

PUBLIC LOTTERIES: REPORT FOR 1998

**Presented to the States on 2nd March 1999
by the Gambling Control Committee**

STATES OF JERSEY

STATES GREFFE

140

1999

R.C.6

Price code: C

REPORT

Executive summary

- A new Lottery game was successfully introduced.
- Overall ticket sales for the year increased by 8.7 per cent.
- Good causes were awarded specific Lottery Draws.
- Almost three times more Lottery wins were awarded.
- Over £67,000 more prize money was awarded than during 1997.

- Lottery advertising campaign received a prestigious award for marketing excellence.

-
-

Report and balance sheet

The Jersey Gambling Control Committee, in accordance with the provisions of Regulation 4(4) of the Gambling (Channel Islands Lottery) (Jersey) Regulations 1975, has the honour to submit to the States a report of the Public Lotteries promoted and conducted by the Channel Islands Lottery Committee from 15th January 1998 up to and including the Draw of 18th December 1998 - together with an income and expenditure account and balance sheet.

Channel Islands Lottery Committee

The policy of the Lotteries is decided by the Channel Islands Lottery Committee. The President and members of the Jersey Gambling Control Committee and three members from the Guernsey Gambling Control Committee constitute that Committee.

For the purpose of advising the Jersey Gambling Control Committee on general matters connected with the Lotteries and for conducting the Draws held in Jersey, the Public Lotteries Board is constituted for the majority of the year, as follows -

Ian T. Barnes (Chairman)
Peter Cruickshank
Derek A. Wallis
John Clennett
Geoff Roscouet
Paul Crespel
C. Fairbairn (Secretary)

The Board remained thus constituted until in October, but to fill the vacancy left by the resignation of Mary Gaiger in 1997, the Committee put forward Mary Horton in a Proposition to the States, which was accepted in October of the period.

Presiding at Draws was only part of the duties of members in the course of the year. The Chairman, Ian Barnes, and his Board were involved in advising not only the Committee on the many different matters connected with the Lottery, but took on the new task of recommending recipients of the Lottery profits for the series of six Community Draws staged in 1998.

The Committee is indeed grateful to the time given by members during the period, and the manner in which it dealt with Community Draw applications.

The Lottery Controller, acting as Secretary to the Board, not only performed his usual task at Lottery Draws as Reserve Officer, but liaised with the Board Members and the Committee over the recommendations for the proceeds of the Community Draws as well as on all Lottery related matters.

Draws

The number of Draws remained at a total of 24 Draws in the period.

The New Year Bumper Draw held on 15th January, designated 'Draw Zero', being a conventional Draw, marked the start to the year, and the end of the current Lottery game which had been so prominent since 1966.

The performance of this Draw vindicated the decision of the Committees to move to a new style Lottery, as sales fell by 12.8 per cent on the previous year, indicative of the age and tiredness of this style of Draw, even with the inclusion of a £100,000 top prize. This was yet another clear sign that the ageing Lottery, as it stood, was failing.

On 29th January, Draw One of the new Double Chance Lottery Game replaced the old-style game, and continued until the Christmas Charity Bumper Draw on 18th December, being the final Draw of the period.

The Double Chance Lottery Game

Introduction of a partial Instant Lottery

In 1996 the Gambling Control Committee welcomed the report of the Channel Islands Lottery Review Group (R.C.26 of 1996) presented to the States on 22nd October, and particularly agreed with the finding of the Review Group that the Lottery "should be fun", and that it should be dynamic and forward-looking, and discard its traditional and unchanging image.

Indeed, a public meeting agreed, in 1997, that the Lottery as it then stood, was "outdated and boring". Ticket sales having

fallen to an all-time low of minus ten per cent for 1997 provided yet another strong message. The Lottery as it stood would possibly not survive another year.

The Committee having already gained the agreement of the States to amend the Gambling (Gaming and Lotteries) (Jersey) Regulations 1965, making instant lotteries lawful, had now finalised its plans to make the Lottery a more exciting and positive experience by the introduction in late January of a "partial scratch card" offering the opportunity of an instant win at point-of-sale of prizes of up to £50, as well as a chance of winning drawn prizes of up to £50,000.

The new game comprised a two-part ticket, somewhat smaller than the old Lottery ticket, which on the top portion awarded instant prizes concealed behind a silver latex panel containing six prize values. The player had to match three identical values to win that amount. Approximately 281 prizes, totalling £550, were spread over every 2000 tickets, and were valued at between £1 and £50. The main prize Draw continued to feature three major prizes, with a £50,000 top prize as the main feature. The Draw continued to be held on a Thursday evening.

