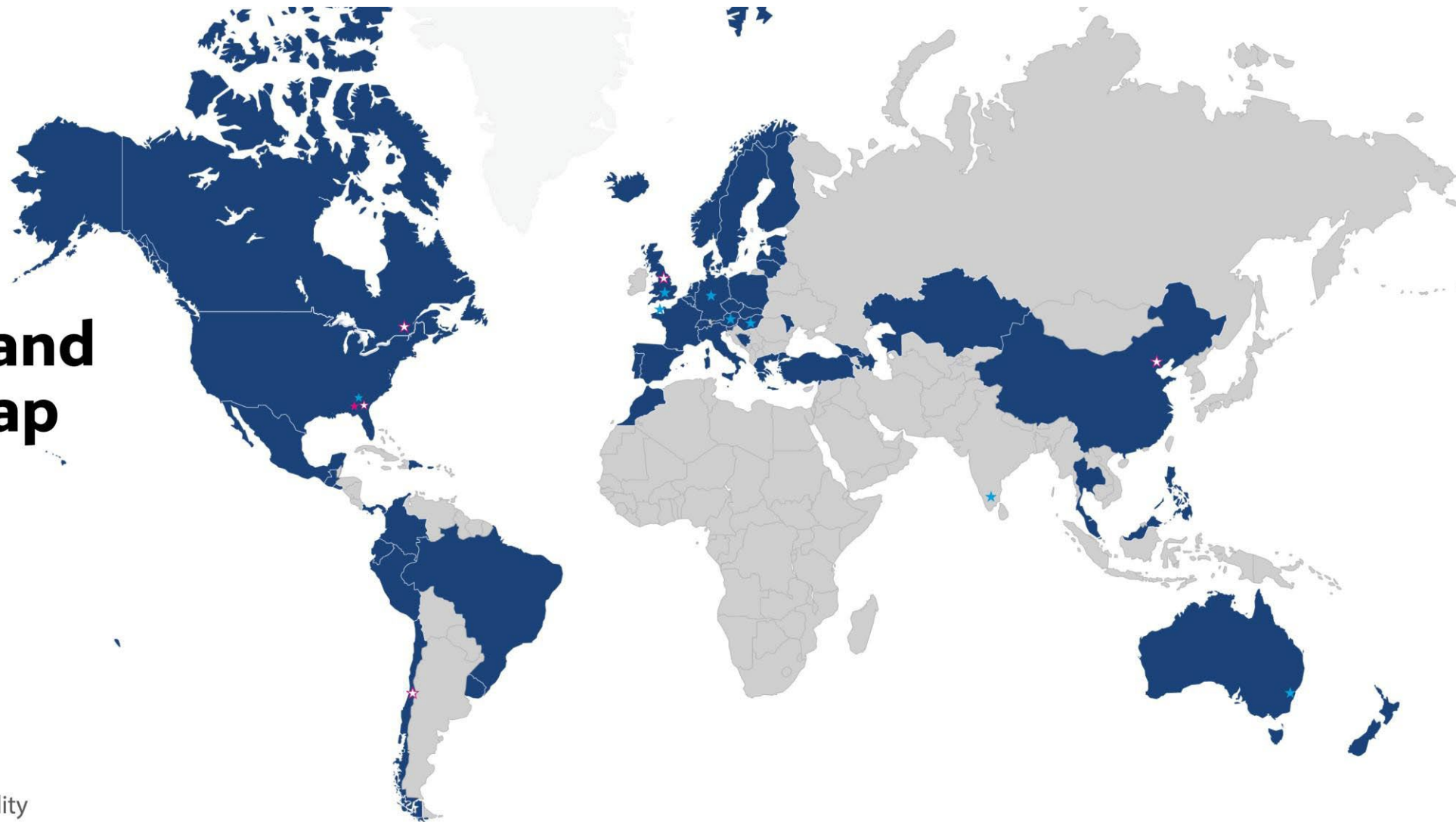
- Largest lottery systems technology provider in Europe, fastest growing in U.S.
- 30+ iLottery customers worldwide including record-breaking Pennsylvania iLottery program – first to reach \$1B sales in less than two years
- Powering the world's largest government sports betting program (outside of China) in Turkey
- Leading supplier of digital lottery games, mobile apps, player loyalty and customer relationship management programs





# Global Customers and Presence Map

- Customers
- ★ Global Headquarters
- ☆ Instant Game Production Facility
- ★ Major Technology Center

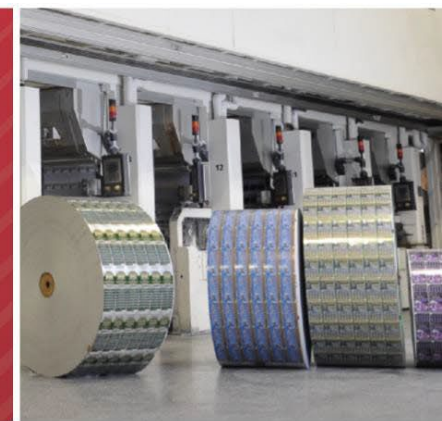
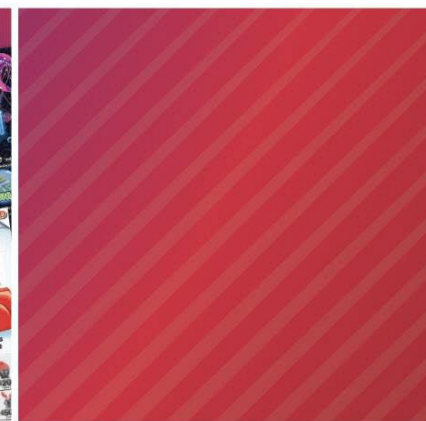
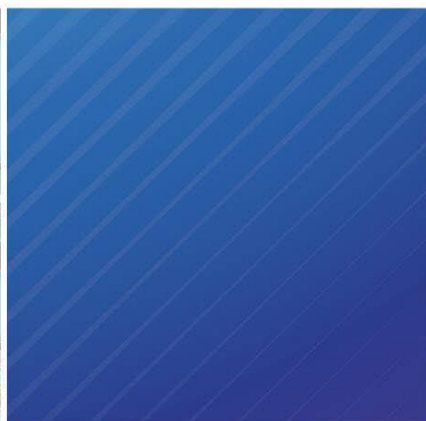


