SOUTH CAROLINA EDUCATION LOTTERY MARKETING & RETAILER RELATIONS COMMITTEE MEETING MINUTES

November 10, 2020 11:30 a.m.

The Marketing & Retailer Relations Committee of the South Carolina Education Lottery Commission met on Tuesday, November 10, 2020, at 11:33 a.m., at 1333 Main Street, Columbia, South Carolina, Room 428, with the following members, representing a quorum, participating:

Otis Morris (Chairman) Dr. Edward Keith

Sam Litchfield, Chairman (ex officio) Richard Chapman (via video)

Commissioner Morris called the meeting to order and recognized Josh Whiteside, Director of Marketing and Ms. Ammie Smith, Director of Product, to begin their presentation of the play responsibly campaign to air in the first quarter of 2021.

After briefly describing last year's ad to the committee, Mr. Whiteside stated that SCEL will present a fully animated spot using a pinball machine depicting out-of-control gambling. The storyboard described how the bumpers contain various warning messages of excessive gambling. Mr. Brown, the Executive Director, stated he believes slide number 9 may be too harsh and that staff would try to soften that slide. Commissioner Keith noted the contrast between last year's ad and the new proposal. Chairman Morris agreed. Chairman Litchfield stated that he did not like the commercial including the proposed animated part. Commissioner Chapman said he agreed that slides 8 and 9 were harsh. Staff indicated that these comments would be taken back to its creative team to develop a message that better reflects the positive decision to play responsibly before the material is submitted to the Board. New slides will be provided to the committee once they have been created.

Next, Ms. Ammie Smith discussed the Fireball add-on for Pick3 (P3) and Pick4 (P4) and Powerball Double Play. Before she began, Ms. Smith deferred to Mr. Whiteside to present the concepts for the P3 and P4 rebranding. Mr. Whiteside noted that no significant changes have been made to these logos since they were created almost twenty years ago. He then reviewed proposed new logos for P3 and P4 with and without the Fireball add-on.

Ms. Smith gave an overview of the key features of the Fireball add-on feature for P3 and P4. She noted that the Player chooses Fireball option at time of purchase and can be added on to any P3 or P4 play type with the same wager placed for underlying game. She stated that after the P3 and P4 base game drawings, one Fireball number would be drawn separately from a set of 10 balls (0-9). The Fireball number is used to replace any one of the drawn P3 or P4 numbers to create new winning combinations. A player wins a prize for matching each Fireball winning combination created, based on their selected play type and wager amount and all Fireball prizes are in addition to any base game wins. She stated that a player can win Fireball prize(s) without winning on the base game as well as win both the base prize and Fireball prize(s) on the same wager. Ms. Smith then reviewed proposed prize structures. Ms. Smith stated that the Fireball type of add-on has successfully been launched in Illinois, Pennsylvania, New Jersey, Indiana, and Texas. She stated that Virginia and Florida are currently planning to launch the game.

At the conclusion of Ms. Smith's presentation, and on motion of Commissioner Keith, properly seconded by Commissioner Litchfield, the committee voted to recommend that the Board approve the offering of Fireball.

Next, Ms. Smith discussed the Powerball Double Play add-on feature. She stated that Powerball Double Play has an anticipated launch date of August 22, 2021. The key features are as follows: for an additional \$1, the Multi-State Lottery Association (MUSL) draws a second set of numbers, giving the player a second chance of winning with the same numbers played. The play mechanics and winning categories are the same as the base game except for the jackpot. The prize pool allocation is more concentrated on low/mid-tier prizes. Ms. Smith then reviewed proposed prize structures. At the conclusion of Ms. Smith's presentation, and on motion of Commissioner Litchfield, seconded by Commissioner Keith, the committee voted to recommend that the Board approve the offering of Double Play as an add-on to Powerball.

Next Mr. Brown updated the committee on Powerball international game efforts. He also noted the MUSL's Marketing Committee has been looking at various aspects of Powerball branding in an effort to improve sales. Mr. Brown also updated the committee on the conversations with the Board of Economic Advisors regarding the transfer estimate for FY21. Finally, Mr. Brown updated the committee on the Dragon's Ascent game.

Other Business

There being no further business, the meeting adjourned at 12:53 p.m.

/s/

Otis Morris, Chairman

Marketing & Retailer Relations Committee

As required by *S.C. Code Ann.* § 30-4-80, SCEL posted notification for this meeting at its administrative offices, 1333 Main Street in Columbia. As provided in the Board Bylaws, SCEL also posted the meeting notice and agenda on its website (sceducationlottery.com), and sent emails pursuant to requests made by individuals, media outlets and other organizations. These notifications included the time, date, place, and agenda of the meeting.