The new-style Lottery ticket was printed by Scientific Games in Leeds and had been security despatched to the Islands. The pre-launch 'Teaser' publicity captured the imagination of Islanders, having been carefully designed by Wallace Barnaby Associates, the local advertising consultancy agency chosen to promote the launch and marketing of the new partial scratch card game.

All was now set to re-launch a 30 year old lottery into the 21st century.

Draw One - Double Chance Game and onward

Quite simply, the first Draw was a sell-out; demand exceeded supply. The initial issue of 136,500 tickets was sold in the first few days, 86,000 of which were sold in Jersey. Within just a few more days, the remaining 63,500 tickets were issued from the reserve and sold as soon as they reached outlets, making a total of 200,000 tickets being sold in just ten of the fourteen-day period. Sales leapt by an amazing 21 per cent over those of 1997.

The new Game had caused an enormous shudder of excitement in the Islands, due in no little part to the 'fun' approach taken in the television, press and point-of-sale publicity. The game itself gave up to five times more winners than the old game, with the estimated odds of winning set at over one chance in seven.

Draw Two had an even greater impact, selling its initial 136,000 issue in the first week, and another 138,000 tickets from the increased reserve in the remaining week. For this Draw, a joint total of 274,000 tickets had been sold, forcing ticket sales up by 78 per cent over the sales of the previous year; Jersey having sold 159,000 of those tickets, pushing sales up by 80.9 per cent in the Island.

Changes to prize structure

The early success of the new Draws was to continue well into the year, when the Committees, having received strong feedback from the public, who saw the instant side of the ticket as the most fun, agreed to increase the upper value limit of the instant win. To permit the financing of this change, the second and third prizes were used to finance the increase from £50 to new £500, £250 and £100 instant prizes, which came on-stream at Draw Ten on 4th June.

To facilitate this change, a larger ticket was designed and printed, which displayed a larger concealed panel now containing nine prize values: any three identical values could win between £1 and £500.

These changes were popular with the public and resulted in a sales increase of 45.7 per cent overall, with a 45.4 per cent rise in Jersey.

Game changes

Constant monitoring of the public's reaction to the game style was made by a local survey on behalf of the Committee by John Cronin, who was employed on a part-time basis. It was clear from his report that the game style used over the period of the first nineteen Draws, which used the concealed value combination, needed to be changed to provide even more fun.

In mid-October therefore, the game style changed to a new game used successfully world-wide. The 'Lucky 777's' game was based on the simple game of noughts and crosses. Matching any three sevens in either a vertical, horizontal or diagonal row won the amount concealed in the prize box, which too had to be revealed by scratching off the silver latex covering.

The Lucky Sevens game proved to be popular, and sales increased by over 19 per cent overall, and by 17 per cent in Jersey.

The game remained in this format right up until Draw 22, the Draw prior to the Charity Draw at Christmas, creating an overall rise in sales for this “off season” period of over eight per cent over the exact same Draws in 1997.

The Christmas Charity Draw

Without the injection of the £95,000 roll-over, which was added onto the £150,000 in 1997, and which boosted the starting value to £245,000, the expected sales for this Draw were bound to be lower.

With a complete change in format having taken place during the year, the Lottery was to receive its biggest change yet. The Christmas Charity Draw would need to be brought into line to include, for the first time, instant prizes being won daily before the drawing of the major prizes on Draw day.

After much consultation with Agents and the public, it was agreed at a joint meeting of the two Committees that the successful format used over many past years be retained, using a rising drawn first prize of £150,000, backed up by a large second prize and a substantial third prize. The instant prizes would range from £1 to new prizes now increased to £1,000 in value.

Every effort was made to promote the Draw to its fullest by increasing the actual size of the ticket to include a guaranteed combination of wins amounting to £20 in every consecutive numbered block of 100 tickets purchased. This move was aimed at encouraging sales to syndicates.

The promotion of the Draw focused on the Christmas theme, using specially created television commercials, full colour pages in the press, and posters carrying the Charity Draw message. Even the Lottery van was decorated to look like a huge Christmas present, carrying the up-dated value of the ever-climbing top prize .

Although every effort was made, sales did not reach the level of the previous year. The top prize rose without the help of the £95,000 boost, to a level of £274,500; higher in value than the previous year would have climbed to without the added boost.

