

Mission Statement

As set forth in Chapter 24, Florida Statutes, the Florida Lottery was created to allow the people of the state to benefit from significant additional moneys for education while playing the best lottery games available. The mission of the Florida Lottery is to maximize revenues in a manner consistent with the dignity of the state and the welfare of its citizens.

Sales Goals

For purposes of the Florida Educational Enhancement Trust Fund revenue projections, the sales goals of the Florida Lottery are to achieve net ticket sales level of at least \$5 billion per fiscal year. This will yield an annual revenue transfer in excess of one billion dollars each fiscal year to the EETF.

Historical Background of the Florida Lottery

The Lottery began ticket sales on January 12, 1988, and has since enjoyed strong sales and revenue performance. Florida Lottery annual sales have averaged over \$5 billion for the past six years through the implementation of successful product lines. The Florida Lottery's life-to-date sales exceed \$94 billion and have resulted in the transfer of more than \$30 billion to the Florida Educational Enhancement Trust Fund.

Product Descriptions

The Florida Lottery offers a full complement of both Scratch-Off and Draw games including:

Scratch-Off Games

Scratch-Off games offer players a chance to be an instant prize winner, even an instant multi-millionaire. The first Florida Lottery ticket, the \$1 Scratch-Off game MILLIONAIRE, went on sale in January 1988. The price and variety of games offered have increased over the years, as have their popularity, prizes, sales and profits for education. Early in the Lottery's history Scratch-Off games accounted for a little more than 20% of total Lottery sales; in fiscal year 2016 Scratch-Off sales were approximately \$4 billion, representing 65% of total Lottery sales and generating over \$734 million in revenue for education in a single year.

New Scratch-Off games are introduced approximately every six weeks and are unique in theme, play action and prize structure. The Florida Lottery offers approximately 70 Scratch-Off games at a given time, ranging in price from \$1 to \$25. Florida Lottery Scratch-Off game strategies have expanded to include licensed property games, "niche" games, families of games with varying price points and extended play games. Second chance drawings on the website are used extensively to add value to players' non-winning Scratch-Off tickets.

Scratch-Off tickets continue to be the source of greatest sales growth among maturing lottery states as those states find ways to increase the market penetration of Scratch-Off games and to increase play by existing Scratch-Off game players.



POWERBALL® with Power Play®

The Florida Lottery launched POWERBALL, a multi-state jackpot game, in January 2009. In January 2016, POWERBALL set a new record with a \$1.586 billion jackpot.

POWERBALL drawings are held live at Florida Lottery Headquarters and aired on television stations throughout the U.S. on Wednesday and Saturday evenings at 10:59 p.m. Eastern Time (ET). During a drawing, six numbers are selected: five white ball numbers from 1 to 69 and one red Powerball number from 1 to 26. Players who match 5-of-5 numbers and the Powerball number win the jackpot, which starts at \$40 million and rolls over/increases each drawing without a jackpot winner. Players who match 5-of-5 numbers win \$1 million. There are seven other prize levels to match and win prizes in the POWERBALL game. Players may choose Power Play for a \$1 more per play to increase their non-jackpot prizes. Power Play players who match 5-of-5 numbers win \$2 million.

POWERBALL tickets cost \$2 per play, making it the highest grossing Florida Lottery Draw game. POWERBALL sales for fiscal year 2016 were approximately \$602 million and represented nearly 10% of total Lottery sales.

FLORIDA LOTTO® with XTRA

Since its introduction in April 1988, FLORIDA LOTTO® has been the Florida Lottery's brand product whose name is often used synonymously with the Florida Lottery. FLORIDA LOTTO continues to be the number one in-state lotto game in the nation game, turning over 1,000 Florida players into jackpot winners and generating more than \$8 billion in revenue for Florida students and schools.

FLORIDA LOTTO drawings are held Wednesdays and Saturdays at 11:15 p.m. ET. Players win by matching some or all of the numbers on their \$1 ticket, to the six numbers (1 to 53) drawn. The XTRA play feature was added in October 2009, giving players a chance to multiply their non-jackpot prize amounts from 2-5 times for \$1 more per play. Sustaining and increasing sales outside the context of large Lotto jackpots remains the primary marketing challenge for the Lottery.

FLORIDA LOTTO and XTRA sales for fiscal year 2016 were approximately \$291 million and represented approximately 4.8% of total Lottery sales.

