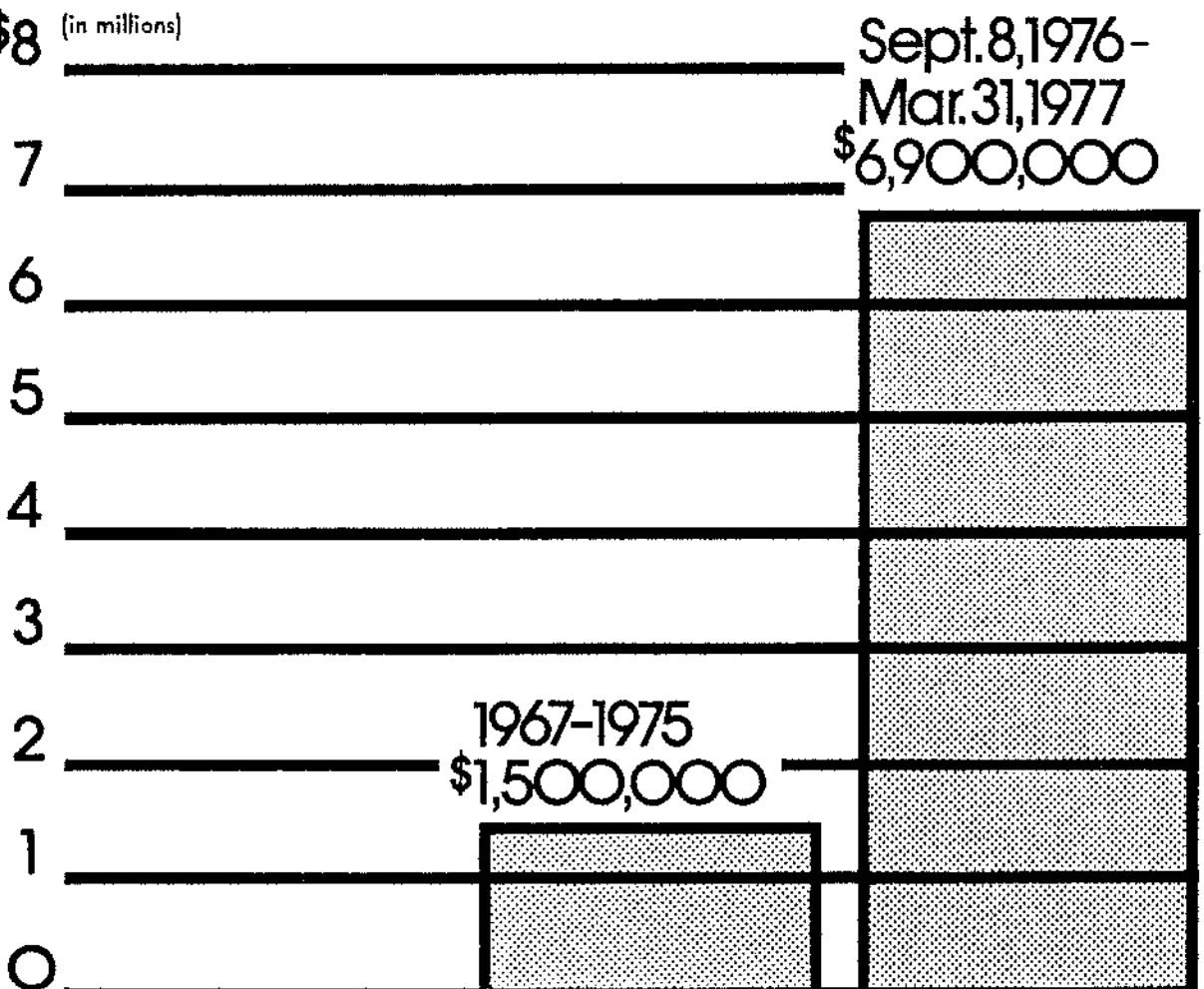


New York State Lottery  
Annual Report  
Fiscal Year 1976-1977

# THE MISSTAKES

## Average Weekly Sales

\$8 (in millions)





## The New York State Lottery

SWAN STREET BUILDING  
EMPIRE STATE PLAZA  
ALBANY, NEW YORK 12223

JOHN D. QUINN  
DIRECTOR

July 6, 1977

The Honorable James H. Tully, Jr.  
Commissioner, New York State Department of Taxation  
and Finance

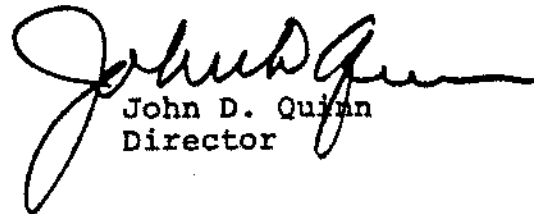
Executive Bureau  
State Campus  
Tax & Finance Building  
Albany, New York 12227

Dear Commissioner Tully:

In accordance with the provisions of subdivision c of section 1604 of the tax law, I am pleased to submit herewith a copy of the annual report of the Division of the Lottery for fiscal year 1976-77.

The information in this report will provide the "summary of Lottery revenues, prize disbursements and other expenses," for fiscal year 1976-77 required in your report to the Governor and Legislature as specified in the above statute.