A record number of over 96,825 instant prizes were awarded, worth in excess of £211,400 in the largest distribution of prizes ever staged in the Islands. With the addition of the first, second and third prizes, in total over £520,900 in prize money was awarded, equal to a prize return of over 62 per cent of the ticket sales. This alone marked a great step forward for the ticket buyer, who benefited by almost three times more prizes than at the previous Christmas Draw.

Sales performance

Taking out the poor sales for old style Draw Zero and the Christmas Charity Draw which did not benefit from the previous year’s injection of £95,000 onto the top prize, the standard new-style Draw provided a healthy increase in joint sales of 19.15 per cent for the year.

With the inclusion of these two Draws, the overall annual increase for 1998 was 8.7 per cent higher than 1997, which in turn reflected a 10.36 per cent fall on 1996 ticket sales. The fortunes of the Lottery had been reversed from a minus figure to a plus in just one year.

The novelty factor could well be attributed to some part of the rise in sales. However, the general interest in the Lottery had been heightened due to over three times more winners being made over previous years. Nevertheless, the Committee was not complacent, but aware that the future would still be hard and that the Channel Islands Lottery was not out of the woods yet.

The new Lottery Show

All twenty-four Draws were staged at St. Helier Studios of Channel Television, with the Draw itself being held in a secure room adjacent to the studio. Following Draw Zero, the televised format changed to reveal the new Lottery Show now presented by Caroline Short.

The Show was presented live on Channel Television at 6.25 p.m., and not only featured the drawing of the prize, but showed an insight to where Lottery money had been used in the Islands; with Caroline speaking to those connected with the many charities, clubs and associations who received Lottery profits.

The Show, sponsored by Stanley Racing, was invaluable to the Committee in as much as it succeeded in highlighting the enormous work that the Channel Islands Lottery continued to achieve in the community during the year.

Agents

The Committee maintained four appointed Main Agents who acted on its behalf in distributing tickets to the many hundred sub-agents in the Island as well as selling tickets directly to the public.

The Main Agents were -

B.B. O'Connor Ltd.
Mr. J. Toudic (Business Agencies Ltd.)
Mr. and Mrs. M. Vowden
Mrs. S. Le Brocq.

The Main Agents Association headed by Gerard O'Connor, a Director of B.B. O'Connor, the Committee's largest appointed Agent, and part of the United Kingdom-based Stanley Leisure Group, liaised on a daily basis with his members and the Committee through the offices of the Lottery Controller.

The Committee had consulted with the Association on all aspects of the changes to the Lottery, and having presented its proposals to the Agents in late 1997, had received the full support of them in the introduction of the new Double Chance game. A preview of the proposed advertising campaign also received its full approval.

For the Double Chance game, as for the old-style game, all Main Agents purchased tickets at a discount of twelve per cent for normal Draws and thirteen per cent for the Christmas Draw in respect of the guaranteed sales. The Committee required Agents to increase their guaranteed purchases for the Draw at Christmas, in order to receive the extra one per cent. All purchases in excess of guarantees, however, were at ten per cent for normal Draws and eleven per cent for the Christmas Draw.

All agents, including sub-agents, were offered an additional commission equal to one per cent of any winning ticket sold by them. The agent, however, had to register with the Lottery Controller and purchase a special stamp number to stamp the reverse side of all his tickets, in order to receive the ex-gratia payment.

The basic level of ex-gratia payments to agents was calculated on the value of winning tickets sold by them of £750, in order to receive the one per cent commission. The minimum rate therefore was £7.50. Additionally, another commission was offered to the four Main Agents for the cashing of winning tickets.

The Committee records its grateful thanks to both Main Agents and sub-agents for their support, in its first year of change.

The United Kingdom National Lottery

The influence of the National Lottery had taken away a good percentage of local ticket sales over the past four years, and would continue to do so. It was apparent that whatever changes were made to the game style of the Channel Islands Lottery, with a population of approximately 125,000 people, the Islands were only able to sustain a certain level of sales - on average about 135,000 tickets each fortnight - against the vast population of the United Kingdom, which sold over 80,000,000 tickets per week.

With an estimated £6 million leaving the Islands every year to the National Lottery, not only are Islanders paying 12 per cent tax directly to the United Kingdom government on each and every ticket purchased, but no money would ever be forthcoming from the National Lottery for good causes in the Islands, under the present government arrangements, which had excluded the Channel Islands from playing.