MEGA MILLIONS® with Megaplier®

The Florida Lottery launched the multi-state game MEGA MILLIONS with Megaplier in May 2013, with drawings held live in Atlanta, GA and aired on television stations Tuesday and Friday evenings beginning at 11:00 p.m. ET. During the drawing, six numbers are selected: five white ball numbers from 1 to 75 and the Mega Ball number from 1 to 15. Matching all five white ball numbers and the Mega Ball number wins the jackpot, which starts at \$15 million and rolls over/increases each drawing without a jackpot winner.

Megaplier is an add-on feature that allows players to multiply their non-jackpot prizes, for just \$1 more per play. The Megaplier number, selected right before the MEGA MILLIONS draw, will determine the multiplier for that draw. If a MEGA MILLIONS with Megaplier player matching five white ball numbers, he/she wins \$5 million.

MEGA MILLIONS sales for fiscal year 2016 were approximately \$149.9 million and represented 2.5% of total Lottery sales.

LUCKY MONEY™ with EZmatch™

In July 2014, the Florida Lottery replaced MEGA MONEY with LUCKY MONEY™ with EZmatch™. LUCKY MONEY jackpots start at \$500,000 and can roll over to up to \$2 million if there isn't a jackpot winner. Once the LUCKY MONEY jackpot reaches \$2 million and there is no jackpot winner, the jackpot prize pool rolls down and increases the payouts on all of the lower-tier prize levels. Tickets cost \$1 per play, and EZmatch can be added for \$1 more, which gives players the chance to win instant cash prizes of up to \$500. LUCKY MONEY drawings are held Tuesday and Friday evenings at 11:15 p.m. ET. Players win by matching some or all of the four white ball numbers from 1 to 47 and the Lucky Ball number from 1 to 17.

LUCKY MONEY sales for fiscal year 2016 were approximately \$85 million and represented 1.4% of total Lottery sales.

FANTASY 5® with EZmatch™

FANTASY 5® was launched in 1989 and has changed game matrices and draw days several times throughout the years. . Tickets cost \$1 per play, and EZmatch can be added for \$1 more, which gives players the chance to win instant cash prizes of up to \$500. Drawings are held daily 11:15 p.m. ET. The FANTASY 5 top prize is typically around \$200,000 but varies based on sales. A player wins by matching some or all of the five numbers from 1 to 36. If there is not a top prize winner, the prize money rolls down to increase the prize amounts of the lower level prizes. FANTASY 5 is the top-selling game in its category nationally, creating nearly 700 million winners and generating over \$3 billion for Florida's education system.

In fiscal year 2016, FANTASY 5 and EZmatch combined sales were approximately \$296 million and accounted for approximately 4.9% of total Lottery sales.

PICK Daily Games™

PICK 3, formerly CASH 3, was introduced in April 1988 and PICK 4, formerly PLAY 4, was added in July 1991. PICK 2 and PICK 5 were added in August 2016. Players pick their numbers 0-9, how they want to play and when to play, with drawings twice a day, every day at 1:30 p.m. and 7:57 p.m. ET. Players determine the price of their ticket (starting at just 50¢), the odds of winning (starting at 1:10) and the prize they could win (up to \$50,000) based on the numbers, play type and game they pick!

In fiscal year 2016, combined PICK sales were over \$671 million, accounting for more than 11% of total Lottery sales.



Florida Lottery Sales Network

The Florida Lottery has a network of over 13,000 retailers across the state that are contracted to sell Lottery products. The largest retailer trade styles are convenience stores and convenience stores with gas which represent seventy-one percent (71%) of the retailer base and supermarkets which represent fifteen percent (15%). The other twenty-four percent (24%) represent a wide variety of other trade styles including restaurants, newsstands, liquor stores, and bowling alleys. The 13,000 retailers are further classified into two groups: corporate accounts and independently owned accounts. Lottery retailers receive a five percent (5%) sales commission plus a one percent (1%) commission for each prize cashed under \$600.

Market Research

The Florida Lottery conducts a comprehensive, on-going marketing research program comprising several different types of studies. These studies have as their purpose gaining a better understanding of consumer behaviors and preferences, the public image of the Lottery and the financial impacts of game or program changes. This knowledge, in turn, improves the Lottery's ability to increase sales and transfer more money to the Educational Enhancement Trust Fund.

Studies include, but are not limited to, monthly Tracking Surveys that monitor trends in advertising awareness and play habits, focus group research for new games and brand analysis, and player panel studies for quick responses to game ideas.