February 2024

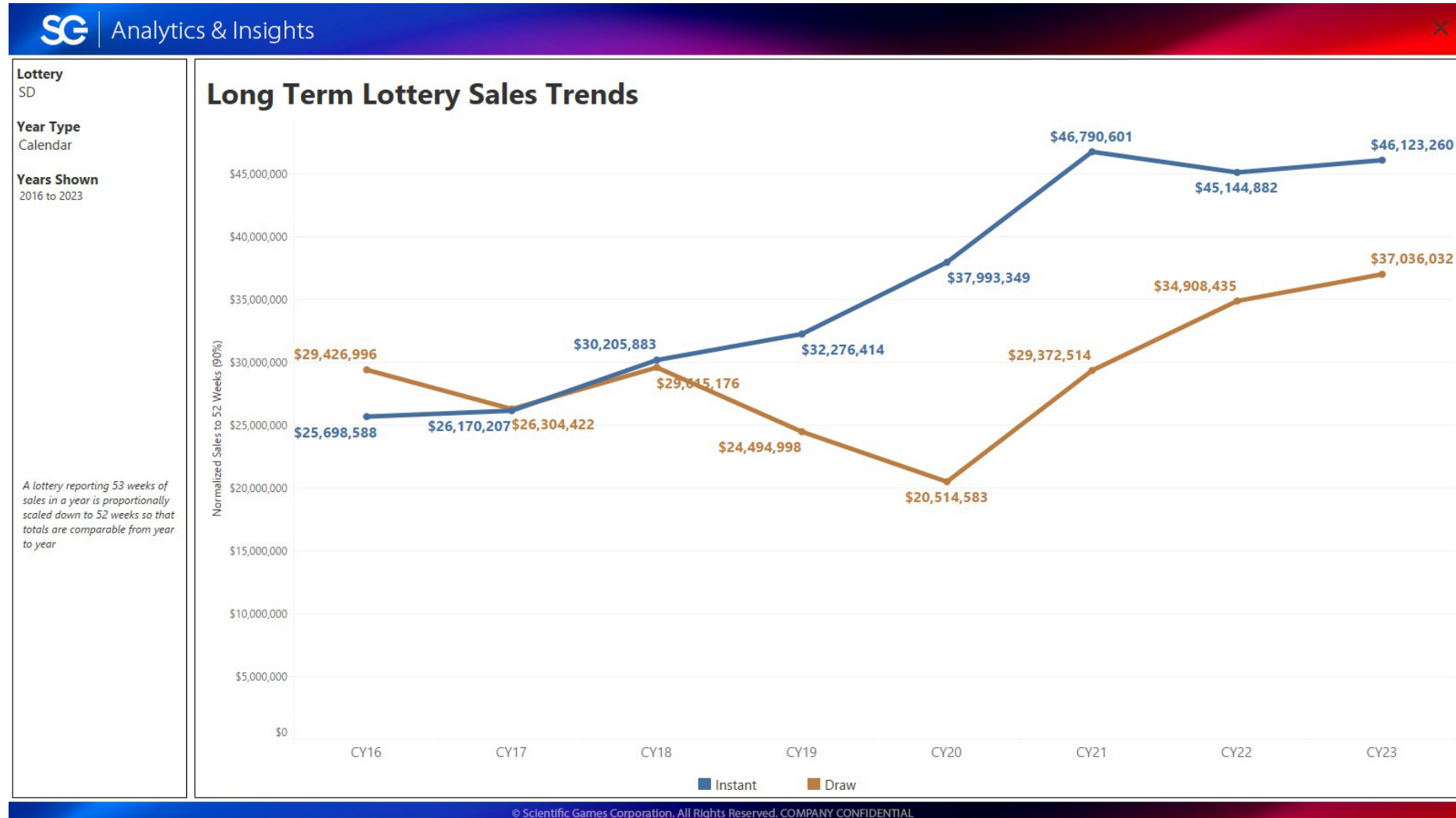


# SD Lottery Performance

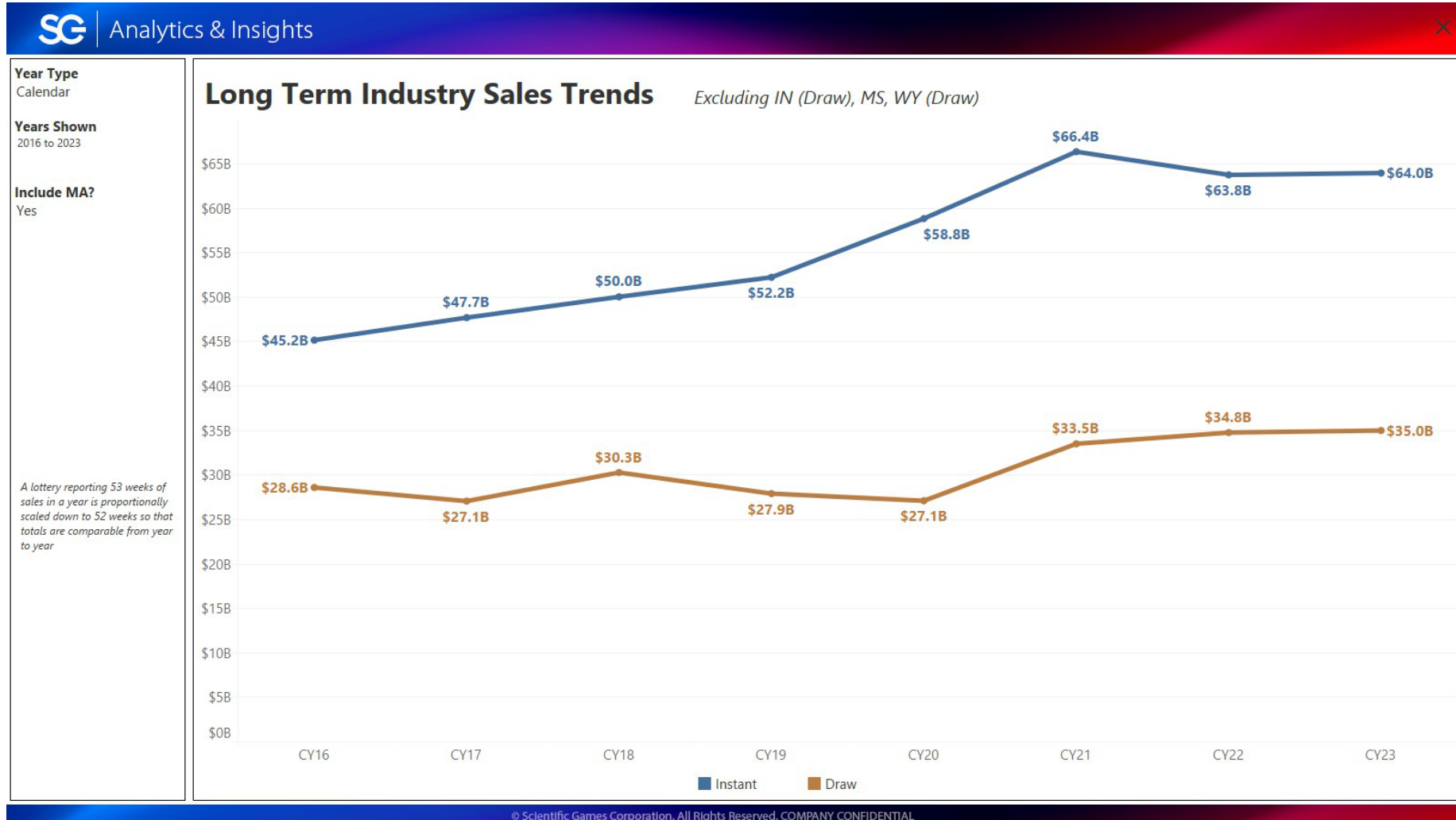
## Calendar Year Comparisons



# Long Term South Dakota Lottery Sales Trends

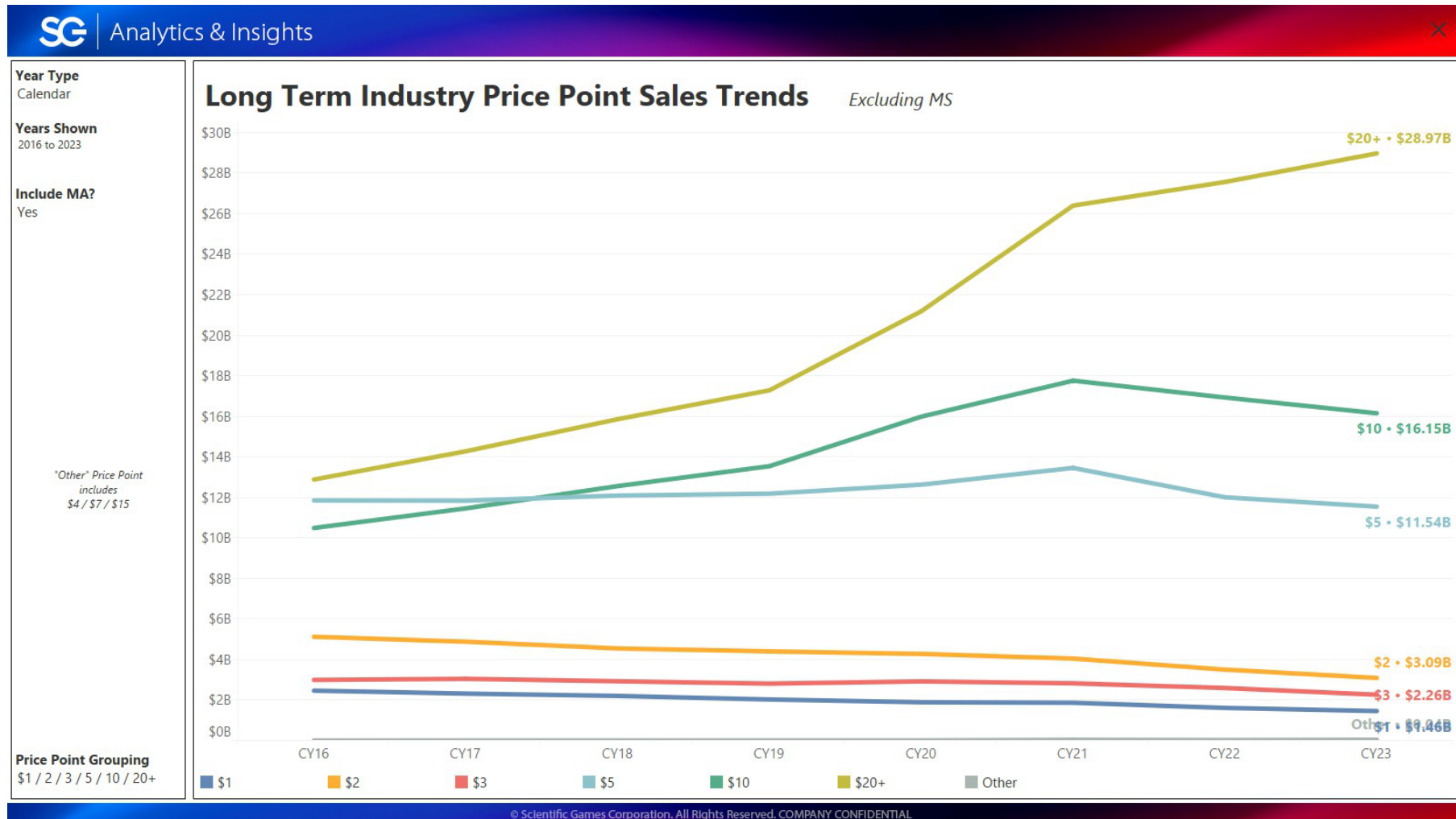


# Long Term Industry Trends (Domestic US)

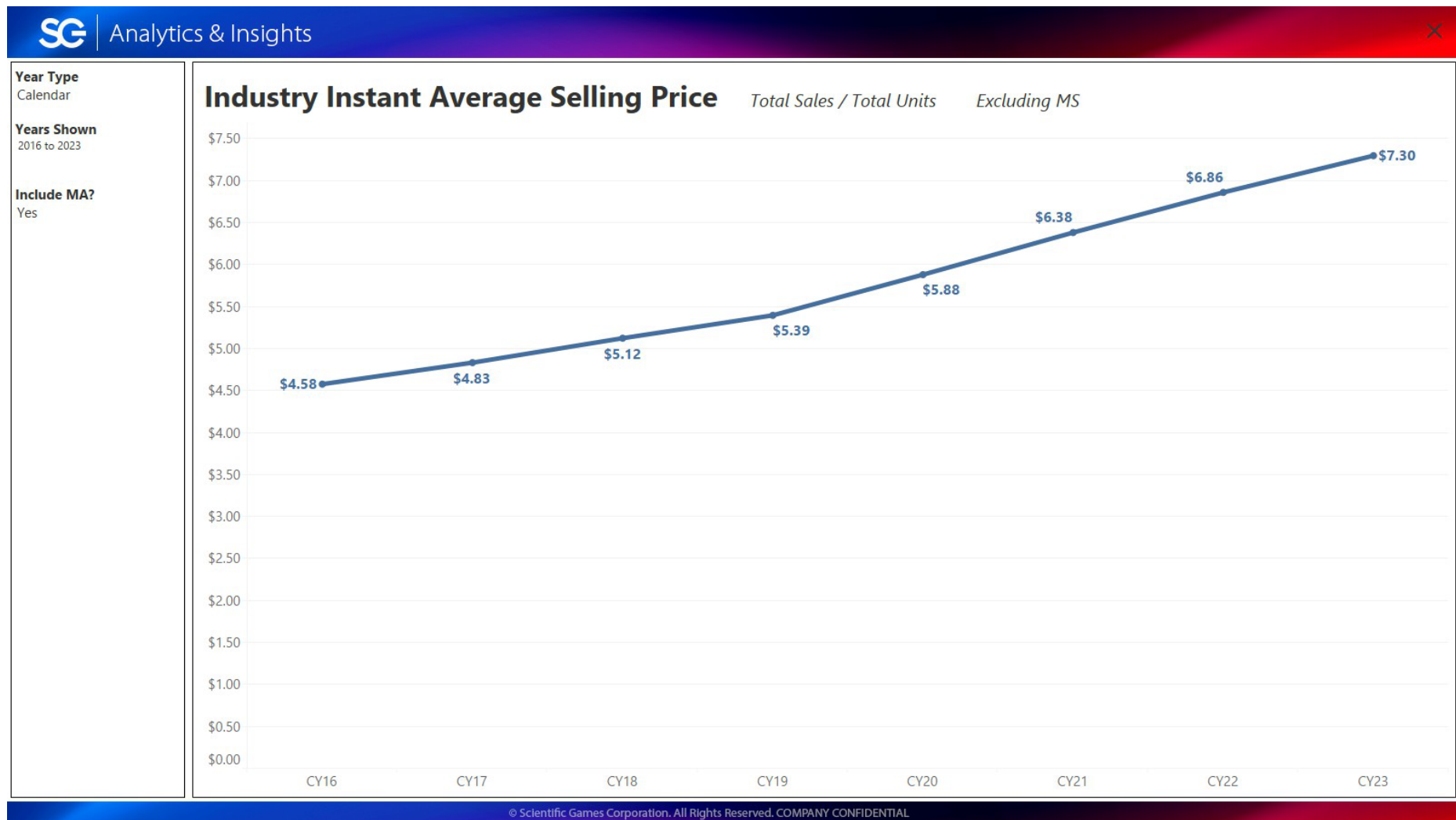




# Price Point Industry Trends (Domestic US)



# Industry Average Selling Price (Domestic US)



# South Dakota Lottery Price Point Data

**Lottery Selection**

South Dakota

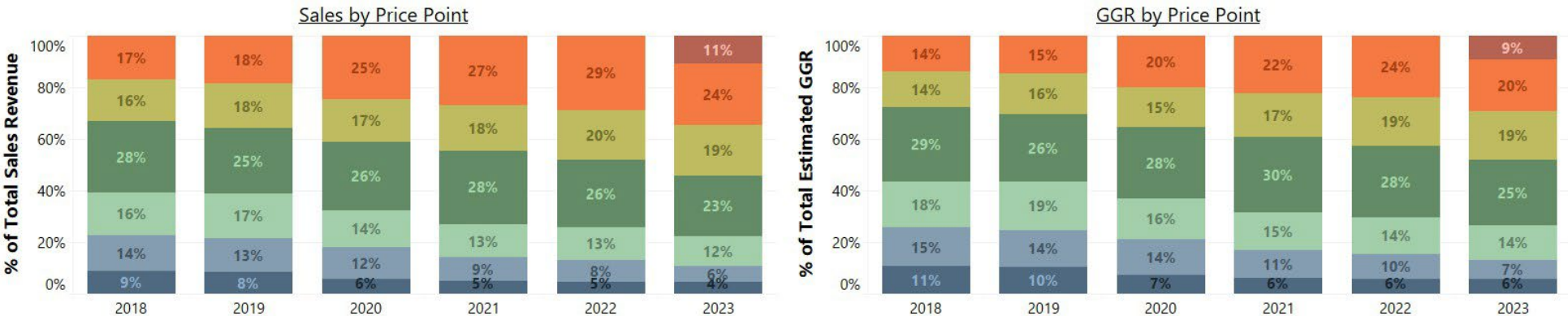
**Year Type**

Calendar

**Year Selection**

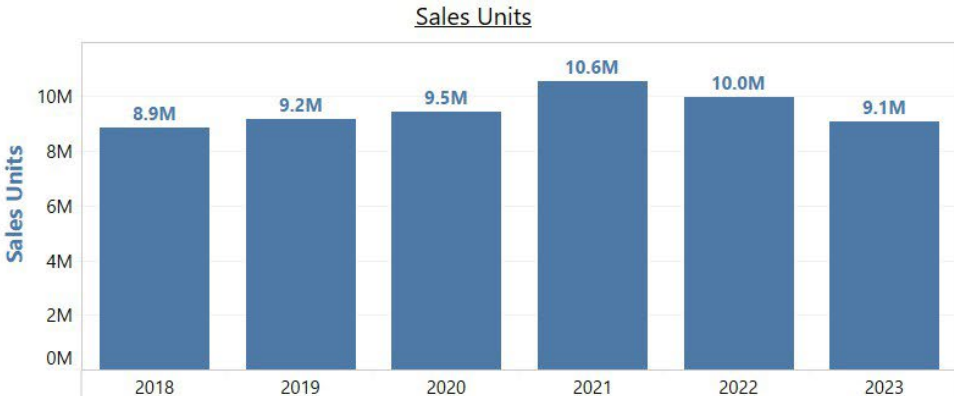
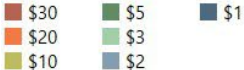
2018 to 2023