The Channel Islands Lottery, one of the smallest and longest running public lotteries in the world, had so far survived the onslaught of this, the biggest lottery ever staged (surprisingly enough) where other lotteries had not.

The Channel Islands Lottery, however, provided strong support in many areas of local life. Through its association with sport and leisure and local good causes through the Community Draw project, the Charity Draws and the Sports, Leisure and Recreation Committee, the Lottery returned over 20 per cent of its takings to Island good causes.

Public support for the Committee's efforts in improving Island life was thankfully still strong, so too was the public's continuing support for the new-style Lottery

The graph on the next page clearly illustrates the effect of the National Lottery, which started in late 1994, on local ticket sales.

The Battle of Flowers Donation

The Gambling Control Committee still recognised the tremendous work that the Association did in getting the Battle up and running every year, and the knock-on effect that the influx of visitors has on Lottery ticket sales, especially at the August Charity Draw.

It was, therefore, agreed that a donation of £500 be made to the Association as a straightforward payment for allowing the Lottery Agents to sell tickets about the arena. As part of the deal, announcements as to the availability of Lottery tickets were made over the P.A. system on Battle afternoon.

The Association of Jersey Charities

The Controller continued to liaise with the Association, both publicly at the quarterly meetings, and again at Committee level, indicating projected ticket sales which would reflect the levels of donations from the profits of the two Charity Lottery Draws.

With the new format game, a much larger sum of £28,490 [£25,156 in 1997] was donated to the Association as a result of the August Charity Draw. However, the Christmas Charity Draw fell short of its 1997 grant of £156,000, producing a far lesser £100,000 for the Association. Again, every effort had been made by both its Agents and its officers, to promote this Draw to its fullest potential, but without the benefit of the larger first prize of 1997, the resultant effect was almost predictable. The final figure of £128,490 for the two Charity Draws was still a sizeable donation.

The Gambling Control Committee wishes to extend its gratitude to Graham Pitman, the Chairman of the Association, for his continuing public support of the Channel Islands Lottery, and to Geoff Boreman for his assistance in public relations.

A full list of the beneficiaries of the Lottery Charity Draws for the past two years follows -

-

Grants paid in 1997 by the Association of Jersey Charities

Eastern Good Companions Club	£8,700
Age Concern	£10,000
Jersey Disabled Holiday Group	£10,000
Arts in Health Care	£5,000
Jersey Woman's Refuge	£20,000
The Families in Recovery Trust	£10,000
Friends of Issue	£20,000
Jersey Hospice Care	£10,000
Door to Door Transport Association	£5,750
Network to Prevent Abuse and Violence in the Home	£5,000
Jersey Schizophrenia Fellowship	£15,000
TOTAL:	<u>£119,450</u>

Grants paid in 1998 by the Association of Jersey Charities

<u>March</u>	
Arts in Health Care Trust	£6,000
Jersey Sports Association for the Disabled	£5,752
Easter Good Companions Club	£20,000
<u>June</u>	
Jersey Ostomy Society	£2,000
Relate	£20,000
Aviemore	£5,000
<u>September</u>	
Jersey Cheshire Home Foundation	£2,200
Jersey Guide Association	£8,000
Jersey Homeless Outreach Group	£17,000
Good Companions Club [Journeaux Street]	£17,500
Network to Prevent Abuse and Violence in the Home	£13,825
<u>December</u>	
Jersey Children's Holiday Group	£6,000
The Friends of the Maritime Museum	£5,000
Maison des Landes	£20,000
Headway	£12,100
Jersey Hospice Care	£20,000
Jersey Cheshire Home Foundation	£7,200
The Causeway Association	£15,000
TOTAL:	<u>£202,577</u>

Some of the many uses that Lottery Grants were applied to in 1998

Jersey Hospice Care used its £20,000 donation from Lottery profits to offset the additional cost of salaries for its nursing staff. Apart from the £20,000 received for running costs, the Cheshire Home received another £7,200 towards the cost of the redecoration of the Home. Maison des Landes now have a new coach to carry their residents and guests around the Island for sight-seeing, as well as being used to visit town from its St. Ouen premises, as a result of their £20,000 grant.

Local disadvantaged children will now go to LegoLand in Devon with their £6,000; and 14 learning-impaired gymnasts have now attended the European championships in Luxembourg with a Lottery grant of £5,750.

