METHOD AND SYSTEM FOR SUBSCRIPTION LOTTERY PLAY

Inventor: Andrew R. Amada, Phoenix, AZ (US)

Correspondence Address:
TIFFANY & BOSCO P.A.
CAMELBACK ESPLANADE II
THIRD FLOOR
2525 EAST CAMELBACK ROAD
PHOENIX, AZ 85016-4237 (US)

Filed: Jul. 26, 2005

Related U.S. Application Data

Provisional application No. 60/591,384, filed on Jul. 26, 2004.

Publication Classification

Int. Cl. A63F 9/24 (2006.01)
U.S. Cl. 463/17

ABSTRACT

A system and method can provide subscription services for a lottery operated by a state lottery includes. The method includes: receiving a subscription application from a lottery player, wherein the subscription application includes player information and information for a subscription order to purchase at least one lottery ticket for at least one game selection over a plurality of subscription drawings, unless sooner terminated; receiving instructions for lottery ticket numbers for the subscription order; storing on a subscription computer system subscription information including the information from the subscription application, the information for the subscription order and the instructions for lottery ticket numbers; and collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the subscription order. The collected funds can be in an amount less than the amount required to purchase all of the lottery tickets for the plurality of subscription drawings.
State Lottery Club Subscription Application

NAME TO APPEAR ON SUBSCRIPTION - address must be in Arizona

Last Name (Subscriber or Group Representative) | First Name | Middle Initial
Street Address
City | ZIP Code
State | Area Code | Telephone Number | Social Security Number (Required)
Email address (Optional)
GROUP - if you are representing a group, enter the group name below.

Mail to State Lottery 8024 N 24th Ave Phoenix, AZ 85021

FIG. 2A

Payment Options - Choose an Option
1. [ ] Money Enclosed [ ] Check [ ] Money Order
   Make payable to Arizona Lottery
2. [ ] Please charge my checking account on the ___ day of each month. I have enclosed a voided check. I understand there will be a $5.00 monthly charge.

Name ____________________________
Address ____________________________
City ____________________________ State ___ Zip ______
Message (15 words max) ____________________________

FIG. 2B

JUST FOLLOW THESE 7 EASY STEPS

Step 1 TIME PERIOD - Enter the longest time period to which you are subscribing (3, 6 or 12 months).
Step 2 NUMBER OF TICKETS - Enter the number of tickets you want for each drawing.
Step 3 NUMBER OF DRAWINGS - Enter the number of drawings from the "Number of Drawings" table.
Step 4 COST FOR EACH GAME - For each game, calculate the cost by multiplying the first 3 columns.
Step 5 TOTAL COST - Total the costs for all of the games.
Step 6 SERVICE FEE - Add the Club Service Fee ($7.50 for 3 mo, $12 for 6 mo, or $21 for 12 mo). If you choose 12 mo for one game and 3 mo for another game, the service fee would be $21.
Step 7 COMPLETE BOTH SIDES AND RETURN WITH COMPLETED PLAY SLIP(S) FOR SELECTED NUMBERS OR QUICK PICKS. (available at any lottery retail counter). Please print your name on each slip.
FIG. 4A

FIG. 4B
### Fig. 5A

#### Subscription Settings

<table>
<thead>
<tr>
<th>General Settings</th>
<th>Selections</th>
<th>Jackpot Amounts</th>
<th>Pool Sites</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inactive Pending Fee</td>
<td>$5.00</td>
<td>$3.00</td>
<td>$1.00</td>
</tr>
<tr>
<td>Inactive Credit Adjustment</td>
<td>$2.00</td>
<td>$1.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Inactive Fee</td>
<td>$1.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Cancellation Fee</td>
<td>$5.00</td>
<td>$2.00</td>
<td>$1.00</td>
</tr>
<tr>
<td>Subscription Replacement Fee</td>
<td>$3.00</td>
<td>$1.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Advance Replacement Fee</td>
<td>$3.00</td>
<td>$1.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Setup Fee</td>
<td>$3.50</td>
<td>$1.50</td>
<td>$0.00</td>
</tr>
<tr>
<td>Play Start Delay</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>ACH Fee</td>
<td>$5.50</td>
<td>$3.50</td>
<td>$2.00</td>
</tr>
<tr>
<td>ACH Percentage Fee</td>
<td>$1.00</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Minimum Initial Charge</td>
<td>$25.00</td>
<td>$12.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>Minimum Monthly Charge</td>
<td>$25.00</td>
<td>$12.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