## Overall Metrics by Price Point

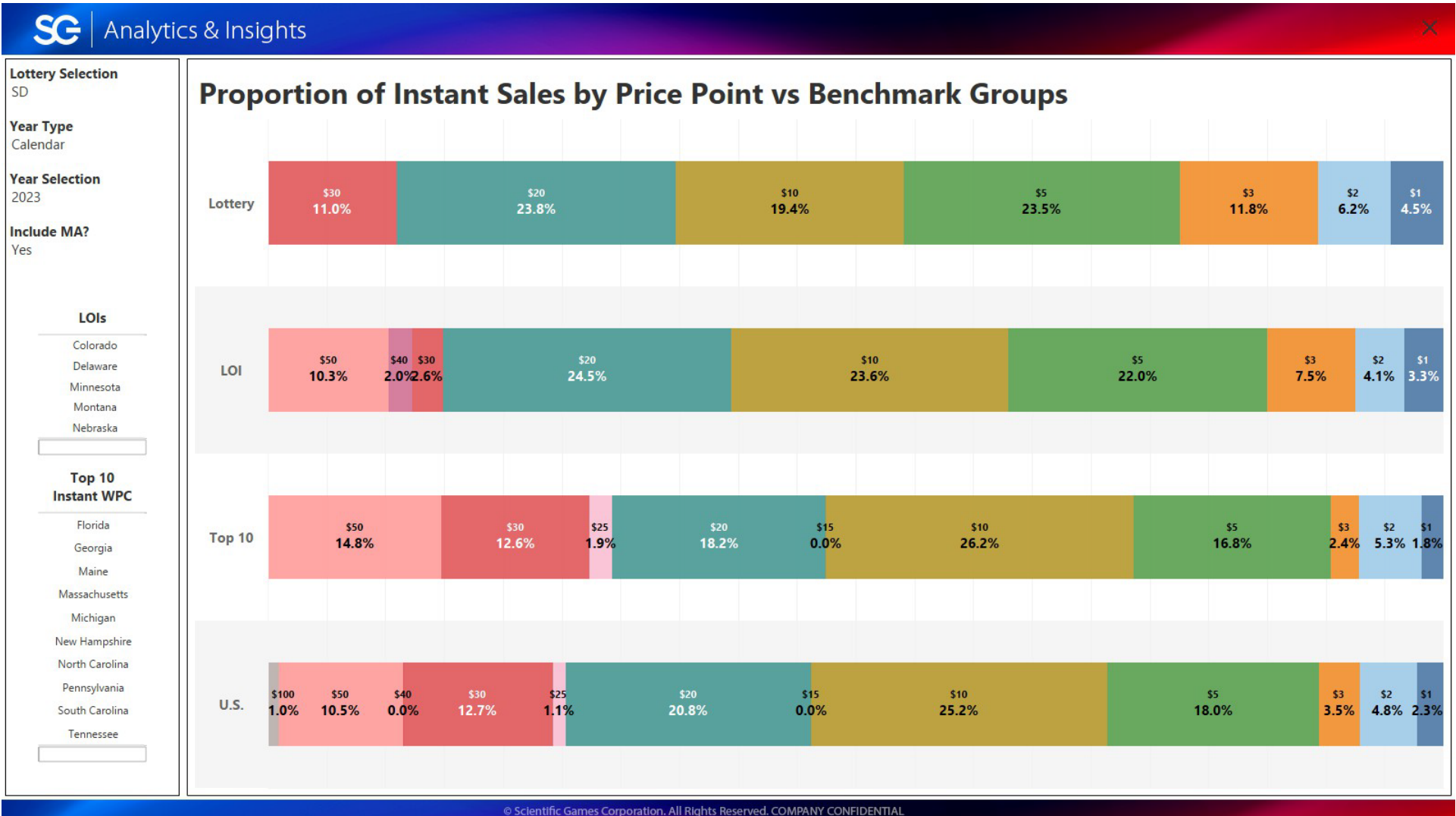


Most recent year shows YTD value

**Price Point**

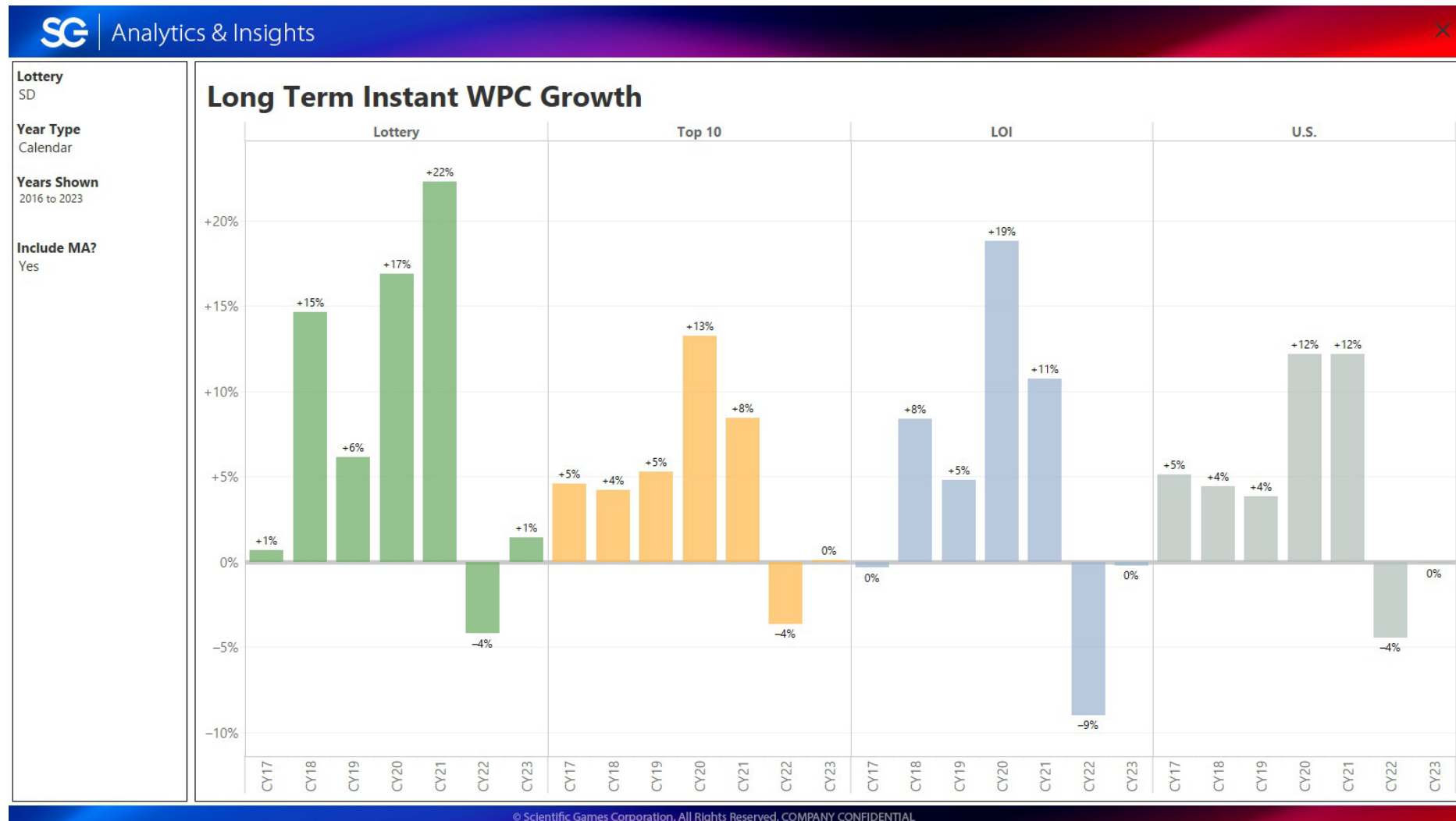


# Sales by Price Point





# Weekly Per Capita Instant Sales Growth





*Thank You*

Follow us:

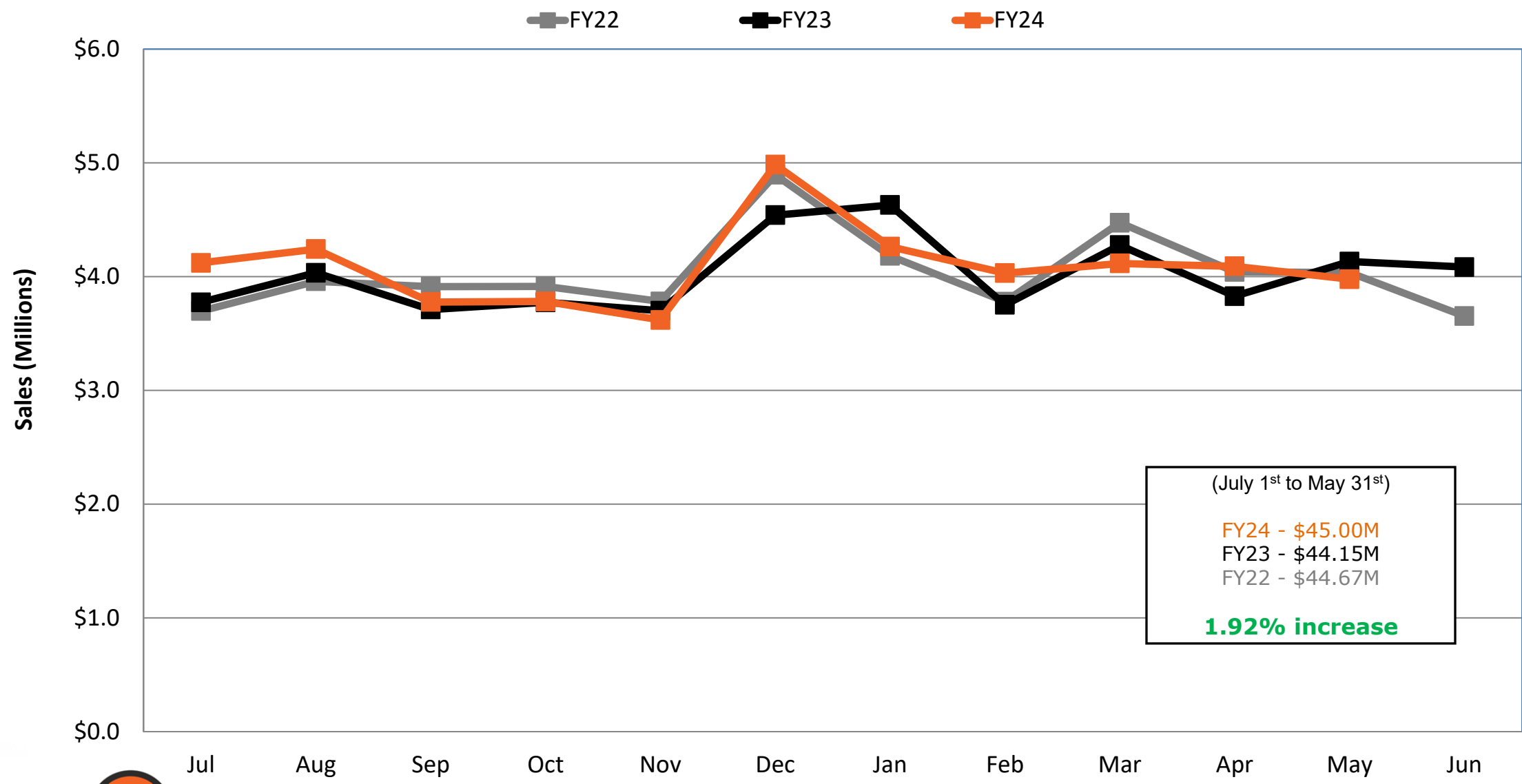


# Sales Report

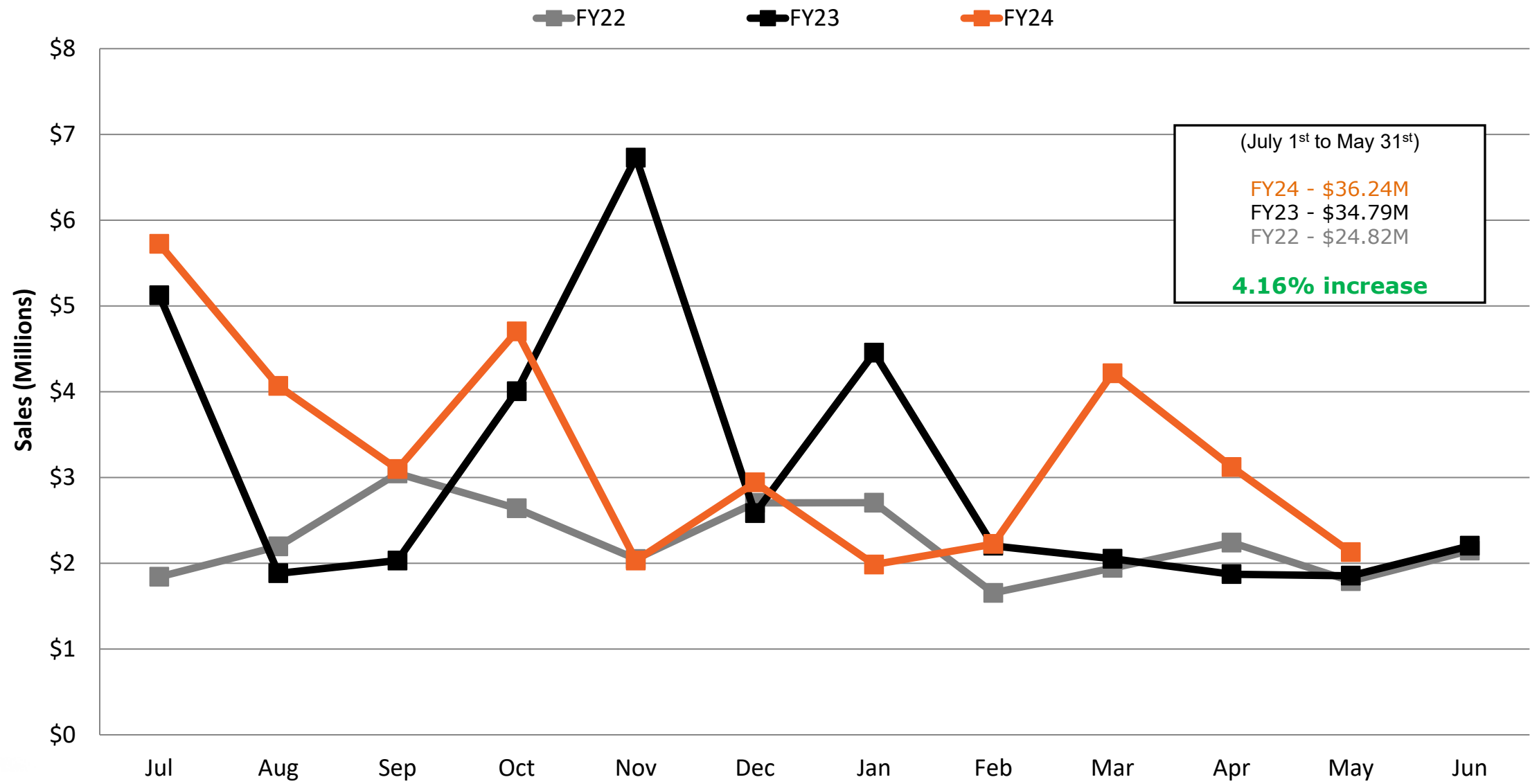


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# Instant Sales



# Lotto Sales





**\$30**

**\$550,000 JACKPOT**

WIN UP TO \$550,000!