Relate was able to cover the cost of moving to larger premises with the help of a £20,000 Lottery grant. A photocopier was urgently required by the Ostomy Society, and with a £2,000 grant from the Lottery, a new copier was purchased to facilitate the distribution of quarterly newsletters.

The cost of a replacement for the leaking roof at the Eastern Good Companions Club was another call for Lottery profits; and a grant of £20,000 made the centre watertight again. Watertight again will also be the classic sailing boat 'Jesse', which has received £5,000 to help the Maritime Museum preserve this vessel as part of the Island's Maritime past.

Those who suffer from the effect received from head injuries will benefit from a £2,100 grant to finance research into the use of mobile telephones controlled by computer, to help aid their day-to-day activities. Another £10,000 was granted to furnish Headway House, the society's day centre.

The Committee is again privileged to be in the position to help so many charities and fortunate to be in partnership with the Association in such a worthwhile and positive way.

Distribution of profits through the Sport, Leisure and Recreation Committee

In an agreement reached between the Sport, Leisure and Recreation Committee and the Committee, which made way for the introduction of the series of Community Lottery Draws, the Sport, Leisure and Recreation Committee received the residue of the money, following the distribution of profits to the Association of Jersey Charities and through the Community Draws. The States had agreed to this in a proposition in late 1997. In the event, the Sport, Leisure and Recreation Committee received the profits from 16 Draws.

This money was invested in a wide variety of community developments funded on a pound-for-pound basis, in partnership with local sport and recreation clubs and associations. Over the years, the Committee's allocation of Lottery profits has made a significant impact on improving facilities both for sport, tourism and local residents.

The accompanying list clearly demonstrates the many varied sports supported, and the enormous benefit that sport in general in this small Island receives from the Channel Islands Lottery annually.

<u>Grants to sports clubs</u>	<u>1998</u>	<u>1997</u> Phase One
Les Creux Bowls Club - new clubhouse	£19,925	----
St. Helier Yacht Club - clubhouse extension	£43,596	----
Les Ormes Indoor Tennis Centre - indoor courts	£71,000	----
*Trinity Football and Social Club - new clubhouse	£38,614	£21,738
Jersey Kart and Motor Club - track improvements	£ 1,525	---
*Oaklands/St. Saviour's Football Club - new clubhouse	£32,716	£ 8,140

*[Phase Two]

The use of Lottery profits

Although every opportunity has been taken in the past year by the Committee to publicise in press releases, through extensive coverage in the media, and Island-wide poster campaigns, as well as at every Lottery Show, when recipients highlight the various ways in which Lottery grants are used, some Islanders appeared to be not fully aware of the tremendous use that Lottery profits are applied to.

The details contained in this Annual Report are therefore a record of the fact that the Channel Islands Lottery, through the creation of many hundreds of thousands of winners, and through the uses put to its profits, has, in some way, touched the lives of most Islanders since its inception in 1966.

The Community Lottery Draws

From public comments made in the press, there appeared to be a sector of the public who wished to have greater say in where Lottery money was being awarded. The Committee President Deputy Graeme Rabet devised a scheme whereby organisations and charities would be invited to promote their own Lottery Draw, from which they would benefit from the profits. The Draws would be called Community Lottery Draws.

Following the agreement of the States in 1997 to the introduction of a maximum of ten Community Lottery Draws, application was invited from clubs and organisations in the community for the proceeds from Lottery Draws for use in pound-for-pound partnerships, for capital projects which would benefit the community. Every applicant would have a equal chance to apply, and applications would be judged on their merits. The Lottery Controller was on hand at the initial stage to meet with prospective applicants and offer advice in completing the form work.

The Guidelines for the applications were sent out in early January of the period, to those properly constituted local organisations who sought grants. The general conditions were as follows -

- that the grant would be on a pound-for-pound basis;
- that the project was intended to be of benefit to the community;
- that applicants who could demonstrate good promotional skills of a designated Draw would gain preference;
- applicants who had already received or intended to seek donations from other Lottery Draws in the year would not be considered (this would include Charity and Sports, Leisure and Recreation Draws);
- applications for 'running costs' would not be considered;
- that a full business plan should be submitted on how the applicant would promote the Draw allocated.

The Public Lotteries Board was asked to collate all applications and give due consideration to the merits of the project, following which it made recommendation to the Committee of the organisation and project.