### Fig. 5B

#### Selections

<table>
<thead>
<tr>
<th>Selection Code</th>
<th>Selection Description</th>
<th>Number of Weeks</th>
<th>Internet Base Fee</th>
<th>Non-Internet Base Fee</th>
<th>Non-Internet AR Discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>3MO</td>
<td>3 mo (12 weeks)</td>
<td>13</td>
<td>$0.00</td>
<td>$2.00</td>
<td>$1.00</td>
</tr>
<tr>
<td>6MO</td>
<td>6 mo (26 weeks)</td>
<td>26</td>
<td>$0.00</td>
<td>$3.00</td>
<td>$1.00</td>
</tr>
<tr>
<td>12MO</td>
<td>12 mo (52 weeks)</td>
<td>52</td>
<td>$0.00</td>
<td>$4.00</td>
<td>$1.00</td>
</tr>
</tbody>
</table>

#### Selection Description

1. 3 mo (12 weeks)  
2. 6 mo (26 weeks)  
3. 12 mo (52 weeks)
### FIG. 5C

<table>
<thead>
<tr>
<th>No.</th>
<th>Jackpot Amount ID</th>
<th>Jackpot Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>$30,000,000</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>$50,000,000</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>$100,000,000</td>
</tr>
</tbody>
</table>

### FIG. 5D

<table>
<thead>
<tr>
<th>Pool Sizes</th>
<th>Lower Limit</th>
<th>Upper Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>10</td>
<td>50</td>
</tr>
<tr>
<td>2</td>
<td>51</td>
<td>100</td>
</tr>
<tr>
<td>3</td>
<td>101</td>
<td>250</td>
</tr>
<tr>
<td>4</td>
<td>251</td>
<td>500</td>
</tr>
<tr>
<td>5</td>
<td>501</td>
<td>1000</td>
</tr>
</tbody>
</table>
**FIG. 14**

<table>
<thead>
<tr>
<th>Status</th>
<th>Player ID</th>
<th>Sub</th>
<th>Winnings</th>
<th>No. of Plays</th>
<th>AP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>00000</td>
<td>0.00</td>
<td>0.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**FIG. 15**

<table>
<thead>
<tr>
<th>Status</th>
<th>Player ID</th>
<th>Sub</th>
<th>Winnings</th>
<th>No. of Plays</th>
<th>AP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>00000</td>
<td>0.00</td>
<td>0.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Arizona State Lottery Tickets to be sold to:
Mr and Mrs Lucky Golden (ID #29172)

Contact Information
Address: 8024 N 24th Ave Phoenix, AZ 85021
Telephones: H 602-995-9200; W 602-995-8976; C 480-863-5628
Email: lucky@msn.com

IMPORTANT NOTICE - The following numbers will be sold to you subject to the terms and conditions controlling all subscription plays and on the draw dates and for the games shown as long as there are no changes in the game design. If there are any changes in the game, you will be notified by mail and/or email so that you can make changes in your play. If, by the drawing date, when the changes are to take place, we have not received a written reply from you regarding the changes, we will take the following steps: If the game has been changed so that one or more of your numbers are no longer available in the new game matrix, then we will assign new numbers to replace those numbers that are no longer valid. If the quantity of numbers has been increased or decreased requiring an increase or decrease in your number set, then the appropriate increases or decreases will be made to your number sets. If your numbers are still valid in the new game matrix, then we will continue to play the numbers you have given us. Any of these changes will remain in effect until we receive written notice from you selecting different numbers.

PLEASE CHECK TO MAKE SURE YOUR ORDER IS CORRECTLY STATED

SEASON TICKETS - You are on the Monthly Payment Plan
The following prepayments will be deducted automatically from your checking account on the dates shown.
The charges consist of $5.20 for tickets, $2.1 for service fee and $3.50 for monthly transactions fees.