**\$3**

**BLOCK-O**

WIN UP TO \$25,000!

BLOCK GRID

37	43	FREE	64	33	FREE	36	51	1
29	PRIZE		54	PRIZE				55
49			11					26
42	18	58	74	FREE	39	66	44	12
65	PRIZE		54	PRIZE				11
12			57					64
69	8	70	62	FREE	43	59	4	18
48	PRIZE		37	PRIZE				46
15			16					68
51	65	10	22	FREE	30	41	33	27
19	PRIZE		3	PRIZE				2
67			36					1
8	FREE	75	4	59	40	FREE	22	10

WIN UP TO 8 TIMES THE PRIZE!

**\$3**

**UNLOCK IT!**

Scratch the YOUR NUMBERS play area. Then scratch the corresponding numbers in VAULT NO. 1 through VAULT NO. 7.

Completely match ALL numbers in a VAULT, win prize for that VAULT. Each VAULT played separately.

VAULT NO. 1 PRIZE

VAULT NO. 2 PRIZE

VAULT NO. 3 PRIZE

VAULT NO. 4 PRIZE

VAULT NO. 5 PRIZE

VAULT NO. 6 PRIZE

YOUR NUMBERS

**\$3**

**WILD BINGO**

Scratch all numbers in CARDS 1-4 that end with the "WILD NUMBER." SEE BACK FOR PLAY INSTRUCTIONS.

**WILD NUMBER**

CARD 1 B I N G O

07	28	37	47	73
11	22	31	48	63
15	21	FREE	50	72
14	29	32	59	74
02	17	33	46	70

CARD 2 B I N G O

01	29	35	60	75
14	18	41	52	70
04	27	FREE	54	68
09	16	42	46	71
02	19	34	53	72

CARD 3 B I N G O

03	25	38	52	63
13	22			

CARD 4 B I N G O

08	18	35	57	64
11	23	43	47	73
	24	FREE	59	

**\$10**

**the Price is Right**

BONUS ROUND

BONUS ROUND

**\$20**

**100X**

WIN UP TO \$300,000!

Match any of YOUR NUMBERS to any WINNING NUMBER, win PRIZE shown. If you win, multiply your PRIZE by the MULTIPLIER shown below that PRIZE. Reveal a "5" symbol, win \$500 instantly!

WINNING NUMBERS

YOUR NUMBERS

X PRIZE MULTIPLIER	X PRIZE MULTIPLIER	X PRIZE MULTIPLIER	X PRIZE MULTIPLIER	X PRIZE MULTIPLIER
X PRIZE MULTIPLIER	X PRIZE MULTIPLIER	X PRIZE MULTIPLIER	X PRIZE MULTIPLIER	X PRIZE MULTIPLIER
X PRIZE MULTIPLIER	X PRIZE MULTIPLIER	X PRIZE MULTIPLIER	X PRIZE MULTIPLIER	X PRIZE MULTIPLIER
X PRIZE MULTIPLIER	X PRIZE MULTIPLIER	X PRIZE MULTIPLIER	X PRIZE MULTIPLIER	X PRIZE MULTIPLIER

WIN UP TO 5X, 10X, 20X, 50X OR 100X YOUR PRIZE!

**Paid Out Over  
\$31,127,731  
Year to Date**

**Paid Out Over  
\$9,382,144  
in Lotto Prizes  
Year to Date**



\$5

**YOUR NUMBERS**

# Ruby Red

7's

**WIN UP TO \$27,777!**

Match any of YOUR NUMBERS to any of the WINNING NUMBERS, win PRIZE shown for that number. Reveal a BLACK "7" symbol, win PRIZE shown for that symbol. Reveal a RED "7" symbol, win DOUBLE that PRIZE shown for that symbol. Reveal a RED "7" symbol, win ALL 12 PRIZES shown!

**WINNING NUMBERS**

\$

7

\$

7

\$

7

\$

7

\$

7

\$

7

\$

7

\$

7

\$

7

\$

7

\$

7

**WIN UP TO 12 TIMES!**

\$10

## Cashword GOLD

YOUR 18 LETTERS

" " WINS 5 TIMES THE PRIZE!

**PUZZLE 1**

B	A	C	K	A	R	D	S
N	E	T	T	L	E	U	O
G	H	P	M	A	T		
W	A	R	R	A	N	T	I
L	I	O	O	M			
O	F	T	H	U	S		
S	W	I	T	C	H	T	E
E	C						
R	O	Z	O	N	E	I	
F	U	N		G	V	O	T

**PUZZLE 2**

J	U	M	P	E	J	O	B
R	I	G	L	O	O		
G	T	S	G	U	T		
S	E	S	A	M	E	R	S
	E	A	S	O	N	C	
B	A	R	D	A	H		
A	C	E	T	O			
R	O	O	M	B	A	M	B
R	A	A	E	N			
E	S	O	L	I	T	A	I
L	E	T					

**PUZZLE 1 PRIZE KEY**

2 WORDS	\$10
3 WORDS	\$20
4 WORDS	\$30
5 WORDS	\$40
6 WORDS	\$50
7 WORDS	\$70
8 WORDS	\$100
9 WORDS	\$700
10 WORDS	\$7,000

**WIN UP TO \$70,000!**

SEE BACK FOR PLAY INSTRUCTIONS.

**BONUS**

Reveal a cash prize amount, win that amount automatically! BONUS is played separately.

\$5

## CROSSWORD X

PUZZLE 1

A	L	L	I	E		H	O	O	P
E	A	R	N		B	U	R	S	T
X	U	P			E	D			
C	A	N	L		S	C	O	O	T
E		O	N	U	S	Y	O		
S		F	M			C	O	R	D
S	O	F	T	B	A	L	L		
V	U		S		I	C	O	N	
L	E	N	G	T	H	E	N		W
N								G	O

**PUZZLE 1 PRIZE KEY**

10 WORDS	\$40,000
9 WORDS	\$1,000
8 WORDS	\$500
7 WORDS	\$100
6 WORDS	\$50
5 WORDS	\$20
4 WORDS	\$10
3 WORDS	\$5

PUZZLE 2

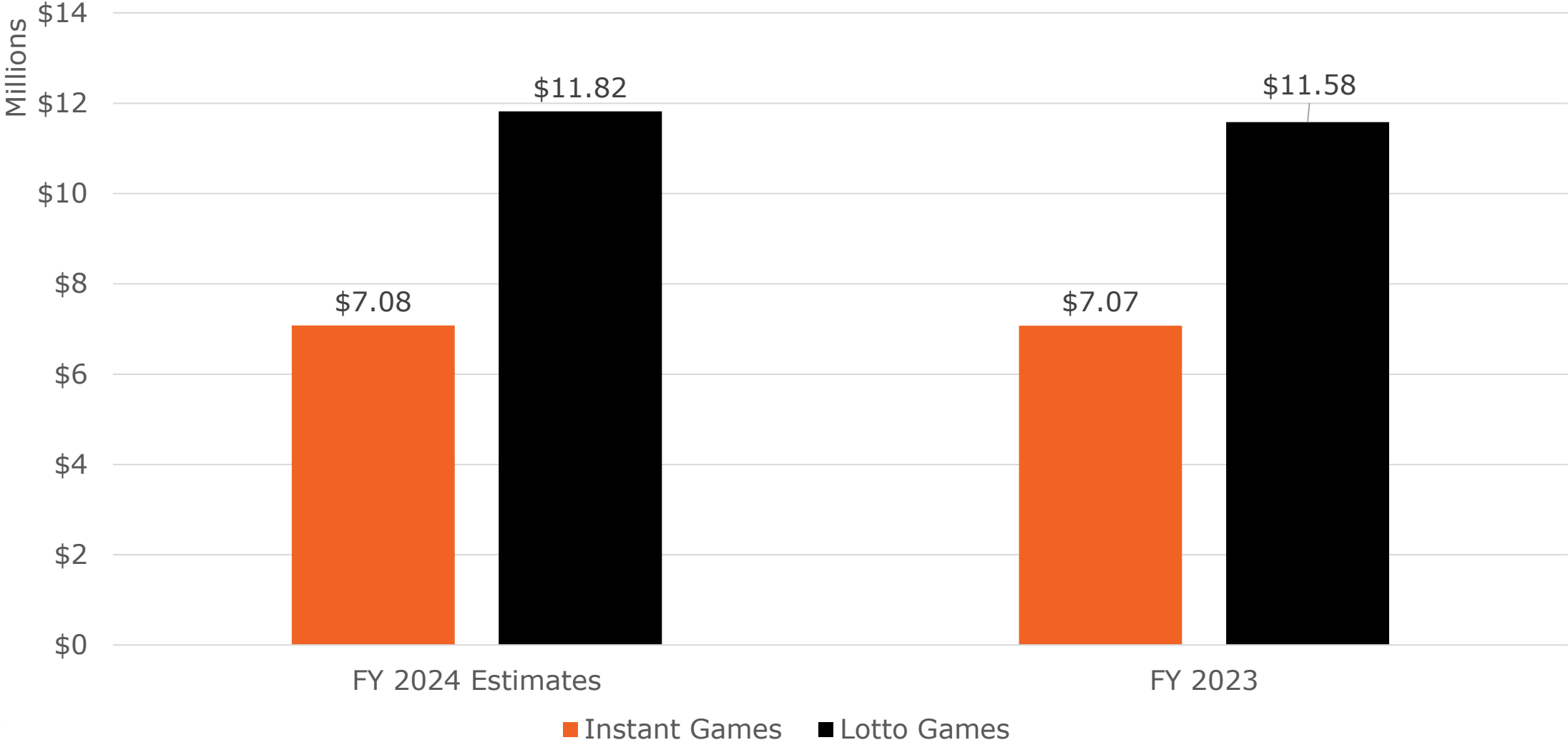
W				N		
A	L	I	B	I		A
X		C		M	I	D
		I		B		A
B	A	C	K	L	O	G
U	L	E				
D	E	E				

**PUZZLE 2 PRIZE KEY**

6 WORDS	\$500
5 WORDS	\$50
4 WORDS	\$10
3 WORDS	\$5

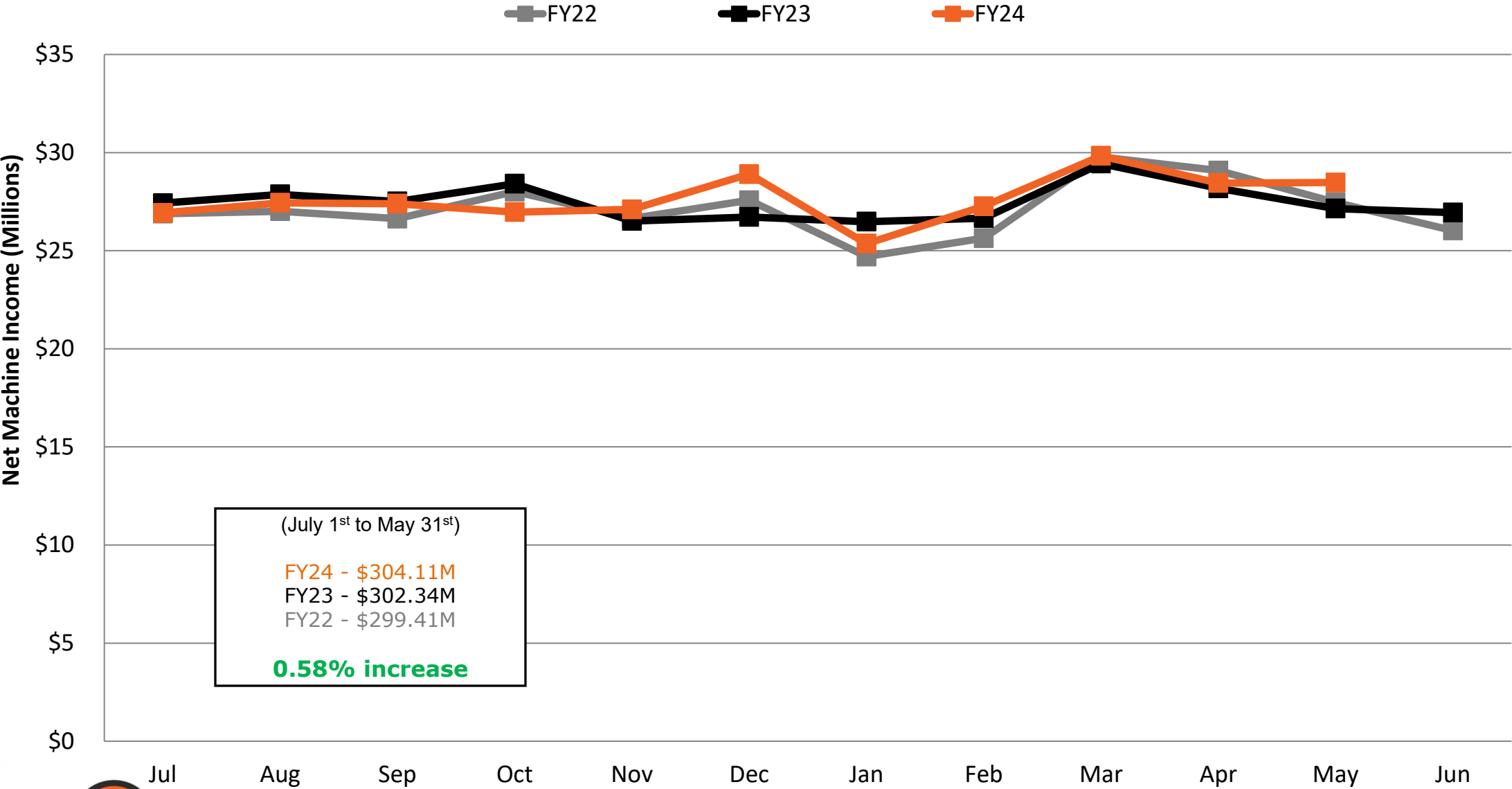
WIN UP TO \$40,000!