In the event, six worthy projects were agreed by the Committee and awarded particular Draws, which resulted in the production of profits as follows (*see next page*) -

Recipients of the 1998 Community Draw Profits

Draw 12	Jersey Women's Refuge	£20,518	towards the cost of refurbishing the Refuge
Draw 13	Community Charitable Trust	£20,467	purchase of computer equipment for Community Savings and Credit Scheme
Draw 14	Channel Islands Airsearch	£19,378	towards the cost of an infra-red detection system for the Airsearch Aircraft
Draw 17	Jersey Animal Shelter	£17,325	towards the cost of replacement kennels
Draw 21	Family Nursing and Home Care	£15,067	provision of a specialised delivery van
Draw 22	Jersey Blind Society	£15,067	towards the cost of an extension to Westlea, the centre for the visually handicapped in Jersey

The Draws were well-publicised, both by way of dedicated full colour posters depicting the project and Draw, and by large advertisements in the Jersey Evening Post. The projects were followed up on prime-time television as part of the Lottery Show on Channel Television, as well as full media coverage of the presentation of the cheques, which were again followed up by way of advertisements in the Jersey Evening Post.

The recipients too made numerous television and radio appearances and generally promoted the allocated Draws to the fullest. The success of the Draw would be measured in the number of tickets sold.

These first Community Draws were to prove a great success, and answered the critics of the Lottery who wanted to see where Lottery money was being spent prior to a Draw taking place. The Community Draws not only satisfied this issue, but more importantly provided £107,732 for worthy local community projects, for which funding was proving difficult to find.

*Jurat Peter Blampied, Chairman of the Jersey Blind Society,
receives a cheque for £15,067
from Committee President, Deputy Graeme Rabet,
towards the cost of an extension to Westlea, the centre for the visually handicapped in Jersey*

Ticket printing

The Committee extends its thanks to the management and staff of the Guernsey Press Company for their hard work and dedication over the course of some 15 years, and for having achieved all of the tight deadline and delivery dates.

From Draw One, the Double Chance game ticket was designed and printed in Leeds by Scientific Games International using a new generation of computer-controlled multi-presses. The company were also of great assistance to the Committee in advising it on game styles and market research.

Not only were the Draw tickets numbered, but a computer-controlled printer randomly printed and covered the winning scratch card portion of the ticket in a highly controlled security procedure. The final product was a highly sophisticated and attractive wallet size ticket containing all the last security technology.

The Committee extends its thanks to the staff and management for their help and assistance in the first year of new Draws.

Ticket price

The price of the ticket remained at £1, with half tickets at 50p. and has been so for 20 years.

The Main Agents having been consulted over an increase in ticket price, have maintained that the £1 ticket is well suited to the market and that any increase in its price could have an adverse effect on sales, most certainly in light of the National Lottery ticket price.

Obtaining Lottery Draw results

The results of a Lottery Draw appear on a result sheet printed on the evening of a Draw, as well as being published in the Gazette Notices in each Island the day following the Draw.

With the advent of the Double Chance Game, it was possible to set up a telephone Lottery Results line by calling 06966-54321, as well as being able to retrieve the winners on Channel Teletext Page 274.

Cyber Space was a useful medium to transmit the Lottery winners worldwide and the Channel Islands Lottery took the opportunity to create a Website with the aid of the States Computer Services Department on www.jersey.gov.uk.

This Website also took the history and current operation of the Lottery to the world, also creating a group of pages dedicated to the role of the Gambling Control Committee.

Summary of Lottery ticket sales

Ticket sales in the Island for the first year since 1994 reflected a percentage increase, finishing the year 5.9 per cent up [-10.66 per cent down in 1997]. The number of tickets sold in Jersey equalled 2,905,400 and 2,081,200 in Guernsey, giving joint ticket sales for the period of 4,986,600 over 4,587,500 tickets for the previous year.

Changes made to the financial format of the Draw with the introduction of the Double Chance Lottery had an effect on the profitability of Draws, which in 1997 was falling at an alarming rate as a result of the injection of profit into supporting the prize structures. Changes put in place in 1998 reversed the trend to make way for an increased profit.