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul. 20, 2004</td>
<td>$90.17</td>
<td>Paid</td>
</tr>
<tr>
<td>Aug. 27, 2004</td>
<td>$45.43</td>
<td></td>
</tr>
<tr>
<td>Nov. 27, 2004</td>
<td>$45.43</td>
<td>Sep. 27, 2004 $45.43</td>
</tr>
<tr>
<td>Feb. 27, 2005</td>
<td>$45.43</td>
<td>Mar. 27, 2005 $45.43</td>
</tr>
<tr>
<td>May 27, 2005</td>
<td>$45.46</td>
<td>Oct. 27, 2004 $45.43</td>
</tr>
</tbody>
</table>

Powerball (Multiplier)
1: 02 04 10 15 20-18 104 Draws 7/28/2004 (Wed) - 7/23/2005 (Sat)

Powerball
2: 03 05 22 24 33-41 104 Draws 7/28/2004 (Wed) - 7/23/2005 (Sat)

The Pick
4: 03 05 22 24 33-36 104 Draws 7/28/2004 (Wed) - 7/23/2005 (Sat)

ADVANCE PLAY INDIVIDUAL TICKETS
The following tickets will be sold to you when the jackpot reaches the levels indicated.

Powerball
$30 million - $49 million
03 07 12 34 49 - 42

$50 million - $99 million
03 07 12 34 49 - 42
17 19 22 28 33 - 04

$100 million or more
03 07 12 34 49 - 42
17 19 22 28 33 - 04
06 07 08 41 42 - 17

The Pick
$2 million - $3.0 million
03 07 12 34 35 41

FIG. 16A
Arizona State Lottery Tickets to be sold to:
Mr and Mrs Lucky Golden (ID #29172)

ADVANCE PLAY INDIVIDUAL TICKETS - Continued

The Pick

<table>
<thead>
<tr>
<th>$3.1 million - $5.0 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>03 07 12 34 49 - 42</td>
</tr>
<tr>
<td>17 19 22 28 33 - 04</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>$5.0 million or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>03 07 12 34 49 - 42</td>
</tr>
<tr>
<td>17 19 22 28 33 - 04</td>
</tr>
<tr>
<td>06 07 08 41 42 - 17</td>
</tr>
</tbody>
</table>

ADVANCE PLAY POOLING TICKETS

When the jackpot reaches the level indicated, you will be entered into the following pools.

Powerball

<table>
<thead>
<tr>
<th>$30 million - $49 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 pool of 51 to 100 tickets</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>$50 million - $99 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 pool of 51 to 100 tickets</td>
</tr>
<tr>
<td>1 pool of 251 to 500 tickets</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>$100 million or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 pool of 251 to 500 tickets</td>
</tr>
<tr>
<td>3 pool of 501 to 1,000 tickets</td>
</tr>
</tbody>
</table>

END of CONFIRMATION CERTIFICATE

FIG. 16B
Once you have completed checking account information, there are two ways to make an electronic deposit - either Automatically or Manually as shown below:

**Automatic Electronic Account Replenishment**

Anytime my account drops below $5.00, take $50.00 out of my checking account. (Minimum $10 Withdraw Amount)

**IMPORTANT:** Make sure that the minimum balance in your account is greater than the amount you will need for a seven day period, including any fees, since it takes 7 days for any deposit to post to your account.

Suggestion: If you are going to set up Automatic Electronic Replenishment (AER), we recommend not making a manual deposit to avoid having a double deposit. The AER should take care of all your deposit needs.

**Manual Electronic Deposit Instructions**

Please take $10 out of my checking account. (Minimum $10
METHOD AND SYSTEM FOR SUBSCRIPTION LOTTERY PLAY

RELATED APPLICATION

[0001] This application is based on and claims the benefit of U.S. Provisional Patent Application Ser. No. 60/591,384 filed on Jul. 26, 2004, the disclosure of which is incorporated herein in its entirety by this reference.

COPYRIGHT NOTIFICATION

[0002] Portions of this patent application include materials that are subject to copyright protection. The copyright owner has no objection to the facsimile reproduction by anyone of the patent document itself, or of the patent application as it appears in the files of the United States Patent and Trademark Office, but otherwise reserves all copyright rights whatsoever in such included copyrighted materials.

BACKGROUND

[0003] This invention pertains generally to systems and methods for selling lottery tickets. More particularly, it relates to a method and system for selling tickets for state lotteries, collecting payments, paying winnings and providing players with more options in order to better attract, service and retain lottery players.