# Instant and Online FY24 Revenue Projections as of May 31, 2024





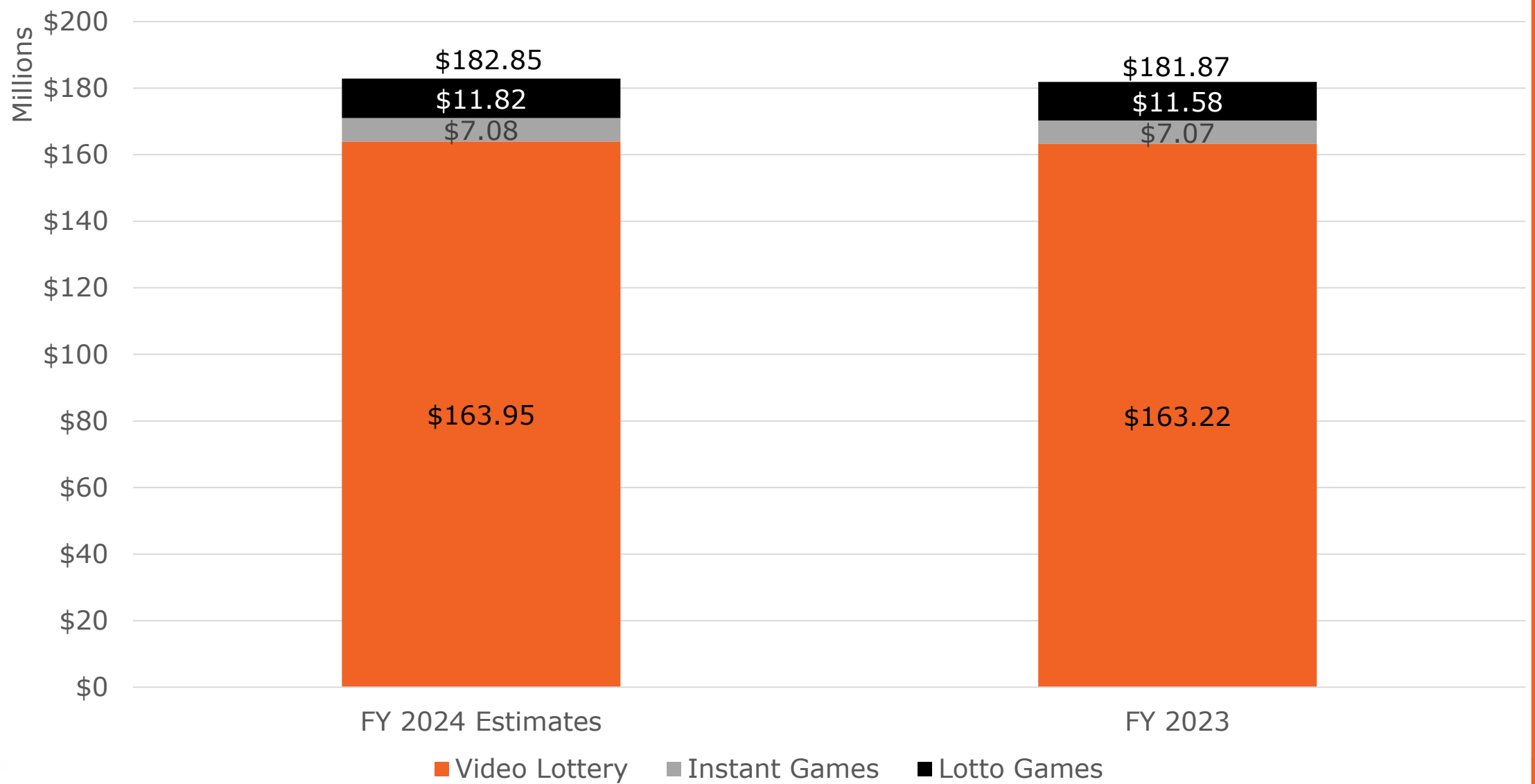
# Video Lottery NMI



# Video Lottery FY24 State Share Revenue Projection as of May 31, 2024



# Total FY24 Revenue Projections as of May 31, 2024

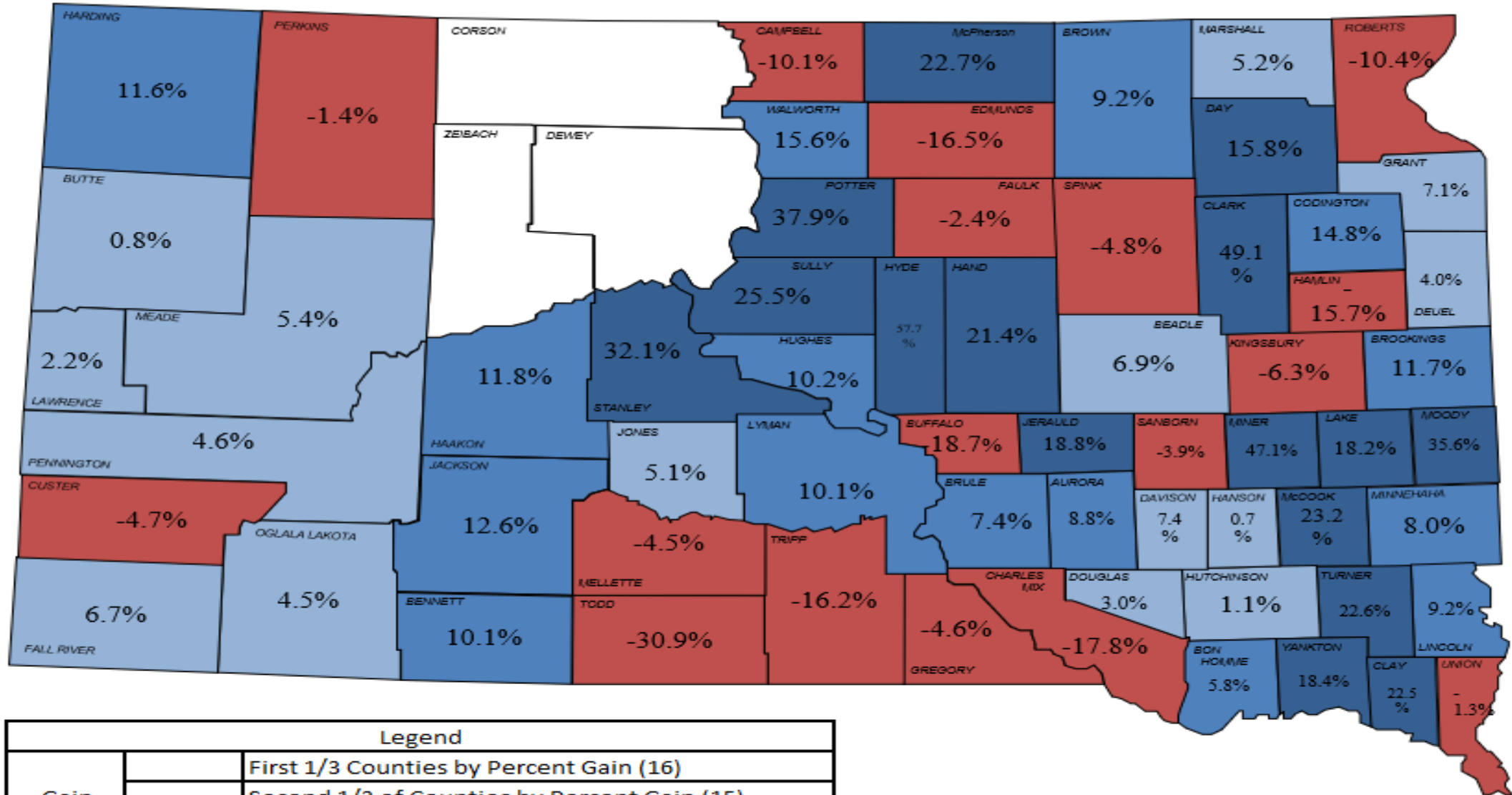


# FY2024 Instant Review



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# Percent Change of Instant Sales YOY FY2024 over FY2023



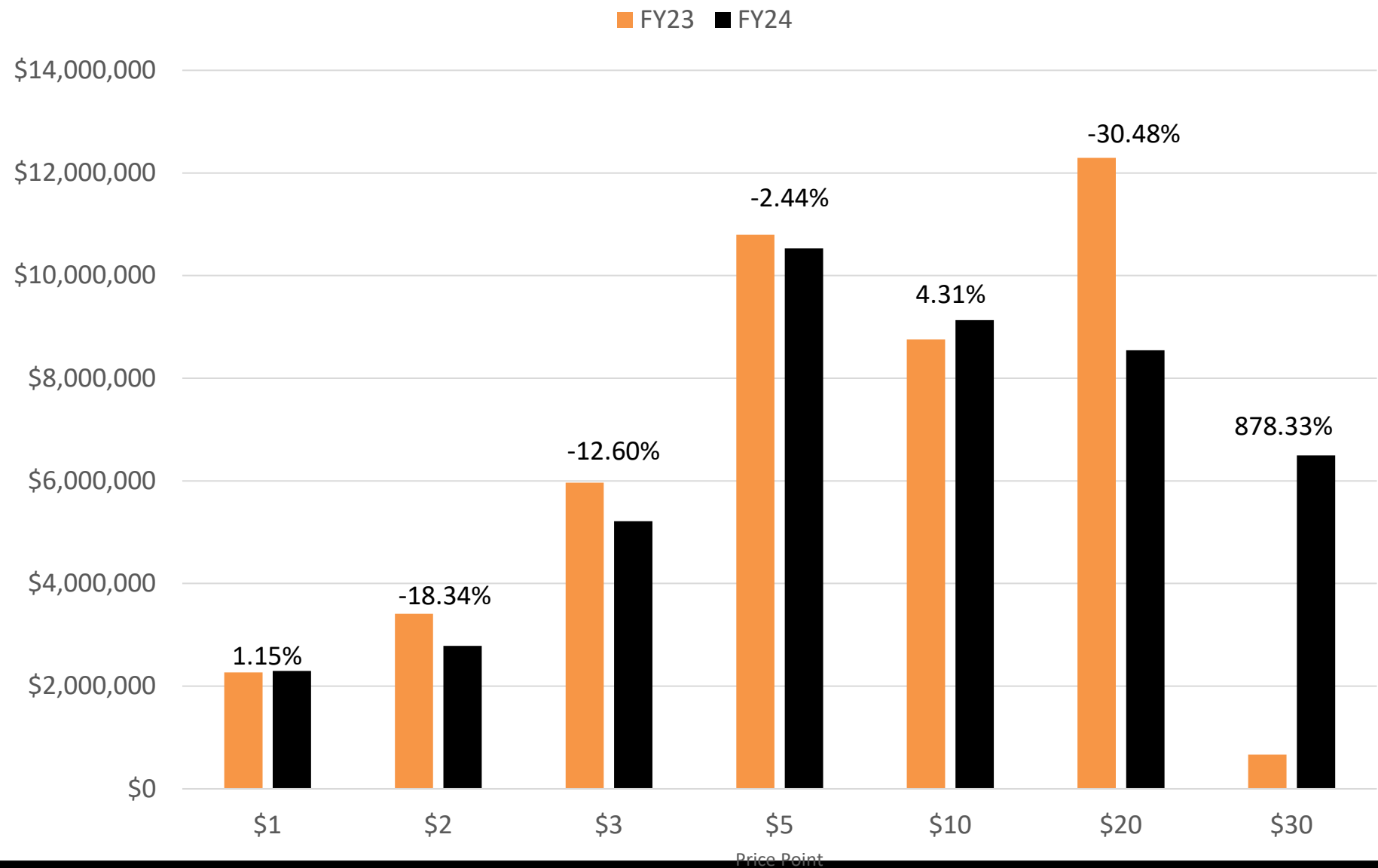
Legend		
Gain		First 1/3 Counties by Percent Gain (16)
		Second 1/3 of Counties by Percent Gain (15)
		Last 1/3 of Counties by Percent Gain (15)
N/A		No Instant Sales
Loss		Counties by Percent Loss (17)