Sincerely,

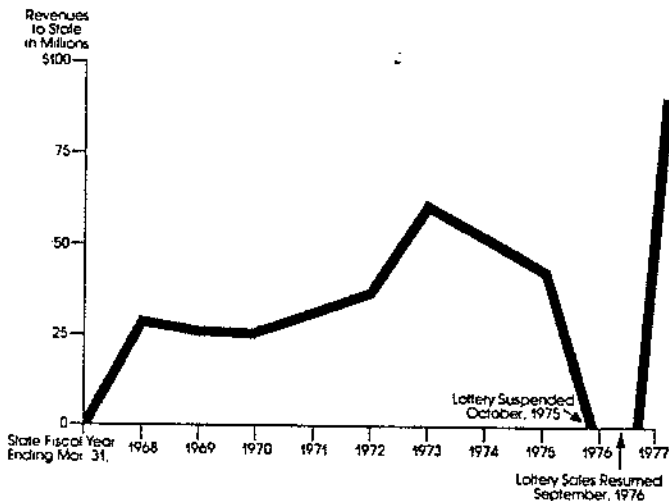


John D. Quinn  
Director

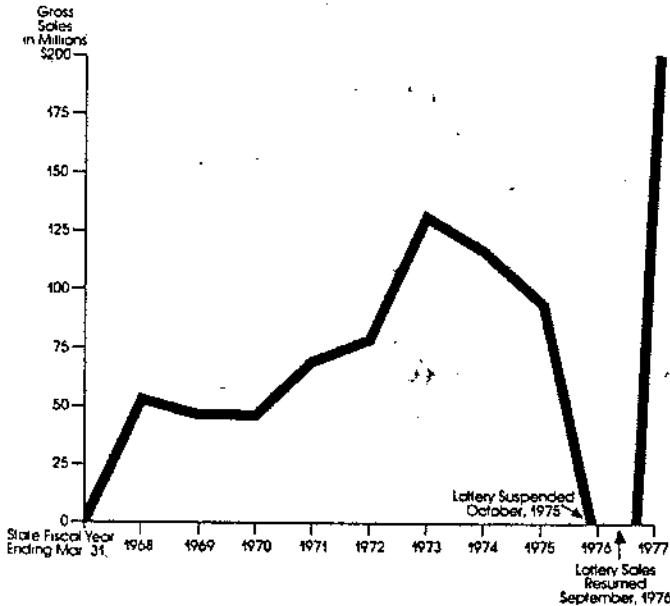


# The Lottery 1976-77

Lottery Revenues to State



Lottery Sales



At the beginning of the 1976-77 New York State Fiscal Year, the Lottery was re-established with two publicly announced goals:

1. To produce revenues in support of State services and for the enrichment of educational programs; and
2. To do so in a manner which would earn and deserve public confidence and trust.

At the end of the 1976-77 Fiscal Year, the New York State Lottery is able to report:

1. It has raised in excess of \$90,000,000 for the State in a little over six months, the largest amount of revenue ever generated by a New York Lottery; and
2. The evidence offered by history-making high sales of \$200,000,000 that the man-in-the-street who buys Lottery tickets has been reassured of its integrity and credibility. Third-party testimony to the new confidence and trust in the New York State Lottery is expressed in an editorial of the State's largest circulated newspaper, the New York News, which said:

## THE BIG WINNER

—in the New York State Lottery is—the New York treasury. According to Lottery Director John Quinn, the state will net \$90 million for the September-March period from the drawings, \$30 million more than originally estimated.

The windfall indicates that the new lottery managers must be doing something right. Indeed, they must be doing just about everything right.

The most difficult obstacle the new Lottery had to overcome was its past—the reasons for failure, the circumstances of suspension, and the legacy of unkept public pledges. All of these established immediate barriers to transition. Implicit in their presence were the ingredients of an adversary relationship between the restoration effort and resistance rooted in distrust that had to be overcome.

The New York State Lottery was restored by enabling legislation enacted by the 1976 Legislature in early April and signed into law by Governor Hugh L. Carey.

The immediate necessity was to organize a professionally skilled administrative staff that could meet head-on the obligation to raise the \$60 million targeted by budget projections for the fiscal year, in a way that day-to-day operations would convey to the ticket-buying public the assurance that what was being promised was being delivered.

Important to note is that a full year was not, in reality, available for the accomplishment of these goals.

The appointment of John D. Quinn, as Director, was made on April 26, 1976.

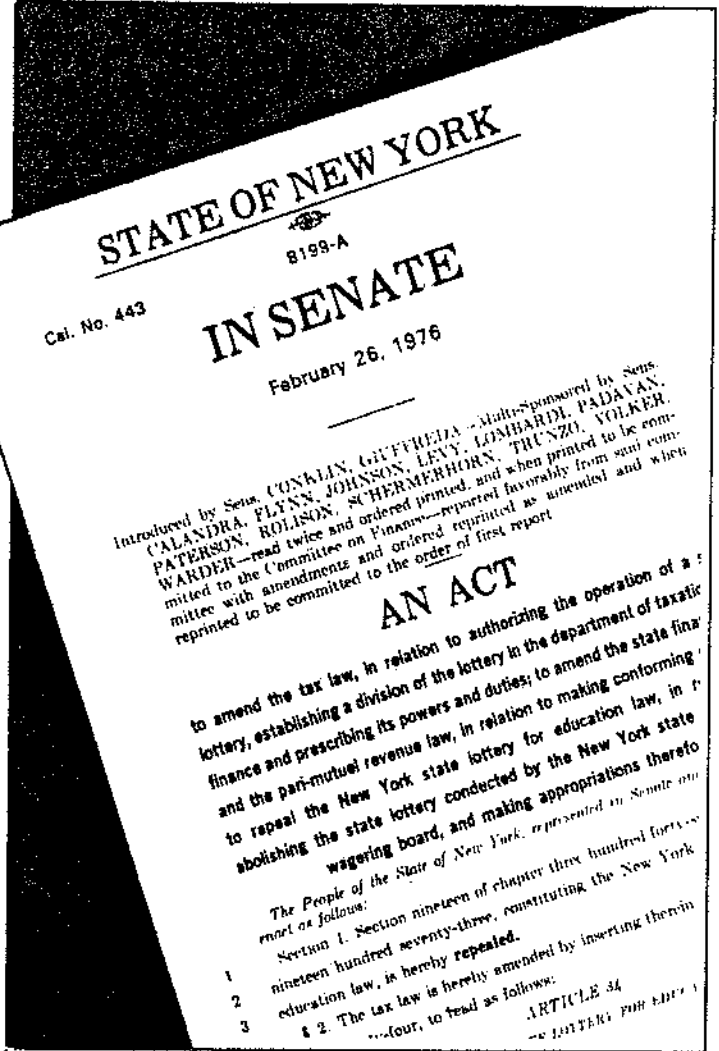
On that date, the Division of the Lottery existed in name only. It had a Director, but no staff, only the counsel of a handful of advisors on loan from the Division of the Budget.

