



It pays to become a Colorado Lottery Retailer

Grow Your Business and Make Colorado More Beautiful, Too!



The Colorado Lottery | 225 N Main Street | Pueblo, CO 81003 | 800.999.2959
Visit www.coloradolottery.com for more details and retailer resources.

April 2017



Be a Part of the Lottery Team

THANK YOU FOR YOUR INTEREST IN WORKING WITH US

As Director of the Colorado Lottery, I thank you for your interest in joining our statewide network of retailers. Ultimately our success depends on you, which is why we're committed to making your experience as a Colorado Lottery retailer enjoyable, as well as profitable.

As a Colorado Lottery retailer, you'll be adding a whole new dimension to your business — and adding to your bottom line — while also helping us in our mission to raise money for Colorado's parks, trails, wild-life habitat, recreation centers and open space. You see, every dollar of profit earned by the Colorado Lottery funds the preservation of our state's beautiful recreational resources, while enhancing communities across the state. Your support of our mission will contribute to a more beautiful Colorado -- something everyone can enjoy.



Laura Solano
Colorado Lottery Director

Once you've read through the following information, contact Joel Messmer at 303.759.6870 or Customer Service at 800.999.2959.

We look forward to a successful and cooperative business relationship with you. I thank you again for your interest and wish you great success as a member of the Colorado Lottery retail network.

Laura Solano, Director

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HEADQUARTERS

225 N. Main St.
Pueblo, CO 81003
719.546.2400

DENVER

720 S. Colorado Blvd.
Suite 110A
Denver, CO 80246
303.759.3552

FORT COLLINS

3030 S. College Ave.
#100
Ft. Collins, Co 80525
970.416.5993

GRAND JUNCTION

State Office Building
222 S 6th St., Room 112
Grand Junction, CO 81501
970.248.7053



Who Are We? Why Are We Here?

OUR BEGINNINGS

The Colorado Lottery began selling our first product, Scratch, in January 1983. Since then we've added quite a few more games: Lotto (1989), Cash 5 (1996), Powerball (2001), Mega Millions (2010), Pick 3 (2013) and Lucky for Life (2016). Plus, we've grown from introducing one Scratch game to introducing up to 50 new games each year!

WHO GOVERNS THE LOTTERY?

The Colorado Lottery is governed by a five-member Commission with each commissioner appointed by the Governor and confirmed by the Senate.

WHO SELLS LOTTERY GAMES?

Games are sold at over 3,000 retail locations statewide and include supermarkets, convenience and liquor stores, mass merchandisers, bars and restaurants. We're even sold at DIA! Any profit or non-profit organization that meets our requirements can be licensed to sell Lottery games.

WHO BENEFITS FROM THE LOTTERY?

Everyone does! Our players enjoy playing — and winning. Retailers benefit from receiving commissions and bonuses that are earned by selling Lottery games. And, the entire state of Colorado benefits with every ticket sold because the profits earned from the sale of our games go to fund parks, recreation, open space, trails, wildlife and conservation education projects throughout the state. In fact, since 1983, we've been improving the quality of life in Colorado to the tune of more than \$2.9 billion.



WHO PLAYS LOTTERY GAMES?

Our customers look just like your typical customer! Approximately 44% of our customers fall within the age bracket 25-44. Our players skew more female at 53%, have a mean income of almost \$79,000, and over 60% are employed full-time. Selling Lottery games is a natural fit for most retailers!

HOW IS LOTTERY PRIZE MONEY DETERMINED?

According to Colorado state statute, at least half of the proceeds from ticket sales must be returned to players in the form of prizes. Since 1983, we have awarded over \$5 billion to players. In fiscal year 2017, we paid out over 169 million in prizes.

WHAT DO COLORADANS THINK ABOUT THE LOTTERY?

An independent study conducted by the Howell Research Group of Denver found that 81% are in favor of the Lottery with nearly half of those respondents telling us that it is because of the mission we've been given by our constituents.



Know the Basics

HOW MUCH MONEY CAN YOU MAKE?

Annual profits derived from Lottery sales vary from one retailer to the next but on average they earn approximately \$14,300 a year. Plus, every ticket sold increases your chance of selling a winning ticket which could earn you bonuses from \$200 up to \$50,000. The Lottery is much more than a fun way to play -- it's a great way to profit!

RETAILER COMMISSION AND BONUSES!

Retailers are paid 7% commission on Scratch games and 6% on Jackpot games. Commissions for Scratch games are deducted from the retail value of the pack of tickets, while commissions for Jackpot games (Powerball, Mega Millions, Lucky for Life, Lotto, Cash 5 and Pick 3) are paid weekly.