# Top Instant Ticket Markets

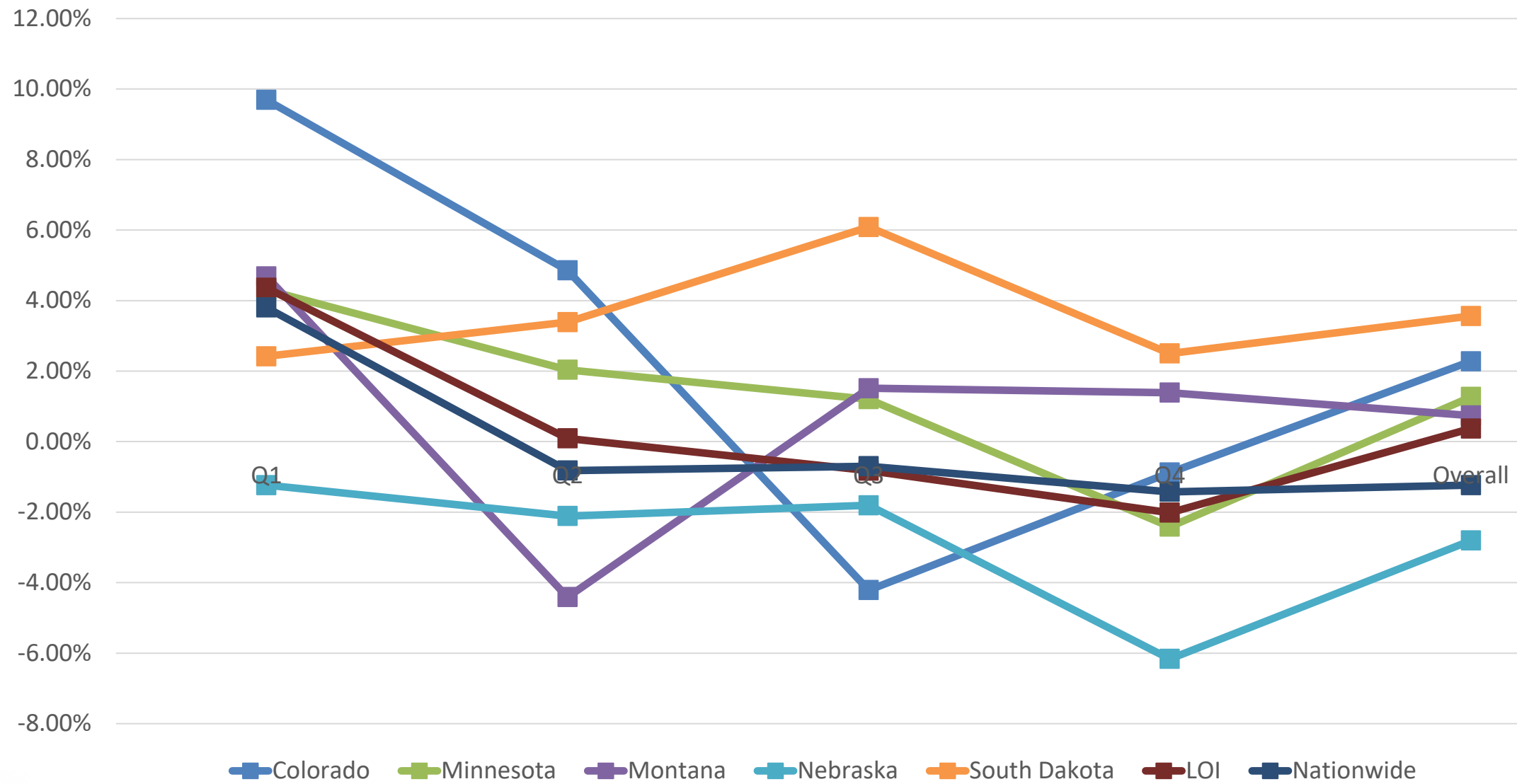
City	FY23	FY24	\$ Change	% Change
Sioux Falls	\$10,743,063	\$11,094,266	\$351,203	3.27%
Rapid City	\$6,619,368	\$6,605,514	-\$13,854	-0.21%
Aberdeen	\$1,855,462	\$1,963,470	\$108,008	5.82%
Watertown	\$1,515,017	\$1,676,307	\$161,290	10.65%
Brookings	\$1,093,722	\$1,217,564	\$123,842	11.32%
Yankton	\$1,037,314	\$1,171,096	\$133,782	12.90%
Spearfish	\$937,456	\$927,370	-\$10,086	-1.08%
Mitchell	\$1,075,224	\$1,098,115	\$22,891	2.13%
Pierre	\$1,059,729	\$1,091,045	\$31,316	2.96%
Huron	\$860,914	\$839,360	-\$21,554	-2.50%
Other	\$17,353,189	\$17,315,863	-\$37,326	-0.22%
Total	\$44,150,458	\$44,999,970	\$849,512	1.92%



# Instant Sales by Price Point



# Sales Change by Calendar Year Quarter and State



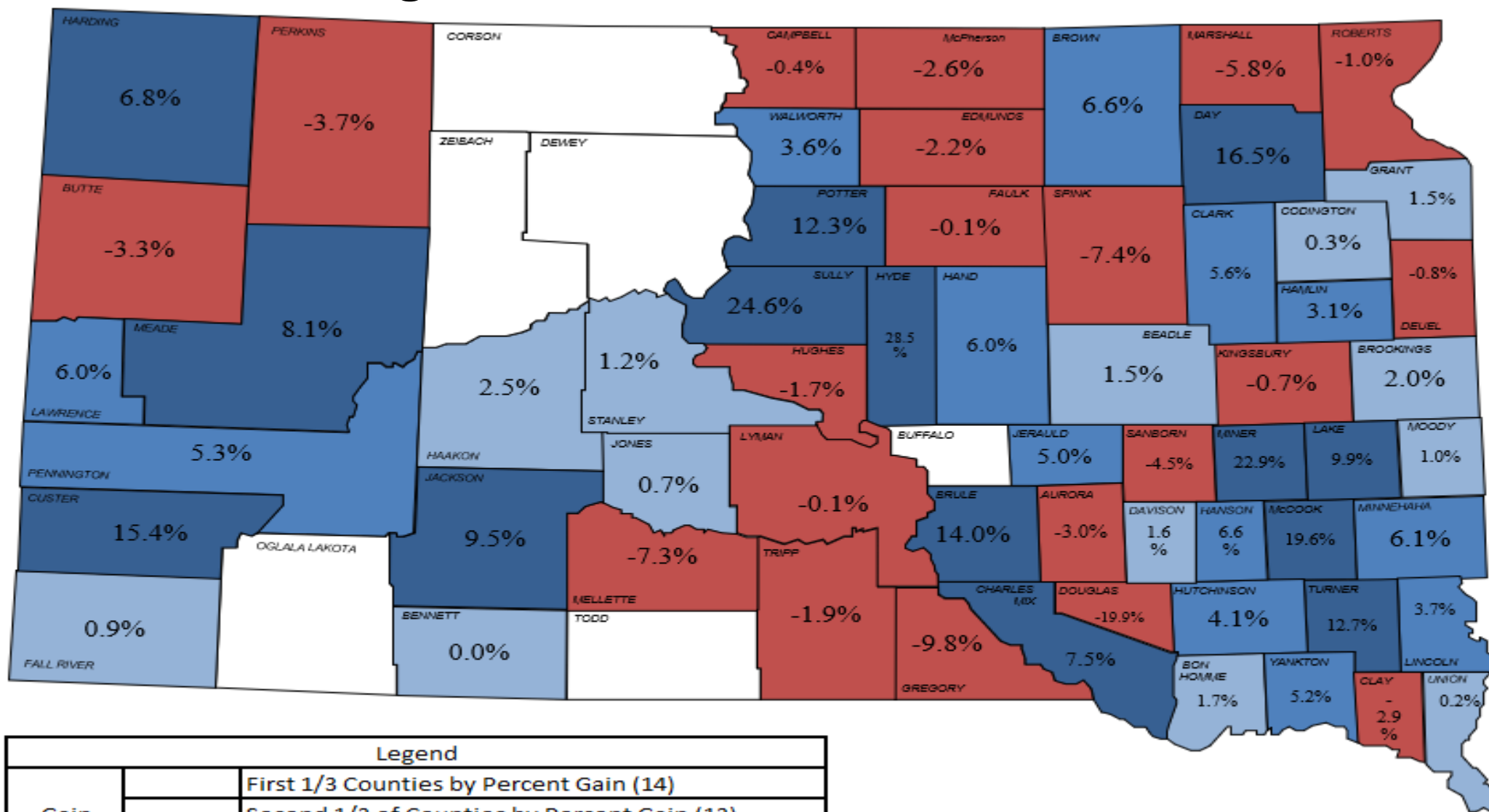


# FY2024 Online Review



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# Percent Change of Lotto Sales YOY FY2024 over FY2023



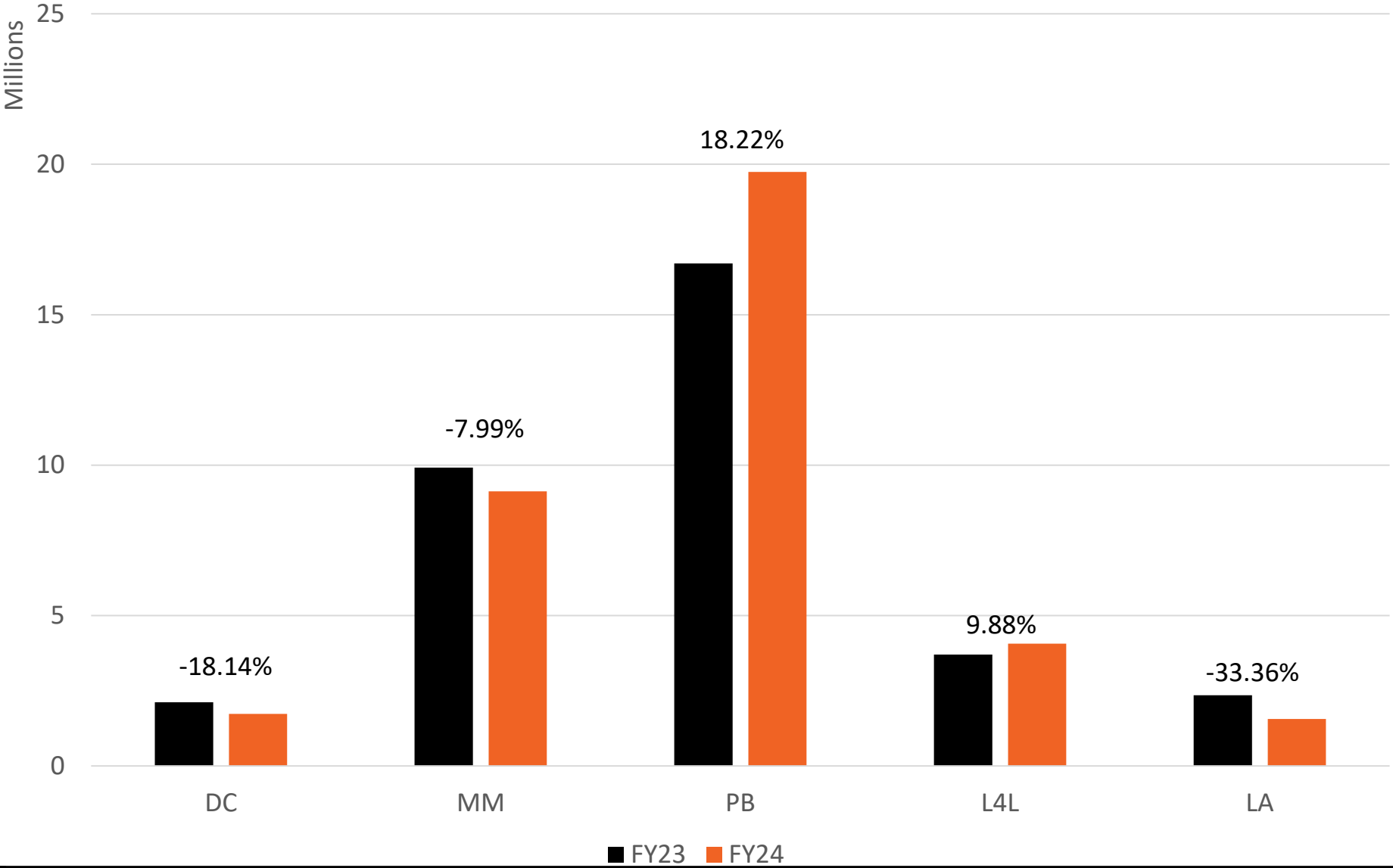
Legend		
Gain		First 1/3 Counties by Percent Gain (14)
		Second 1/3 of Counties by Percent Gain (13)
		Last 1/3 of Counties by Percent Gain (13)
N/A		No Lotto Sales
Loss		Counties by Percent Loss (37)

# Top Lotto Ticket Markets

Sioux Falls	\$8,132,991	\$8,552,715	\$419,724	5.16%
Rapid City	\$4,645,650	\$4,876,747	\$231,097	4.97%
Aberdeen	\$1,383,376	\$1,473,137	\$89,761	6.49%
Watertown	\$1,535,212	\$1,545,716	\$10,504	0.68%
Pierre	\$962,747	\$949,208	-\$13,539	-1.41%
Yankton	\$1,006,661	\$1,059,027	\$52,366	5.20%
Mitchell	\$975,727	\$991,526	\$15,799	1.62%
Spearfish	\$785,650	\$805,799	\$20,149	2.56%
Brookings	\$787,676	\$804,679	\$17,003	2.16%
Huron	\$660,968	\$667,855	\$6,887	1.04%
Other	\$13,914,709	\$14,512,532	\$597,823	4.30%
Total	\$34,791,367	\$36,238,941	\$1,447,574	4.16%



# Sales by Lotto Game





# Marketing Report



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# Winner Awareness Campaign

- Will run throughout the summer months.
- Reminds players that all lottery wins can be meaningful.
- Features a trio of new television spots.











# A LITTLE WIN LEADS TO...

# A LITTLE TREAT.

## THAT'S WINNER MATH.

**Winner Math** is when you use your scratch ticket winnings to get more. Because wins with the South Dakota Lottery can come in all shapes and sizes. And no matter how big or small, celebrate them all.



# Winner Awareness Campaign

- Our Give a Scratch campaign reminds players that scratch tickets are great gifts for adults.
- This includes Mother's Day/Father's Day billboards.
- Also included reminders through digital media.



# Lottery Mobile App

- The app has been downloaded on 27,840 devices.
- Key functions include scanning tickets, entering second chance drawings and viewing winning numbers.
- In May, the ticket scanner was used 27,155 times.