[0004] Many state and provincial lotteries at one time or another have tried to attract, service and retain lottery players by providing subscription play and advanced play purchases at lottery terminals. Subscription play services are typically closed-ended, meaning they involve signing up with a state lottery to receive continuous lottery play for a fixed period of time. With these types of subscriptions, the ownership of the tickets are known by the state. In addition, since the subscription contains all required ownership information, the tickets are monitored by the state for winnings and any winnings are paid to the subscriber, so the subscriber does not have to concern themselves with losing tickets or missing out on winnings. Advanced play services involve the purchase of a lottery ticket that spans many drawings. With these tickets it is the obligation of the purchaser not to lose the ticket and to check their own winnings. Some have been moderately successful, but lotteries have suffered from several major drawbacks. First, in most cases it has been costly to attract, service and retain subscription players, even after discounting the overall price. In most instances this discount has been minimal (e.g., about 4%), but subscription play has not produced the overall sales gain for which the lotteries had been hoping. Second, historical and current subscription and advanced play programs restrict the flexibility of the lottery operator to make changes to the lottery game for which subscriptions have been sold, restrict changes by the player, limit the method of paying for tickets, limit the options for how winnings are to be handled and limit a player's ownership options. In addition, state lotteries have never offered open-ended subscription play, i.e., state lotteries have not offered a form of subscription wherein no fixed time period has been established for the subscription, thereby allowing the player to place an order for a continuous purchase of tickets until cancelled by the player. In some instances, there may be a revalidation of the order required in order to have the ticket purchases continue. This form of subscription also allows the player to make changes at will so that the tickets sold to the player by the lottery would reflect the player's most recent preferences.

[0005] There is a need, therefore, for an improved method and system to enable lotteries to attract, service and retain lottery players by providing lottery players with more options plus greater convenience and flexibility while simultaneously providing the lottery operator with the flexibility to manage these expanded play features and to be able to easily and quickly change lottery games for which subscriptions have been sold. It is an object and feature of the present invention to provide such a system and method.

[0006] It is another object and feature of the present invention to provide such a method and system that is more profitable for the lottery operator than previous subscription methods and systems.

[0007] It is yet another object and feature of the present invention to provide such a method and system that includes features to assure security, control and integrity of the method and system.

[0008] Additional objects and advantages of the invention will be set forth in the description that follows, and in part will be apparent from the description, or may be learned by practice of the invention. The objects and advantages of the invention may be realized and obtained by means of the methods and apparatus pointed out in the appended claims.

SUMMARY

[0009] To achieve the foregoing objects, and in accordance with the purposes of the invention as embodied and broadly described in this document, there is provided a method and system for providing subscription services for a lottery operated by a state lottery operator. The method includes the steps of: receiving a subscription application from a lottery player, wherein the subscription application includes player information and information for a subscription order to purchase at least one lottery ticket for at least one game selection over a plurality of subscription drawings, unless sooner terminate; receiving instructions for which lottery ticket numbers to purchase for the subscription order; storing on a subscription computer system subscription information including the information from the subscription application, the information for the subscription order and the instructions for which lottery ticket numbers to purchase; and collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the subscription order. The collected funds can be in an amount less than the amount required to purchase all of the lottery tickets for the plurality of subscription drawings. The subscription application can include a paper transmittal form and wherein the lottery player submits the paper transmittal form with one or more game play slips identifying one or more lottery tickets to be purchased by the lottery player. The subscription order information can include one or more selected jackpot levels for one or more games and the purchase of additional tickets under the subscription order for a given game of the one or more games can be conditioned upon reaching the selected game jackpot levels for the given game. Funds can be collected by maintaining a reserve account for the lottery player and charging the reserve account to pay for tickets or by using an automated payment method, such as a credit or debit charge or an ACH.
transfer. The lottery player can be placed into one or more of the lottery pools defined in the subscription computer system. The subscription application can be for an open-ended subscription.

[0010] According to other aspects of the invention, the method can include the step of using the stored subscription information to submit to the state lottery computer system information to purchase one or more lottery tickets for less than the plurality of the subscription drawings included in the subscription order. The method can include charging the lottery player one or more fees for services associated with the subscription application. The method also can include the step of requiring the lottery player to agree to procedures to be used in the event that the lottery operator makes changes to the lottery game before all of the plurality of subscription drawings are completed. Moreover, the method can include the step of posting the lottery ticket numbers and highlighting each of the lottery ticket numbers that match the numbers drawn by the state lottery operator whether or not the lottery ticket numbers are included in winning number combinations. The method also can include the step of only paying winnings to the lottery player when the lottery player’s unpaid winnings are at or above a predefined level.

[0011] A system according to the invention includes a computer system programmed to perform the method described above.