Cashing bonuses are paid upon winning ticket validation, while Performance Bonuses are paid yearly. All financial transactions between a retailer and the Lottery occur through Electronic Funds Transfer (EFT).

HOW MUCH DOES IT COST TO BECOME A LOTTERY RETAILER?

On average you'll pay approximately \$61 for start-up fees including licensing fees (\$21) and bonding fees (\$40 for one outlet). In addition you'll be charged a weekly communication fee (\$5) to operate the DSL or satellite technology required for the Lottery sales terminal.

HOW DO YOU BECOME A LOTTERY RETAILER?

You have to qualify to become a Lottery retailer. Each retailer has its own set of circumstances so don't shy away from applying. In general, in an effort to ensure the success of our partnership, the Lottery has a minimum Lottery sales requirement that your

business has to meet. Also, owners will need to be fingerprinted. If you have outstanding tax issues, they need to be resolved before a license can be issued. And, some types of felonies such as theft and fraud may eliminate you from consideration.

If you have any concerns, reach out to Joel Messmer. He can be reached at joel.messmer@state.co.us or give him a call at 303.759.6870.

Otherwise, visit www.coloradolottery.com/retailers/become-a-retailer/ and download the Lottery Retailer Licensing Packet. Complete it and send it to Joel. Processing usually takes about 2-4 weeks.





Know the Basics

WE WILL PROVIDE TRAINING

We will install the equipment you will need to sell and redeem Lottery tickets and give you all of the necessary training for you and your employees. Resources and training materials are available to assist you in your efforts to increase sales. We offer a Colorado Lottery Retailer website for your convenience and hotlines for customer service support and technical assistance.

HOW MANY SCRATCH GAMES DO YOU HAVE TO CARRY?

Each retail outlet is unique in how many games are sold in their stores. A Lottery sales representative will work with you to determine which games, and how many, will work best.

HOW DO YOU PAY FOR TICKETS?

You are required to set up an Electronic Funds Transfer (EFT) account at your local bank. This process allows us to automatically debit and credit your Lottery account.

HOW DO I GET SCRATCH GAMES?

All Scratch games are shipped to your store via courier service. Also, a Lottery sales representative, assigned to your store's location, will visit you approximately every 2-4 weeks depending on the volume of business you have.

Sales reps will place point-of-sale and deliver other marketing materials to you, and consult with management about the best way to maximize sales.

HOW DO YOU PAYOUT PRIZES TO LOTTERY WINNERS?

Jackpot and Scratch game prizes up to \$150 must be redeemed by Lottery retailers. You may redeem, at your own option, prizes up to \$599, but you are not required to. Prizes of more than \$599 must be redeemed at any one of the four Lottery claims centers, or by mail.





Play to Win

POWER BALL®

Super-popular Powerball is played in 44 states plus Washington D.C., Puerto Rico and the U.S. Virgin Islands. It's starting jackpot is \$40 million and grows and grows until someone wins! All you have to do to play is pick 5 of your lucky numbers and 1 Powerball number, plus you can choose the Power Play option to increase your winnings up to 10 times (jackpot excluded).

MEGA MILLIONS

Mega Millions is played in 44 states plus Washington D.C. and the U.S. Virgin Islands. It has mega jackpots starting at \$15 million. Much like Powerball, the jackpot grows until there's a winner! Players choose 5 numbers and one Mega Ball number with the option to purchase the Megaplier, which could multiply your winnings up to 5X (Jackpot excluded).

LUCKY FOR LIFE

Lucky for Life is played in 14 states and has two jackpots: \$1,0000 A DAY FOR LIFE and \$25,000 A YEAR FOR LIFE. Players pick 5 numbers out of 48 and a Lucky Ball between 1 and 18. It truly is a game that will change a person's life.

LOTTO™

Colorado Lottery's very own in-state Jackpot game, Lotto, has created over 422 millionaires and counting. Players choose 6 numbers and prizes are awarded for matching from 3-6 of those numbers. The "rolling" jackpot keeps growing until someone wins!

CASH 5™

Get lucky with Cash 5 every night of the week! A daily routine for many, players often play multiple boards for a draw with the same numbers and win big. Play Cash 5 EZ Match for an extra buck for a chance to win instantly.

PICK 3™

Pick 3 is our daily Jackpot game that offers all kinds of various bet types like front pair, back pair, exact order and any order. And all with just 3 numbers! You can play this game for as little as 50 cents.

SCRATCH™

Everybody loves Scratch and we've got the best Scratch games. Games cost \$1, \$2, \$3, \$5, \$10, \$20 and up to \$50. Jackpots range from \$50 all the way up to \$3 million. Play styles range from easy match, to tricky mazes, casino-styled, games with multipliers, crosswords, bingo and more!