It had inherited:

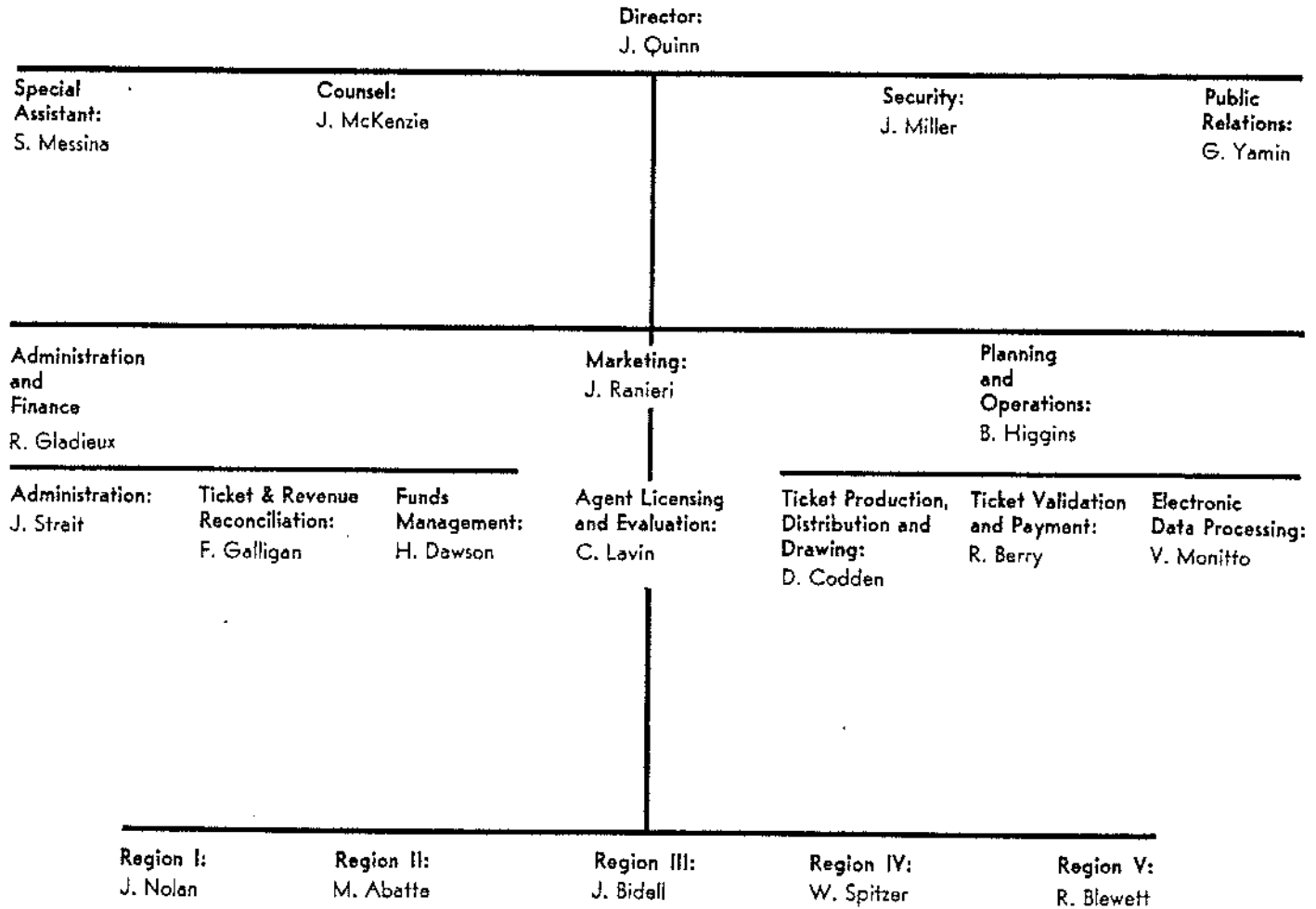
- The unfinished business of six weekly games from the Fall of 1975, three of which had picked finalists for a Grand Tier drawing that was never held; one which had picked no winners at all, although ticket sales warranted it; and two which had failed to sell enough tickets to permit prize drawings; and
- The obligation to pay out in prizes \$1.4 million in funds which had accumulated for a never-held Colossus Drawing.

Thus, the legacy of the old Lottery and the budget target for the new Lottery imposed these priorities:

1. Organization of a staff with a professional competency and capability of achieving the defined goals;
2. Completion of the old Lottery's unfinished business;
3. Design of new games capable of producing within the prescribed budget timetable the desired revenue goals;
4. Selection of qualified companies with a market-place expertise and proven capacity for execution of successful Lottery games;
5. Going public with ticket sales for these games at the earliest possible date;
6. Putting in place an operational organization able to maintain high-level sales in a manner compatible with the imperative of absolute integrity and total public trust.



# Organization and Staffing



The entire future of the New York State Lottery was dependent on how its reorganization was effected—the structuring of responsibilities, the division of program assignments, establishment of marketing techniques, and the selection of staff.

The organization which emerged is one which is basic to several Lottery states, reflecting the major emphasis on the three major operating functions of a Lottery: Marketing, Operations and Administration/Finance. In addition, there are several other functions which do not readily fall under any of these major categories. Accordingly, the organization which evolved included three major bureaus and four staff positions (Security, Legal Counsel, Public Relations, and Special Assistant).

In organizational and staffing planning for the new Lottery, particular attention was paid to problems identified by a number of reviews and studies made of the old Lottery, among

them the lack of sufficient middle management positions and a deficiency in the management structure for maintenance of statewide control over a staff which varied in number from 322 to 450 individuals.

As a result of this evaluation, the new Lottery has divided the State into five distinct and separate marketing regions with a chain of command that maintains a direct liaison and monitoring apparatus between Lottery Central operations in Albany and field personnel in daily contact with bank ticket distributors and Lottery sales agents at all sales volume levels. This organizational structure has been effective to date, but undergoes continuous re-evaluation with an eye toward improvements suggested by experience.

Staffing of the Lottery was completed in cooperation with the New York State Department of Civil Service according to the statutory requirements of the law which re-established the Lottery.

