

State Lotteries Suspend Sales Of New National Game

16TH DEC 2014 | WRITTEN BY: SARA FRIEDMAN

Less than two months after the launch a new national lottery game, U.S. state lotteries announced plans Monday to suspend sales of Monopoly Millionaires Club tickets.

State lottery directors met Monday to discuss the future of the Monopoly Millionaires Club and agreed to suspend sales pending further review of the game's viability.

The decision followed plans already announced by both the Texas and North Carolina lotteries to suspend the game due to underperforming ticket sales.

"This is a necessary business decision," Maryland Lottery director Stephen Martino said in a statement.

"Research indicated that players were looking for a game like this. Unfortunately, they have not embraced the concept as anticipated. We believe it is appropriate along with the other states selling the game to step back and assess the game's future."

The \$5 tickets for the Monopoly Millionaires Club, developed by Scientific Games, cost more than the \$1 or \$2 tickets for Mega Millions and Powerball, but the goal of the game is to create many lottery millionaires instead of just a few winners of larger multi-state jackpots.

There is a \$15m top prize for the game, and ticketholders also have the opportunity to win one of ten \$1m prizes. If the top prize is not won each week, the jackpot rolls over until it reaches \$25m.

"Despite significant player research supporting the concept of a premium lottery game that creates more millionaires from the jackpot awards, the response of players to the new game, both in terms of game trial and product awareness, has resulted in disappointing sales performance for the participating lotteries," said Mollie Cole, a Scientific Games spokesperson.

"Therefore, the participating lotteries are continuing their historic level of cooperation, including a [meeting yesterday] and another later this week, to determine the appropriate course of action for this game both in the short and long term," she said.

The North Carolina Lottery announced over the weekend that it would halt Monopoly Millionaires Club sales after the December 26 drawing.

"So far, sales in states participating in the game show not as many players are embracing it as we had hoped," the lottery said in a news release. "We and the other state lotteries involved in the game recognize that it needs to be reviewed and improved."

The director of the Texas Lottery had indicated Thursday that sales of the game had not been enough to cover lotteries' liabilities in terms of guaranteed prizes.

"Unfortunately, players have not embraced the game as anticipated, and our options to change the game while it is being sold are limited in scope and challenging to implement," director Gary Grief said.

The recent high-jackpot runs of Mega Millions and Powerball, U.S. election season television advertising and the release of holiday-themed scratch tickets have all contributed to the weak initial results of the Monopoly Millionaires game, according to Terry Rich, CEO of the Iowa Lottery and president of the North American Association of State and Provincial Lotteries (NASPL).

"We are continuing to evaluate the draw game and we are always looking for ways to tweak it as we have already done with Mega

Millions and Powerball,” Rich told GamblingCompliance.

“Our goal is to provide a game that the players want, and this game has been below our current expectations,” he said.

As well as its guaranteed million-dollar prizes, the new national game also offered ticket-holders a third chance to win through a national weekly television game show that had been scheduled to debut sometime in 2015.

Although state lotteries need to continue to attract new players, the Monopoly game was not a well-conceived idea, said Robert McLaughlin, former director of the New York Lottery and now head of law firm Hodgson Russ’ gaming practice in Albany.

“It was unattractive to older players because it was too confusing and younger players want to get instant gratification,” McLaughlin said.

The New York Lottery introduced a game show, NY Wired, in the 1990s, but the format was unsuccessful and the show was cancelled.

Compared with the Mega Millions and Powerball jackpots, which start at \$15m and \$40m respectively, Monopoly Millionaires is not competitive, said Victor Matheson, a lottery expert and economics professor at Holy Cross College in Worcester, Massachusetts.

Mega Millions and Powerball jackpots also go higher the more people play and when top prizes are not won in earlier drawings.

“There’s no real reason to go nationwide with small jackpots,” Matheson said.

Rich said state lotteries will continue to tweak the Monopoly Millionaires game because similar games have worked in other markets, such as Lotto Max in Canada.

“There are lots of starts and stops when creating new games,” he said.

Nine other states have been in the process of seeking regulatory approval to launch the new game in 2015.

“States are constantly trying to improve their lotteries and discussions are ongoing,” Rich said.

Geography:

UNITED STATES

TEXAS

ILLINOIS

NEW YORK

NORTH CAROLINA

Sectors:

LOTTERY

Content:

REGULATORY NEWS