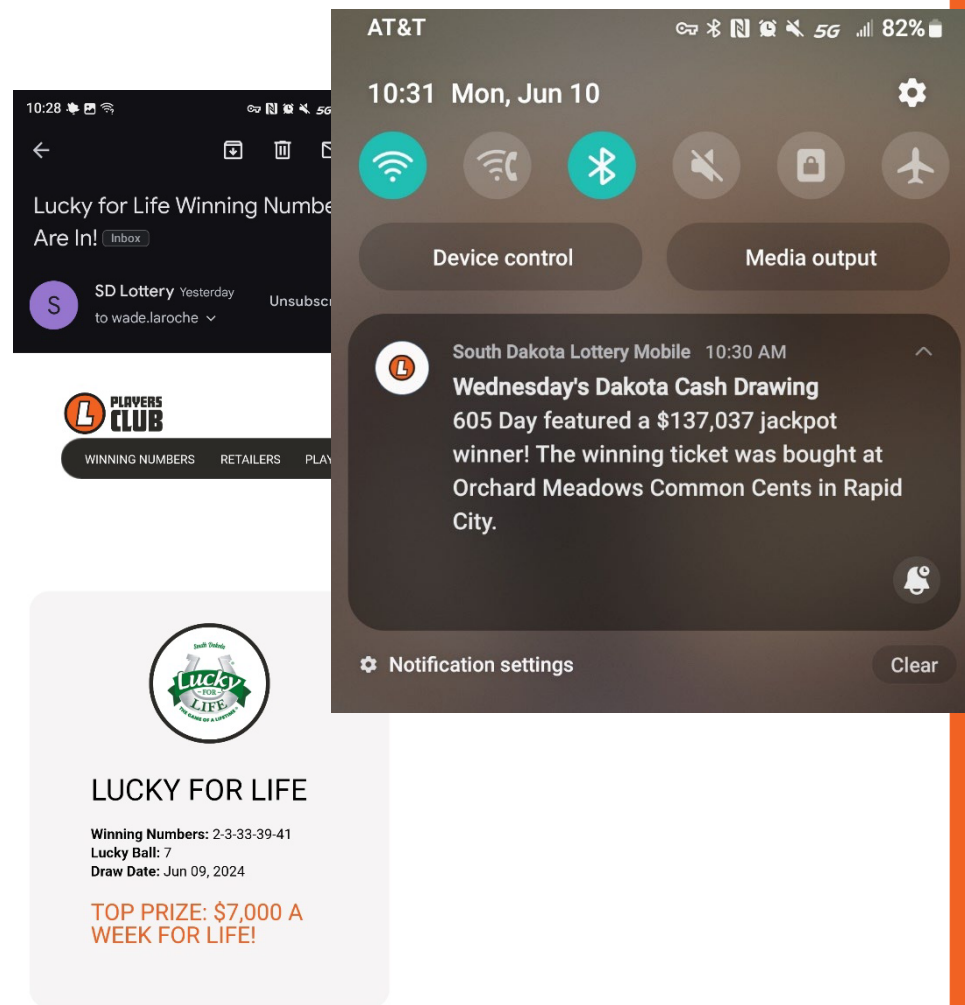
# Digital Properties

- Our app and website had an average of 5,690 sessions per day in May.
- 39,139 different users visited our website or app in May.
- Our Players Club has 42,831 members.



# Players Club Messaging

- Our Customer Relationship Management System gives us the ability to send push notifications and emails.
- Messaging includes new games, games ending, jackpot alerts, winning numbers and more.
- 14,731 mobile app users have opted in to push notifications.

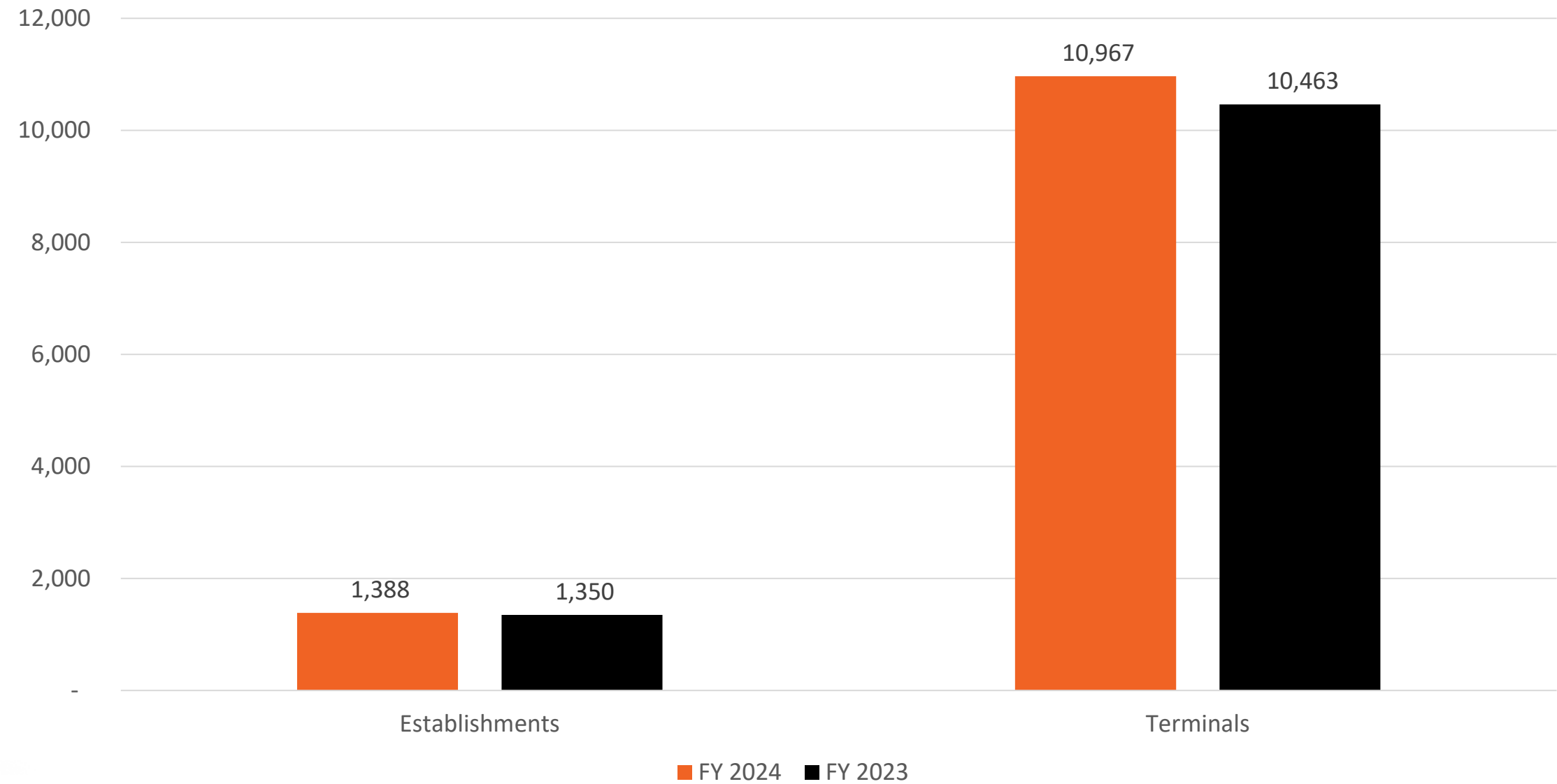


# Video Lottery Report



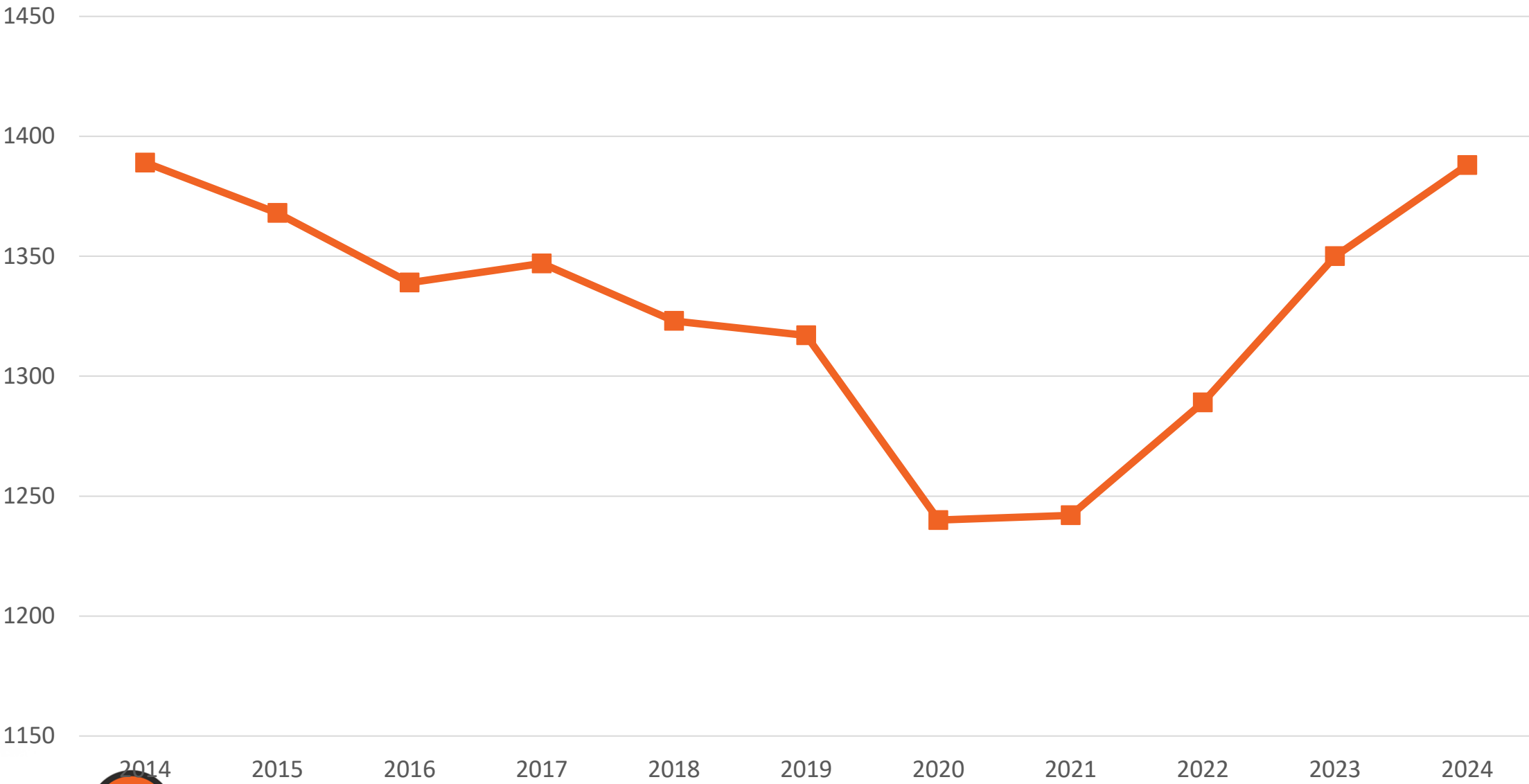
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# Number of Terminals and Establishments as of May 31, 2024