### NUMBER OF SALES AGENTS

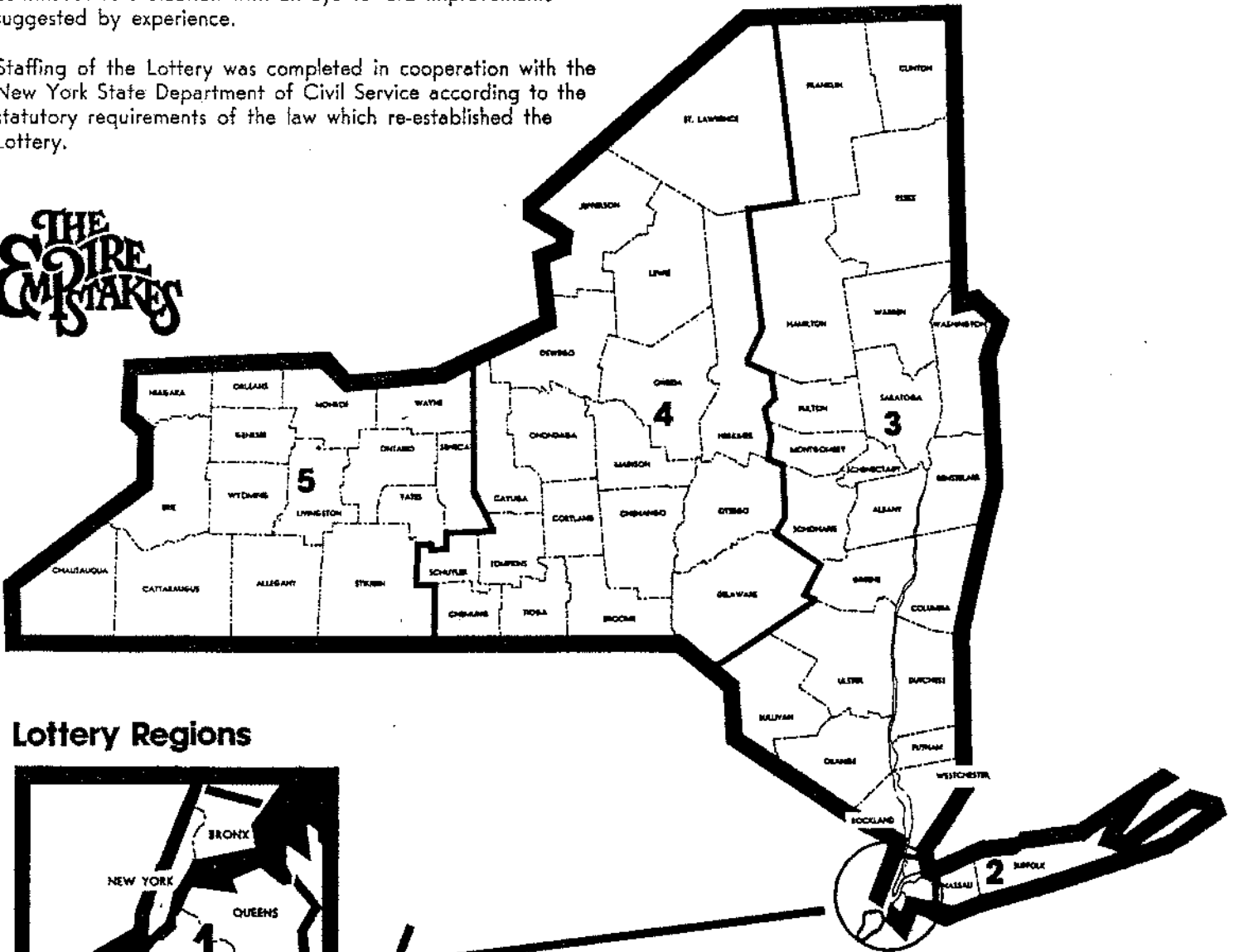
As of September 9, 1976, the New York Lottery had 8,344 active agents.

On October 18, 1976, it had 8,434

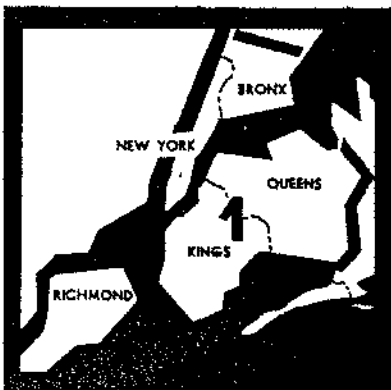
On December 3, 1976, it had 10,528

On January 28, 1977, it had 10,579

On March 25, 1977, it had 11,396



### Lottery Regions



# Repayment of \$1.4 Million of Colossus Prize Money

Failure to hold the Colossus drawing placed another obligation on the State: to disburse approximately \$1.4 million in prize funds which had accumulated for payout in the Colossus Jackpot. The actual figure was \$1.35 million, with \$50,000 added from ticket sales from the October 31st game.

Assurance was given in an affidavit filed with the State Supreme Court that if it became impossible to conduct a Colossus drawing, a new game would be designed to provide repayment of the prize fund to the public. The pledge was redeemed with a fifty-cent Holiday Lottery and Colossal Year-End Bonus game from November 16 to December 27. (See ad copy at right). The grand drawing for the \$1.4 million, including a single \$980,000 prize, believed to be the largest lump-sum lottery prize ever awarded in the United States, was held on February 4, 1977, at Roseland Dance City, New York City. The top prize was won by Anthony Califano, 32, of North Bellmore, Long Island. The remainder of the prize pool was divided into equal shares of \$26,250.

## Initial Games

In the context of its mandate to generate more public funds in fewer months than any previous New York State Lottery, while vigilantly protecting the integrity of the process and the purpose, the restored Lottery was in need of an innovative game that was both publicly attractive and immediately productive. The most suitable to these ends was an instant game, where winning was available at point of purchase. Unlike the name, however, its implementation was not "instant."

Time was the critical component in the design and implementation process. Even with optimum efficiency—and an effective organization already in place—the new Lottery would be hard-pressed to raise \$60 million in a full year of operation. The greatest amount ever realized in the past by the old New York State Lottery was approximately \$58 million over 12 months in 1972-73.

The \$60 million budget target was based on an early resumption of ticket sales and the presumption of their public popularity. However, this was frustrated by unforeseen legal difficulties over how the old Lottery's unfinished business was to be completed. In addition, there was concern in several quarters regarding where Lottery tickets would be printed, and there was some delay in getting required operational funds. These combined to cause several weeks delay in the start of the new Lottery game.

For example, the preferred route for contract development would have been to use the competitive bidding process for the selection of all contractors needed for the installation of the new game. Unfortunately, such a route was less a necessity and more an unaffordable luxury simply because the pragmatic business imperatives of time (the bid process would have

## The Holiday Lottery.

### Proof that good things come in small packages.



### The special 5-week Holiday Lottery.

Chances to win every week \$14 million Final Drawing Top Prize of \$980,000

**How To Play:** Season's Best New Year's Eve! Start getting your tickets a little early! November 26th is the date that the date of the final drawing in the Empire State's Holiday Lottery. The special 5-week game where you can win a top prize of \$980,000 and lots of other prizes too.

**How The Game Works:** Holiday Lottery tickets will be on sale from November 16th to December 27th. There are two parts to the game: The Holiday Lottery and the Colossal Year-End Bonus on the night.

On the left side of each ticket are two 3-digit Holiday numbers. Every week a drawing will be held and four 3-digit numbers will be drawn. If one of the Holiday numbers on your ticket matches exactly any one of the 3-digit numbers drawn for the date on your ticket, you win \$20. If both Holiday numbers match exactly, any one of the 3-digit numbers drawn for the date on your ticket, you win \$100.

On the right side of each ticket is a 6-digit Payback number. Every week one 6-digit number will be drawn. If the Payback number on your ticket matches exactly the 6-digit number drawn for the date on your ticket, you're eligible for the Colossal Year-End Bonus Drawing where you'll compete for your share of \$1.4 million.