[0012] The method and system of the invention make it possible to track, act and revise a player’s choices that have been put in play for up to a year or more in advance when there are changes in the lottery game. This is done through specialized system controlled review of player accounts based upon the lottery game in use at the time of initiation of play and forward comparison of intended plays against lottery changes. It also involves controls and customer service acting in a pro-active manner to contact players and resolve the play issues promptly. The system also accommodates game changes as they become identified and planned by the participating lottery operator. Most game changes are planned at least ten weeks in advance of the change. This time is more than adequate to contact the game subscription players, allow them to make new choices in numbers (if needed), and be prepared for the first drawing of the new game matrix or play concept. The lottery and the online vendor do not need to worry about these subscription plays when considering any game change or addition. From the player’s point of view, the subscription service provider can handle all required action through player communication, personnel, software design and pre-defined automated action rules for invalid play sets when the Lottery has not heard back from the players prior to the first drawing of the new game or matrix. From the point of view of the lottery and online vendor no change is necessary in their systems because under the current invention, the numbers to be played on behalf of the player are not submitted to the lottery and online vendor until approximately one day prior to the drawing.

[0013] Also, the method and system of the invention facilitate a robust customer club service program that actively works to entertain, support and create fun activities for all subscription players. The club service provides an internet account review, quarterly newsletter discussing numerous subjects about the lottery, game services, play options, contests to enter for free, and promoting other game alternatives. The telephone service does not rely on any automated service menu requiring players to “touch one for a new service”, etc. When a player calls they get a “real person” willing to respond to their questions on any issue regarding subscription club play, their accounts, or game options and other games offered by the Lottery. Mr. Amada has found, through nine years of club service operations, that players like getting someone in person on the phone rather than a recorded voice with a series of “menu options” that can be confusing and frustrating to navigate through. The only time an operator is not “on hand” is during non-office hours and on weekends.

[0014] In addition, the method and system of the invention also allow players to change their subscription plays and will provide more opportunities for players to win a jackpot when jackpots are higher with pre-defined additional individual ticket purchases and additional tickets through lottery pools. Signing up for subscriptions is also more convenient and affordable for players since the method and system can accommodate monthly payments.

BRIEF DESCRIPTION OF THE DRAWINGS AND APPENDIX

[0015] The accompanying drawings, which are incorporated in and constitute a part of the specification, illustrate the presently preferred embodiments of the invention and, together with the general description given above and the detailed description of the preferred methods and embodiments given below, serve to explain the principles of the invention.

[0016] FIG. 1 is a functional diagram depicting a method for providing subscription lottery play according to the present invention.

[0017] FIG. 2A shows an example of one side of a preferred subscription application form according to the invention.

[0018] FIG. 2B shows an example of a second side of the subscription application form of FIG. 2A.

[0019] FIG. 3 is a functional block diagram of a preferred subscription computer system and a network for practicing the present invention.

[0020] FIG. 4A shows an exemplary display of a game code screen for inputting information about a lottery game for which a player can be subscribed using the system of FIG. 3, with the display showing a tab selection for inputting general information about a selected game.

[0021] FIG. 4B shows an exemplary display of the game code screen of FIG. 4A, with the display showing a tab selection for entering information about awards paid by the selected lottery game.

[0022] FIG. 5A shows an exemplary display of a subscription settings screen for inputting default settings into the system for various fees and miscellaneous time periods used by the system, with the display showing a tab selection for inputting general settings applicable to subscriptions.

[0023] FIG. 5B shows an exemplary display of the subscription settings screen with the display showing a tab
selection for inputting subscription time periods, accompanying service charges, and discounts for automatic renewal subscriptions to be stored in the system.

[0024] FIG. 5C shows an exemplary display of the subscription settings screen for inputting jackpot levels to be stored in the system for triggering advanced play ticket sales.

[0025] FIG. 5D shows an exemplary display of the subscription settings screen for inputting pool sizes to be stored in the system.

[0026] FIG. 6 shows an exemplary display of a transaction code screen for providing audit capability and conformity within the system.

[0027] FIG. 7A shows an exemplary display of a players screen for entering information about a player into the system and viewing stored information about the player, with the display showing a demographics tab selected for entering demographic information provided by a player in his or her subscription application.

[0028] FIG. 7B shows an exemplary display of a screen for displaying payment type information for debit and credit card charges and ACH deductions from checking accounts, when an operator selects the payment type tab shown in FIG. 7A. The same payment screen is available from screen 7A.