Ticket sales over ten years

<i>Year</i>	<i>Jersey</i>	<i>Percentage increase</i>	<i>Guernsey</i>	<i>Percentage increase</i>	<i>Total</i>	<i>Percentage increase</i>
1988	2,617,900	6.34	1,787,400	8.62	4,405,400	7.26
1989	2,864,700	9.43	1,941,000	8.59	4,805,700	9.0
1990	3,161,700	10.37	2,109,600	8.69	5,271,300	9.69
1991	3,180,800	0.60	2,163,500	2.55	5,344,300	1.38
1992	3,149,200	-0.99	2,190,100	1.23	5,339,300	-0.09
1993	3,133,800	-0.49	2,184,600	-0.34	5,318,400	-0.39
1994	3,310,900	5.65	2,225,100	1.85	5,536,000	4.09
1995	3,288,000	-0.69	2,203,400	-0.98	5,491,400	-0.81
1996	3,070,500	-6.61	2,047,000	-7.7	5,117,500	-6.81
1997	2,743,200	-10.66	1,844,100	-9.9	4,587,300	-10.36
1998	2,905,400	+5.9	2,081,200	+12.9	4,986,600	+8.7

The Channel Islands Lottery Marketing Forum

The Forum maintained regular meetings using its highly qualified team of business people taken from both Islands, looking into all aspects of fundraising through lotteries and to formulate a clear path on which the Islands may follow in the future.

The Channel Islands Lottery Forum was constituted as follows -

Deputy Phil Rondel - Chairman
Deputy Colin Best - Guernsey Vice-Chairman
Mr. Tim Dunningham - Jersey
Mrs. Toni Roberts - Jersey
Mr. George Barnaby -Guernsey
Mr. John Hopkins - Guernsey

Mr. C.W. Hunt - Secretary to the Guernsey Committee
Mr. C. Fairbairn - Jersey Lottery Controller.

The interim report of the Forum, which was presented to the Joint Committees in mid-period, contained recommendations as to the long-term future of the Lottery. The Forum's main achievements are listed below.

Channel Islands Lottery Marketing Forum main achievements

- The Forum met with, collected and collated the views of a wide spectrum of Channel Islanders, including Agents, the public and professional organisations like the Chartered Institute of Marketing and other States departments.
- Created a timetable of events leading up to and beyond the introduction of the Double Chance Game.
- Provided expert guidance in the formulation of the Marketing Brief for the Lottery Advertising Campaign bidding process.
- Successfully guided the Double Chance Game through its introductory period, and gave sustained support for the first year.
- Provided a high level of guidance to the marketing, prize structure and distribution of the new game into 1999.
- The Forum enabled proposals to be put to the two Committees for consideration rather than the two Committees working in isolation. It bound them closer together.

Marketing excellence award

The Double Chance Lottery campaign devised and executed by Wallace Barnaby Associates gained a prestigious award in the latter part of the period, when it received an award for "Marketing Excellence" from the local Branch of the Chartered Institute of Marketing.

The presentation was made at a Gala dinner at the Grand Hotel, recording the quality and colour of a successful campaign, which had achieved the difficult task of launching a new lottery game that replaced a thirty year-old legend.

States Treasury recharges

Included in the total Draw Expenses for the period is a lesser sum of £30,500 (£33,900 in 1996), which refers to recharges made to the Committee by the States Treasury in connection with the reconciliation of, and payment on, winning tickets and the financial management of the Lottery accounts system.

The recharge figure from the Treasury included an "on cost" charge which covered Treasury general expenses.

The administration charge

The charge, which presently is made at a rate of 1.5 per cent, equal to £30,265, is charged to the Guernsey Committee on each and every ticket sold by them, and reflects not only the Treasury recharges which include a great deal of work done on behalf of that Island, but the considerable and increasing amount of work that the Lottery Controller undertakes in such areas as general administration and management, promotion and marketing, and, of course, undertaking the Draws.

Retirements

After over 32 years of service, Super Fred retired, his services no longer being required. He performed his very last Lottery Draw on 15th January by undertaking the last of the pure drawn prize Draws. His sadness was evident as with great enthusiasm he drew his last prizes.

Rumour had it that he has pledged always to be on hand should the community ever require the services of this 'superhero' again. From his retirement home somewhere on the south coast of Jersey, he now reflects on a lifetime of giving money away to thousands upon thousands of happy winners, not to mention raising over £2.5 million for good causes. The computer was re-programmed to undertake the Double Chance Draws which drew initially only three prizes.

The Lottery Department

The Department, staffed by the Lottery Controller Chris Fairbairn and his assistant Jenny Turner, completed their 24th and 22nd years of service respectively. Their attendance record for the year was again 100 per cent, missing not a single working day through illness during the year.