The top prize winner gets \$980,000! The remaining \$420,000 will be divided equally among all other contestants. The remaining prize will be divided \$20,000 and will probably be more, depending on the number of winning tickets sold.

The \$1.4 million to be paid weekly will be accumulated in the old New York State Colossus Lottery. The final drawing was held here. The Holiday Lottery Year-End bonus was brought back to the money to the streets of New York.

**How To Find Out If You're A Winner:** Each week, the numbers drawn will be published in the press and other media. You can also obtain the winning numbers from any Lottery Sales Agency or by calling (212) 799-6666 in New York City.

**What To Do If You Win:** \$20 prizes can be collected from any Lottery Sales Agency. We suggest you go to the agent who sold you the ticket if this is possible.

\$100 prizes must be claimed at a Lottery Office. Your Lottery Agent can tell you where the nearest one is to you.

If you're eligible to enter the Colossal Year-End Bonus Drawing, you must register by January 24, 1977. Unless you register by this deadline, you will be able to compete in the big drawing and each receive only the minimum prize.

All prizes must be claimed within one year from the date of your ticket.

**No One Has A Better Chance Than You.**

Everyone starts an equal chance of winning in the Empire State's Holiday Lottery. And the chances of winning are pretty good.

For \$20 you get the approximate odds are one in 125. For \$100 you get the odds are approximately one in 83750. For matching the 6-digit Payback number which qualifies you for the Year-End Bonus Drawing, the approximate odds are one in one million.

There's a lot to be won in the Empire State's Holiday Lottery. Which is why it's important to be sure you buy from a true one from official Lottery Agents. You take a chance when you buy from anyone else because if a ticket is stolen, forged or altered or for any reason at all, no winner the Lottery will not make payment on it. Also, under Lottery laws, tickets may not be purchased by proxy, under 18.

Play the Empire State's Holiday Lottery.

It could mean the holiday season you'll have something extra to celebrate.

**THE EMPIRE STATE'S LOTTERY**

Where no one has a better chance than you.

added several weeks to the operational date for the new lottery) and goal (the requirement to raise \$60 million in revenues in less than a full fiscal year) mandated a start as soon as possible. As events turned out, an experienced and qualified contractor was used and success was achieved.

To make the \$60 million goal, New York would have to have two instant games during the fiscal year. Early planning indicated a mid-August starting date for the first instant game. This was subsequently revised to early September.

A regular weekly game was also included in the planning. Originally, it was to start in November and to run concurrently with the second instant game, to begin in January. The plans were changed because it was determined that the Colossus drawing could not be held and a substitute game had to be offered to the public to repay \$1.4 million. A special Holiday game was designed for this purpose and was conducted between the two instant games. The regular weekly game was then planned for introduction in late Spring.



### INSTANT GAME ONE SALES BY COUNTY

County	Sales	Percent of Population	Percent of Sales	State Standing
<b>Region I</b>				
New York	21,345,496	8.03	20.43	1
Queens	13,091,500	10.90	12.53	2
Kings	12,384,008	13.44	11.85	3
Bronx	5,847,000	7.6	5.6	5
Richmond	1,501,000	1.79	1.44	14
<b>Region II</b>				
Nassau	7,721,700	7.63	7.39	4
Suffolk	5,675,112	6.80	5.43	7
<b>Region III</b>				
Albany	2,110,921	1.59	2.02	11
Clinton	238,500	.46	.23	40
Columbia	287,000	.30	.27	36
Dutchess	901,000	1.30	.86	18
Essex	198,500	.19	.19	44
Franklin	161,500	.24	.15	48
Fulton	158,500	.30	.15	49
Greene	191,500	.21	.18	45
Hamilton	17,000	.03	.02	62
Montgomery	253,500	.31	.24	37
Orange	1,323,000	1.34	1.27	15
Putnam	243,500	.38	.25	39
Rensselaer	1,073,000	.85	1.03	16
Rockland	1,011,499	1.37	.97	17
Saratoga	423,500	.79	.40	27
Schenectady	595,411	.87	.57	23
Sullivan	209,000	.33	.20	42
Ulster	674,000	.86	.64	21
Warren	264,000	.29	.25	36
Washington	191,500	.30	.18	46
Westchester	4,653,909	4.84	4.45	8

Region IV	Sales	Percent of Population	Percent of Sales	State Standing
Broome	692,567	1.21	.66	19
Cayuga	304,000	.43	.29	32
Chemung	418,500	.55	.40	28
Chenango	513,500	.26	.49	24
Cortland	210,000	.26	.20	41
Delaware	51,500	.26	.05	59
Herkimer	432,500	.38	.41	26
Jefferson	608,000	.50	.58	22
Lewis	63,500	.14	.06	58
Madison	115,500	.36	.11	51
Oneida	1,843,976	1.47	1.76	12
Onondaga	2,183,995	.61	2.09	10
Oswego	291,000	.61	.28	33
Otsego	124,500	.32	.12	50
St. Lawrence	401,000	.64	.38	29
Schuyler	65,000	.10	.06	57
Tioga	69,500	.27	.07	56
Tompkins	244,000	.47	.23	38
<b>Region V</b>				
Allegany	96,500	.27	.09	54
Cattaraugus	291,000	.47	.28	34
Erie	5,708,067	6.02	5.46	6
Genesee	523,000	.33	.50	25
Livingston	106,000	.32	.10	52
Monroe	2,425,450	3.91	2.30	9
Niagara	1,602,000	1.30	1.53	13
Ontario	346,640	.47	.33	30
Orleans	164,500	.21	.16	47
Seneca	97,000	.19	.09	53
Steuben	307,500	.56	.29	31
Wayne	205,500	.45	.20	43
Wyoming	92,000	.21	.09	55
Yates	51,000	.12	.05	60
Schoharie	40,000	.16	.03	61
Chautauque	679,500	.81	.65	20





(Photo copyrighted by "THE NEWS", New York's picture newspaper)