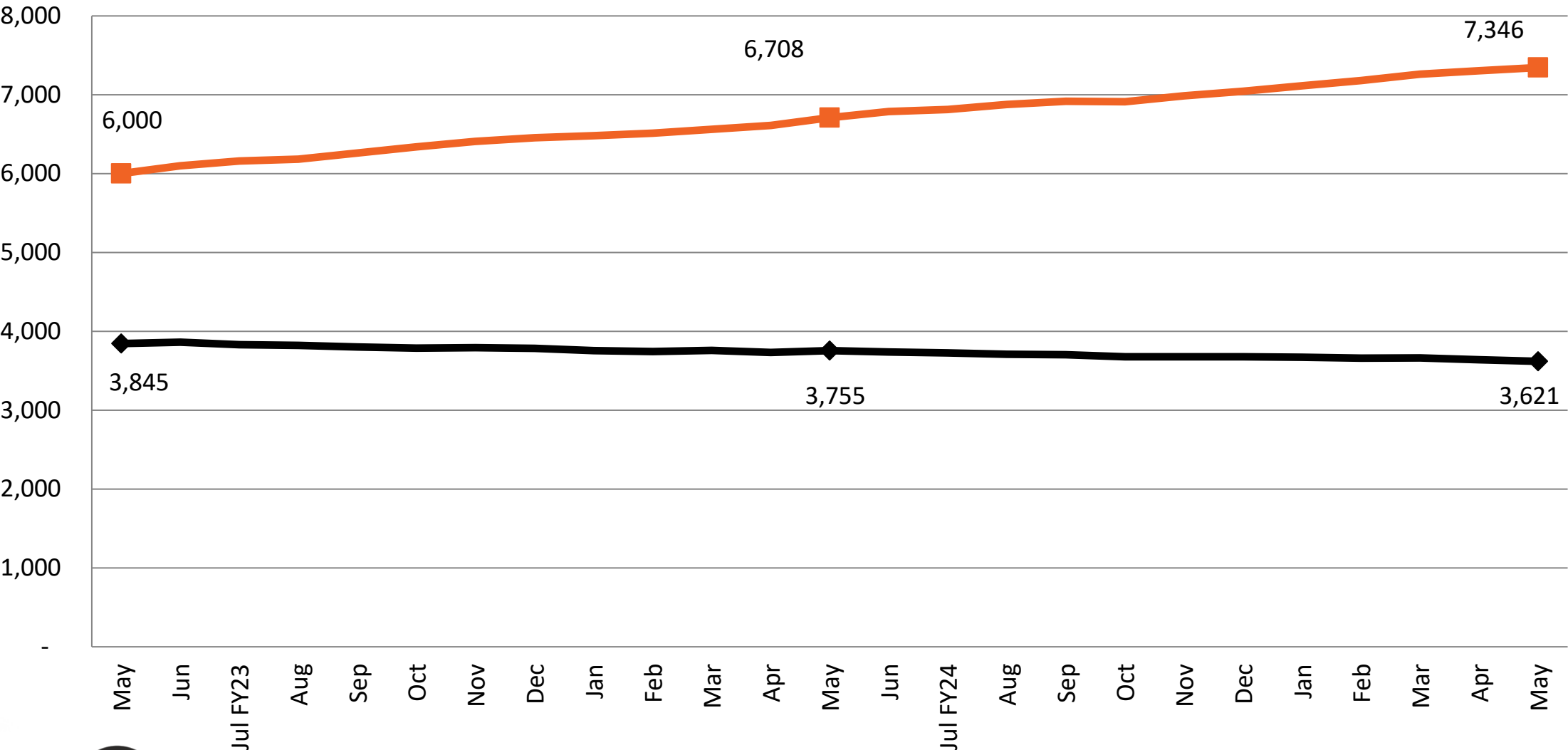


# Video Lottery Establishments

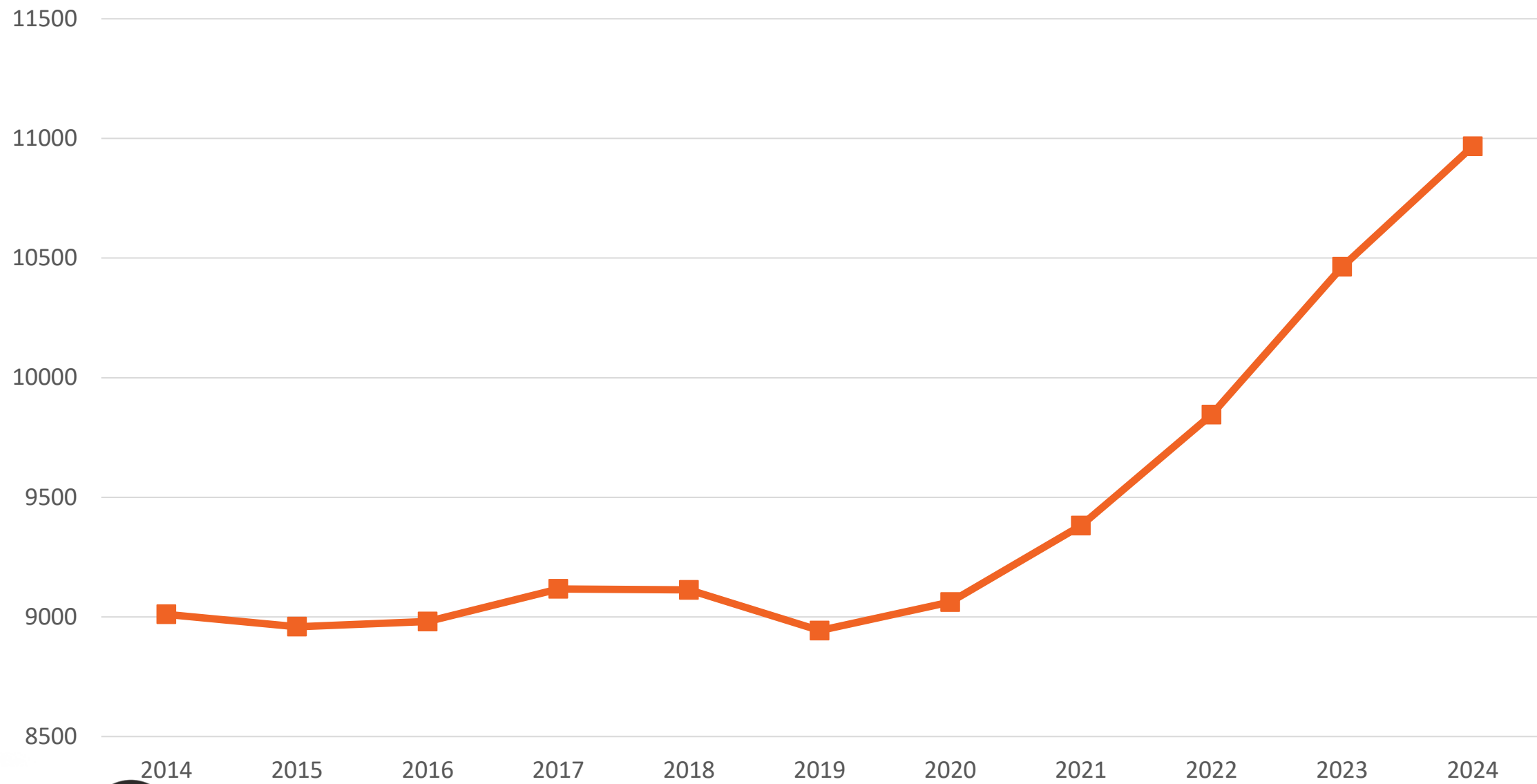


# Terminal Counts - Legacy vs. Line

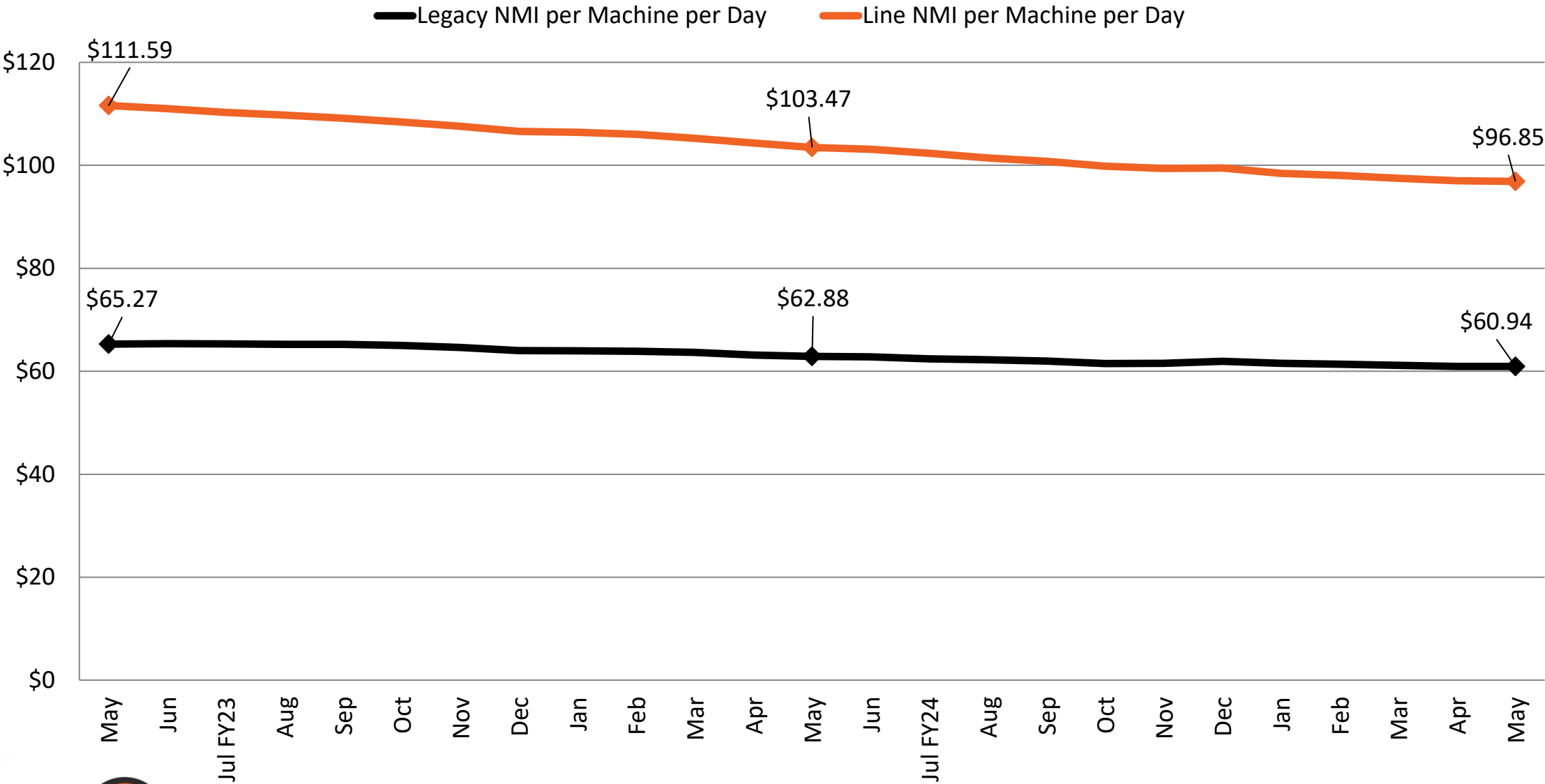
Legacy Machines   Line Machines



# Terminals

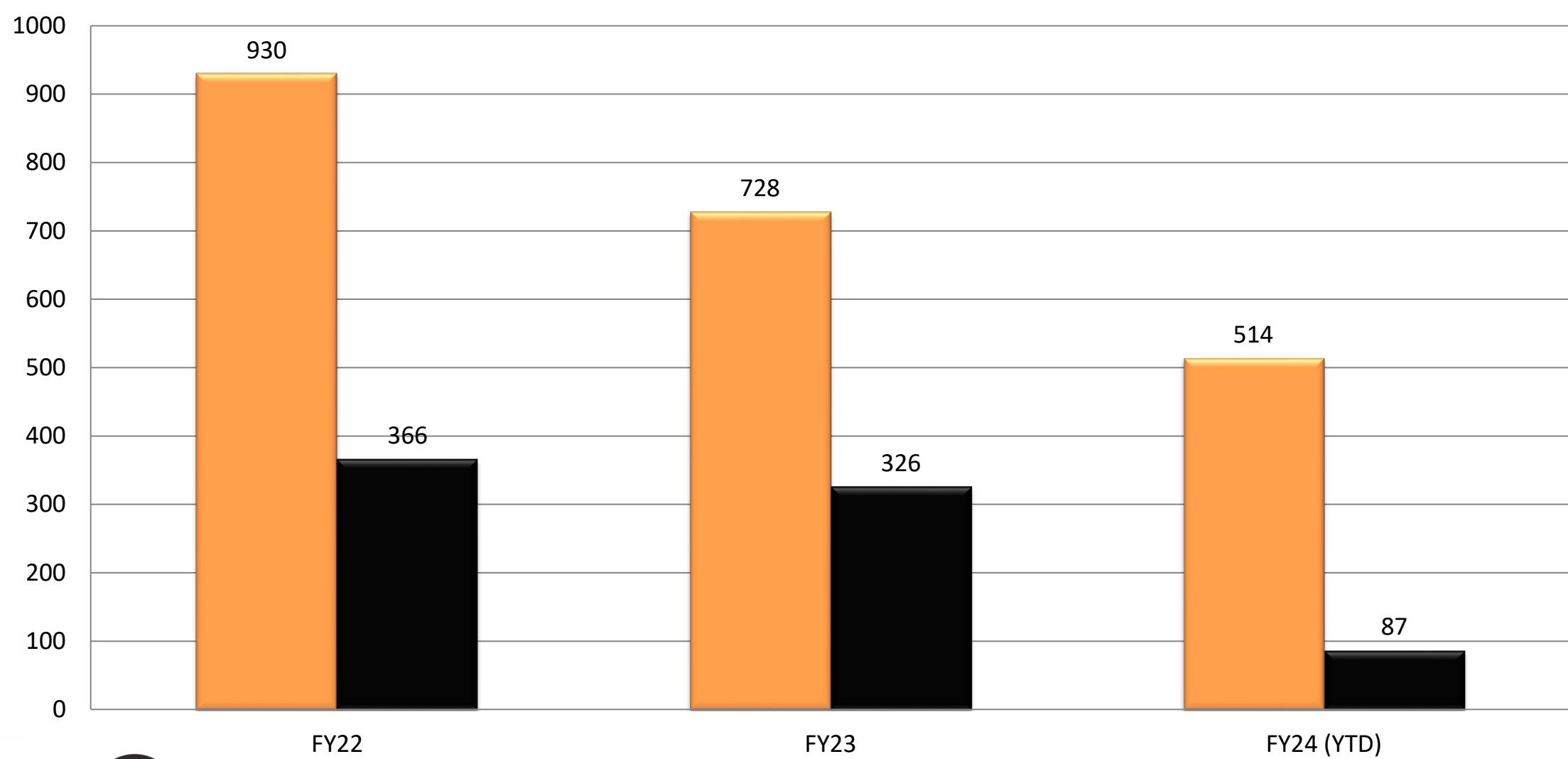


# NMI/Terminal/Day - Legacy vs. Line



# New & Destroyed Terminals

■ New ■ Destroyed





# Lottery Tidbits

- Video Lottery Securities
  - Due July 1, 2024
  - 1/18<sup>th</sup> of State Share Estimated NMI
- Gaming Laboratory/Delehanty Consulting Audit
  - Security Controls for Production of Instant Tickets
  - March 25-28, 2024
  - Plant Security
  - Instant Ticket Product Development
  - SD Ticket Audit





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