[0029] FIG. 8 shows an exemplary display of the players screen prompting the user to select the type of subscription invoice being created after the operator selects the new subscription button for creating in the system a subscription for the player displayed in FIG. 7A.

[0030] FIG. 9A shows an exemplary display of a subscription invoice screen for creating the subscription invoice prompted in FIG. 8, showing sections for inputting and viewing player choices (games, time periods, personal numbers versus Quick Pick numbers, and the like), invoice information and payment information and also showing the tab selections for entering other information about the game plays that the subscribing player has chosen.

[0031] FIG. 9B shows the exemplary display of the subscription invoice screen and a display of a monthly payment schedule in response to the operator's selection of the payments button on the subscription invoice screen.

[0032] FIG. 10 shows an exemplary display of the subscription invoice screen showing the tab selection for entering information about money management for the subscribing player, including reserve account information.

[0033] FIG. 11 shows an exemplary display of the subscription invoice screen showing the tab selection for entering information about individual advance plays for the subscribing player.

[0034] FIG. 12 shows an exemplary display of the subscription invoice screen showing the tab selection for entering information about advance plays for the subscribing player that are pooled with advance plays of other players.

[0035] FIG. 13 shows an exemplary display of the players screen showing the subscription invoice of FIGS. 9-12 pending for the subscribing player after the subscription has been saved in the system and before it is printed.

[0036] FIG. 14 shows the display of FIG. 13 with the display showing the pending subscription invoice selected and after the new subscription button has been selected, prompting the operator for input to replace the invoice.

[0037] FIG. 15 shows an exemplary display of the players screen with the display showing the account balances tab selection for displaying the selected player's financial transactions for their subscription account.

[0038] FIGS. 16A and 16B show an exemplary display of a pre-printed confirmation certificate for confirming a player's subscription according to the invention.

[0039] FIG. 17 shows an exemplary input screen for maintaining a reserve account according to the present invention.

[0040] FIG. 18 shows an exemplary website posting of play results for a lottery player according to the present invention.

DESCRIPTION

[0041] In the following description, methods and embodiments of the invention has been shown and described simply by way of illustration of the best mode contemplated by the inventor of carrying out the invention. As will be realized, the invention is capable of modification in various respects, all without departing from the invention. Accordingly, the drawings and description are to be regarded as illustrative in nature, and not restrictive.

[0042] Referring to FIG. 1, a functional diagram of a method for providing subscription lottery play according to the present invention is shown. According to a preferred method, a subscription service operator 10 interacts with a player 12 seeking to participate in lottery play and with a lottery operator 14. It will be understood that the player can include a person who is a prospective lottery player as well as a person who has previously participated in lottery play. According to the exemplary method of FIG. 1, the lottery operator 14 can be a lottery operated by a governmental entity, such as a state lottery, or a representative of a state. One example of a lottery operator that is a representative of a state is the Georgia Lottery Corporation, which is referred to as a quasi-state agency and which runs the lottery for the state of Georgia. The lottery operator 14 also can include a third-party provider, such as an online provider that operates the on-line lottery games for a state or other governmental entity. According to the exemplary method of FIG. 1, the subscription service operator 10 operates a subscription computer system 16, which stores and processes information regarding subscription lottery games, registered lottery players, player subscriptions and player payments, as described below. The player 12 can communicate with the subscription service operator 10 by mail, by a lottery terminal 11 or a user computer 24 coupled to the subscription computer system 16 via a computer network such as the Internet 30, or by telephone or other suitable communications means.

[0043] According to one novel aspect of the invention, the lottery player 12 can register for the subscription service using a subscription application form 100 along with standard “game play slips” 110 to indicate the games and numbers to which the person wishes to subscribe. FIGS. 2A and 2B show an example of a preferred subscription application form 100, which also serves as a transmittal form for the
player’s game choices. Previously, no state lottery has used a transmittal form to accompany the existing play slips. The application form 100 includes sections for providing player information, payment option information, and subscription information. The subscription information includes game selection, a subscription time period, a number of drawings, and a number of tickets desired for each drawing night. The subscription application form 100 may include additional information, such as a one-time setup fee that can be included in the total payment. The player 12 can also elect to choose monthly payments, in which case he or she would include the necessary financial information about their checking account, or bank card if that form of payment is allowed. Following the instructions on the form, the player enters the total cost of the selected games and an applicable service fee and sends the completed application form to the lottery operator 14 along with the player’s completed game play slips 110 for the player’s selected numbers or quick picks. The form is easy to understand and complete. The player utilizes existing game play slips 110 for their subscription numbers and quick picks.