April 26, 1976	John D. Quinn is appointed by Governor Carey to be Director of the New York State Lottery.	August 2, 1976	Refunds are offered to holders of tickets for October 30, 31, November 6, 1975.	October 12, 1976	System subsid of Pri firm is specia
May 4, 1976	Announcement of Grand Tier Drawing is set for May 18 to settle suspended October 2, 9, 16, 1975 games.	August 24, 1976	Grand Tier Drawing for October 23, 1975, game is held.	November 8, 1976	The se Jerry
May 14, 1976	Lottery is prevented by Court order from holding May 18 Grand Tier drawings.	August 31, 1976	At a press conference Director Quinn introduces the Empire Stakes first Instant Game.	November 15, 1976	Johny' annou Bonus
June 16, 1976	Restraining order is lifted by State Supreme Court and Lottery is permitted to proceed with plans to hold suspended games.	September 8, 1976	Tickets for Instant Game 1 go on sale at about 8,300 locations around the State. The response is overwhelming.	November 16, 1976	Holida
June 29, 1976	Grand Tier Drawings are held for suspended October 2, 9, 16, 1975 games.	September 9, 1976	Director Quinn suspends a ticket agent's license pending further investigation of possible fraudulent activity after a complaint from a ticket purchaser.	November 26, 1976	First o Holida
July 7, 1976	Smith/Greenland, of New York City, is selected as the Lottery's advertising agency.	September 15, 1976	Director Quinn announces a new American sales record for one week of lottery ticket sales—18.9 million.	December 6, 1976	The th Game Mary
July 9, 1976	Scientific Games Development Corporation is awarded the contract for Instant Games 1 and 2.	October 11, 1976	The first Jackpot Drawing is held in New York City with special guest Telly Sevalas.	January 3, 1977	The fo Game the sp
July 16, 1976	Regular Drawing for October 23, 1975, is held.			January 4, 1977	Tickets
				February 4, 1977	The C held w



Operation Incorporated, a  
 ry of Mathematica Corporation,  
 eton, N.J., is selected as the  
 develop the weekly game and  
 games for the Lottery.

and Jackpot Drawing is held with  
 ewis as special guest.

uin holds a press conference to  
 e the Holiday Colossal Year-End  
 ame.

Game tickets go on sale.

five weekly drawings is held for  
 Game.

d Jackpot drawing in Instant  
 is held with Lieutenant Governor  
 nne Krupsek as special guest.

th Jackpot drawing for Instant  
 is held with Bess Meyerson as  
 ial guest.

go on sale for Instant Game 2.

ossal Year-End Bonus Drawing is  
 h Bob Hope as special guest.

February 25, 1977

The fifth and final Jackport drawing for  
 Instant Game 1 is held with Dr. Neil  
 Brown, of the State University in Albany,  
 as special guest.

March 8, 1977

Jackpot drawing 1 for the second Instant  
 Game is held with Milton Berle as special  
 guest.

March 22, 1977

Jackpot drawing for the second Instant  
 Game is held with entertainer Danny  
 Thomas as special guest.

March 31, 1977

Comedian Rodney Dangerfield draws  
 names for the Extra Chance Drawing.  
 100 people win \$1,000 each.



# The Lottery: Day by Day

FINAL

DAILY NEWS

20¢

NEW YORK'S PICTURE NEWSPAPER

Vol. 66, No. 83 New York, N.Y. 10017, Thursday, September 9, 1976 New York Times

# LOTTERY MANIA SWEEPS CITY

## 1 Million Tickets Sold First Day



**It's an Instant Hit.** Over 100,000 New Yorkers and commuters are flocking to start assembling the surface of New York's Instant Lottery tickets, as they proceed some dealer at Lexington Ave. and 42nd St. yesterday. Double-headed lines were crowded all day. The Empire State lot's lottery has been a success since its debut on Sept. 8. (Continued on page 2; other photos in section 2)

# Instant Game One

No one could have anticipated the success of the first Instant Lottery game in New York State which started on September 8, 1976.

On the first day it sold several million tickets.

In the first week it set a new American record—\$18.9 million.

Newspaper headlines in New York City blared:

"NEW LOTTERY: RUNAWAY SALE"

"LOTTERY MANIA SWEEPS CITY"

Everywhere in the State it was the same. One newspaper reported it this way:

"LOTTERY FEVER GRIPS STATE"

"NEW YORK HAS LOTTERY FEVER"

"The fever, highly contagious and addictive to its victims has swept through the State at epidemic and record-breaking proportions since its symptoms first appeared in early September. And the toll taken by the fever has exceeded all early prognoses."

Reaction and response was unprecedented in American Lottery history.

By game's end on December 21, 1976, it was the most successful ever held in the United States, with gross sales exceeding \$104.8 million.



# Holiday Game/ Colossal Payback



The last legacy of the old Lottery, distribution of a \$1.4 million prize fund, became the purpose of the Holiday Lottery and Colossal Payback game between November 16 and December 27, 1976. This fifty-cent special game was designed to return to the public the \$1.4 million in accumulated funds from the previous lottery.

The Holiday Special ticket contained two parts: one part with a pair of three-digit numbers and the other part with a six-digit number. Matching one of the three-digit numbers won \$20, matching both won \$3,000. Those matching the six-digit number qualified for participation in the Colossal Payback Drawing to award \$1.4 million—a \$980,000 grand prize and equal distribution of the remainder.

Approximately 19.1 million tickets, at fifty cents each, were sold, for a gross sales revenue of about \$9.55 million.

## \$980,000 Winner

Anthony Califano, North Bellmore

## \$26,250 Winners

Stev Malamen, Jackson Heights  
Roger Burnell, North Babylon, Long Island  
James O'Keeffe, Elmont  
Margaret Lerch, Highland Falls  
Jairo Alvarez, Woodside  
Gordon G. Wisniewski, Cheektowaga  
Lacy Rogers, Brooklyn  
Mary Farnham, Canandaigua  
Antonetta Di Rubba, Scarsdale  
John Riechel, Staten Island  
Frederick O'Bryan, Martville  
Evelyn Sobin, Cedarhurst  
Marie Parish, Brooklyn  
Sylvia Cooper, Brooklyn  
Paul Stevens, Staten Island



# Instant Game Two

Tickets for Instant Game Two went on sale on January 4, 1977 and although first day and first week sales did not match the historic peaks of popularity of the first game, sales were at a high level.

For the first month, they averaged \$8 million a week, a very productive total considering the time of year, the worst winter weather in decades and stabilization of public interest.



Get ready for another outbreak.



The new improved Instant game has even more prizes and more ways to win than before. What's keeping all the best features from before? You can still win up to \$5,000 and only \$1.00 a ticket. And you can still win by collecting the letters on the ticket stubs. There are lots more chances to win on the slots than

before. Collect the letters spelling "EMORE" and win \$2,500. Collect the letters spelling "STAKES" and win \$500.

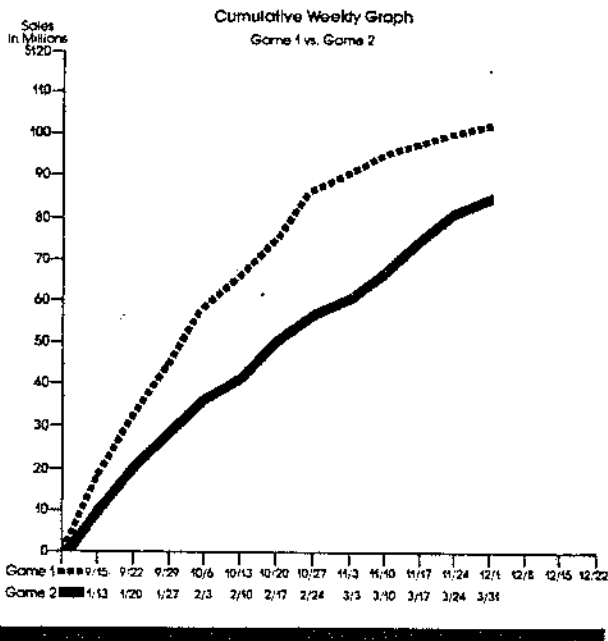


Where no one has a better chance than you.

On the average, better than one ticket in ten wins a cash prize. Depending on sales, we expect to award over fifty one million winners over the planned course of the game. One of those winners could be you. If you play the new Emore Stakes Instant Lottery, the game where no one has a better chance than you.

# Appendix

## Disposition of Suspended Lottery



On October 22, 1975, Governor Carey suspended the New York Lottery.

At the time of the suspension there were seven drawing dates which were wholly or partially incomplete. These were: Grand Tier Drawings for October 2, 9, and 16, 1975, Regular and Grand Tier Drawings for October 23, 30, and November 6, 1975, and the Colossus Drawing for October 31. The following reflects the disposition of these drawings:

### OCTOBER 2, 1975 LOTTERY

Name	Prize
Dorothy Murphy, Elmsford	\$125,000
David & Judy Jaskowiak, Cheektowage (Jointly owned ticket)	\$100,000 (\$50,000 and (Double-Up Winner)
Marion Gralman, New York City	25,000
Grace & Bob Dixon, Buffalo (Jointly owned ticket)	2,000
Robert Phillips, Bronx	2,000
Esmaraldina Silva, New York City	2,000
Samuel Tilford, Centereach	2,000
Ilse Wohlauer, Jackson Heights	2,000

### OCTOBER 9, 1975 LOTTERY

Francis Gruber, Albany	\$125,000
Charles Bobb & Beaufine Holmes, Brooklyn (Jointly owned ticket)	50,000
Ruth Schwartz, Far Rockaway	25,000
Dominick Joan, Donald Colucci, North Babylon (Jointly owned ticket)	2,000
John Paruolo, Jr., Bronx	4,000 (Double- Up Winner)
Emil Rybicky, Brooklyn	2,000
Robert St. Germain, Poughkeepsie	4,000 (Double- Up Winner)
Jalel Syage, Rochester	2,000
Evelyn Washington & Herman Jones, Buffalo (Jointly owned ticket)	2,000
John, Joan & Mary Wolak, Hollis (Jointly owned ticket)	2,000

### OCTOBER 16, 1975 LOTTERY

Alice Marie O'Neil, Albany	\$125,000
Dorothy Mears, Cambridge	50,000
Joseph Dillon, Brooklyn	50,000 (Double- Up Winner)
Joseph Buffa, Smithtown	2,000
Mary & Clinton Doster, Strykersville (Jointly owned ticket)	2,000
Nicholas Letizia, Clay	2,000

### OCTOBER 23, 1975 LOTTERY

This drawing was not held in 1975 because of the suspension of the Lottery on the day before the drawing was scheduled. It was conducted on July 16, 1976 after detailed checks of computerized and manual records were made to verify accuracy.

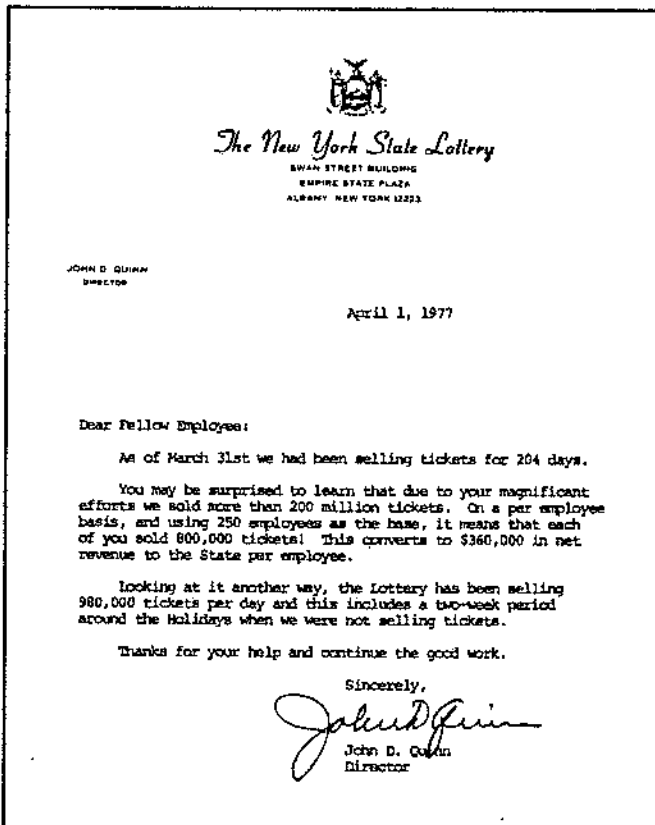
The results:

James F. Greco, Bronx	\$125,000
Eleanor Steigert & Daniel Boylan, Manhattan	50,000
Linda Lombardi, Queens	25,000
Stephano Croce, Rochester	2,000
Charles Maring, Ripley	2,000

### OCTOBER 30, 31, AND NOVEMBER 6, 1975 LOTTERIES

Refunds were given for tickets for October 30 and November 6. Drawings could not be held because there were insufficient tickets sold to create a prize pool and at the same time guarantee that only sold winners would be selected for the large prizes. Tickets for October 30 were on sale for only one day, and tickets for the November 6 drawing were sold in error.

The October 31 drawing was not held because of computer difficulties which raised serious questions about the winning tickets sold. However, the Jackpot funds for this drawing were awarded to the public through a special drawing held February 4, 1977.



# Looking Ahead in the Lottery:

## WEEKLY GAME

A weekly lottery offering prizes of \$20 to a chance at \$1 million by matching numbers drawn with those on a \$1 ticket, to join the highly-popular Instant Game with its on-the-spot winning. (Tickets for this game went on sale May 10, 1977)

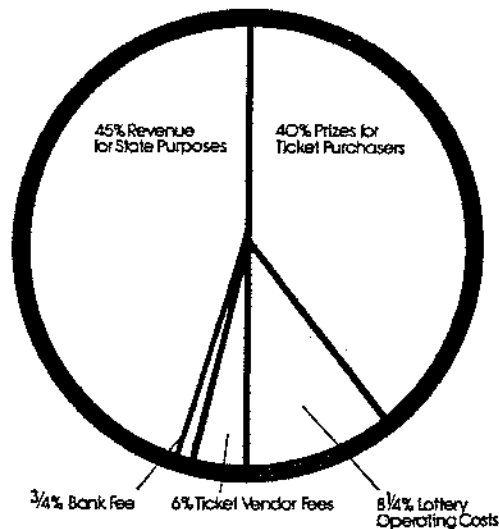
## SUBSCRIPTION SYSTEM

An August, 1977, starting date is tentatively forecast for a subscription system which will permit Lottery players to select their own eight 3-digit numbers or have the computer do it for them for varying periods of time, from weeks to months.

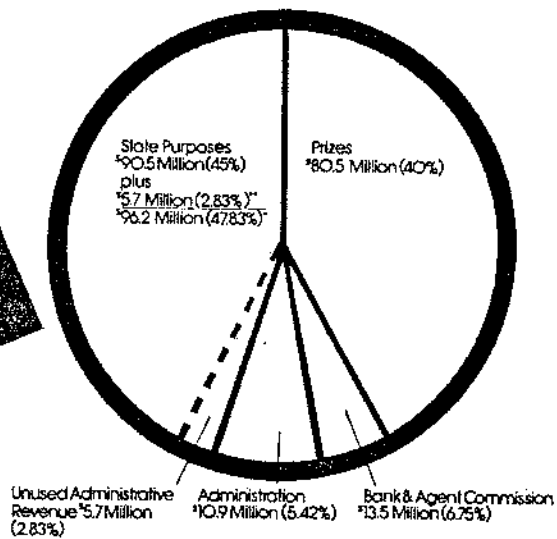
## MORE AND DIFFERENT INSTANT GAMES

The highly popular Instant Game will take on different and more interesting forms and will—if the necessary arrangements can be worked out with IRS—offer a grand prize of \$1,000,000 TAX FREE.

## How Lottery Dollar is spent



## Lottery Revenue 1976-1977 Total Sales \$200 Million



\*\*Processing of the return of these funds to be completed after March 31.

\*Subject to final audit.



# Financial Data

STATE OF NEW YORK  
DEPARTMENT OF TAXATION AND FINANCE  
DIVISION OF THE LOTTERY  
ALLOCATIONS FOR THE FISCAL YEAR  
ENDED MARCH 31, 1977

REVENUE — LOTTERY TICKET SALES:

Instant Game Number 1	\$104,840,000*	52%
Holiday Special	9,550,000*	5%
Instant Game Number 2	<u>86,880,000**</u>	<u>43%</u>
TOTAL REVENUE	<u>\$201,270,000</u>	<u>100%</u>

REVENUE ALLOCATIONS:

State of New York	<u>90,571,500</u>	<u>45.00%</u>
Lottery Prizes	<u>80,508,000</u>	<u>40.00%</u>
<b>Provision for Administrative Expenses</b>		
Agent Commission	12,076,200	6.00%
Bank Commission	1,509,525	.75%
Lottery Operating Cost	10,900,000	5.42%
Excess Administrative Allowance (Revenue)	<u>5,704,775</u>	<u>2.83%</u>
TOTAL PROVISION FOR ADMINISTRATIVE EXPENSES	<u>30,190,500</u>	<u>15.00%</u>
TOTAL REVENUE ALLOCATIONS	<u>\$201,270,000</u>	<u>100.00%</u>

\* Subject to Final Reconciliation and Audit

\*\* Estimated





# The Winners



## Prizes paid as of March 31, 1977

	INSTANT GAME 1		HOLIDAY & COLOSSAL SPECIAL		INSTANT GAME 2		TOTAL PRIZES	TOTAL AMOUNT
	NUMBER PAID	AMOUNT PAID	NUMBER PAID	AMOUNT PAID	NUMBER PAID	AMOUNT PAID		
\$100	4,047	\$ 404,700			3,358	\$ 335,800	7,405	\$ 740,500
\$500	2,047	1,023,500			1,201	600,500	3,248	1,624,000
\$500 Stub-Spell "STAKES"					2,601	1,300,500	2,601	1,300,500
\$1,000	1,245	1,245,000			560	560,000	1,805	1,805,000
\$2500					287	717,500	287	717,500
\$2500 Stub-Spell "NEW YORK"	834	2,085,000					834	2,085,000
\$2500 Stub-Spell "EMPIRE"					491	1,227,500	491	1,227,500
\$3,000			216	648,000			216	648,000
\$5,000	399	1,995,000			301	1,505,000	700	3,500,000
\$5,000—JACKPOT	355	1,775,000			116	580,000	471	2,355,000
\$10,000—JACKPOT	50	500,000			92	920,000	142	1,420,000
\$20,000—JACKPOT					30	600,000	30	600,000
\$25,000—JACKPOT	13	325,000					13	325,000
\$1,000-a-week-for-life*	5	3,750,000			2	1,500,000	7	5,250,000
\$26,250 Colossal Runner-Up			15	393,750			15	393,750
\$980,000 Colossal			1	980,000			1	980,000
JACKPOT Extra**	79	423,520					79	423,520
<b>SUBTOTAL</b>	<b>9,074</b>	<b>\$13,526,720</b>	<b>232</b>	<b>\$2,021,750</b>	<b>9,039</b>	<b>\$9,846,800</b>	<b>18,345</b>	<b>\$25,395,270</b>
\$1,000 "LOSER"—EXTRA CHANCE							100	\$ 100,000
<b>TOTAL</b>	<b>9,074</b>	<b>\$13,526,720</b>	<b>232</b>	<b>\$2,021,750</b>	<b>9,039</b>	<b>\$9,846,800</b>	<b>18,445</b>	<b>\$25,495,270</b>

\*Top prize annuity cost was planned at \$750,000 per prize. However, actual cost was less, based on age of annuitants. Please see notes below.

\*\*An extra \$423,520 was awarded to Jackpot contestants. This was money accumulated because annuity costs for the top prize of \$1,000 a-week-for-life were not as high as expected, and also because of unclaimed Jackpot tickets which did not participate in any Jackpot drawings.

THE  
EMPIRE  
MISTAKES