According to another aspect of the invention, a player 12 can optionally register for subscription play online, such as via the Internet 30, using a credit card, debit card or direct charge to the person’s checking account via the ACH system. In this way, the system can be used to sell subscription services online by accepting a player’s application submission, numbers to be played and payment information online, which can be used to automatically populate the database 102 described below. Until the present invention there has not been any method or system in place by which sellers of state lottery tickets (only state governments can legally sell such lottery tickets) have been able to use the Internet to sell tickets in the manner of the present invention.

Referring again to FIG. 1, the player 12 can mail or submit his or her subscription application form 100, lottery game play slips 110 and payment (or payment information) directly to the subscription services operator (step 18). Alternatively, the player 12 can mail or submit these items to the lottery operator 14 (step 18). If the application form 100, play slips 110 and/or payment are mailed or submitted to the lottery operator 14, the subscription service operator 110 can collect the information from the lottery operator 14 (step 20).

When the subscription service operator 10 receives the subscriber registration information, the operator enters this information into the subscription computer system 16 (step 22). The information from the registration form 100 and numbers on the game play slips 110 can be entered manually or scanned. The subscription computer system 16 then validates the information. It confirms the integrity of subscriber numbers and start date requests and confirms that all numbers entered in the database meet the criteria of the game design as part of the entry process. The system also sets the start date depending on: (a) the system’s pre-defined start date for subscriptions entered on that day; (b) any special start date requests by the subscriber; (c) and any built in delay days that are a function of the method of payment—for example, additional days may added to the pre-defined start date if payment is being made by check to allow sufficient time for monies to be collected; and (d) whether the order is placed by mail or Internet will also affect the start date.

Use of the subscription application form 100 according to the invention provides a number of benefits. It allows the player 12 to play many different lottery games without requiring the cumbersome forms previously used by lottery operators. Previously, state lottery operators that have offered subscriptions using paper forms have used a separate form for players to submit their numbers. They have never used the states “game play slips” to submit their numbers for subscription plays. The paper forms used by all current and previous state lottery operators only allow subscriptions for one or two of their lottery games and due to the amount of paper that is required to offer more than one lottery game. Other benefits are that the lottery operator’s then current “game play slips” (1) are familiar to the player; (2) are already in place; (3) do not require any new forms or additional forms; (4) do not require special inventories or deliveries to the retail outlets; and (5) can be easily scanned by the same scanning devices that are built into the lottery terminals 11, such as those currently located at retail outlets, to allow for more accurate entry into the subscription computer system 16 to record the player’s preferences. In addition, because the numbers to be played are submitted on a separate form (play slips 110), the application form 100 is simple enough that it can be made part of a standard brochure that preferably can be made available at lottery sales outlets or counters. For example, the application form 100 can fit onto just one of the panels in a 9”x3¾” brochure having 3 or 4 panels. Including the application form 100 as part of such a brochure also can enhance the marketing of the subscription service.

FIG. 3 illustrates a preferred computer network system for practicing the present invention. The system includes a computer system 16. The computer system 16 includes a central processing unit (CPU) 108 for processing data and program instructions. The computer system 16 also includes input and output devices, as is well known in the art. For example, the computer 16 preferably includes a display screen or monitor 114, a keyboard 116, a mouse 118, a printer (not shown), etc. The computer system 16 further includes data storage and memory devices, as are known in the art, for storing the database 102, an application program 106 and a Web browser 112. The database 102 is used to store subscription and lottery data. The database 102 is a relational database, as are well known in the art. The computer system 16 is connected to a network 30, which serves as a communications medium with lottery terminal 11 and user computers 24, 110, 111 and mm (where mm refers to any number of users). In a preferred embodiment of the invention, the network 30 comprises the Internet. The Internet is a global network of computers. One popular part of the Internet is the World Wide Web, or the “Web.” The World Wide Web contains computers that display graphical and textual information. Computers that provide information on the World Wide Web are typically called “web sites.” A website is defined by an Internet address that has an associated electronic page, often called a “home page.” Generally, a home page is an electronic document that organizes the presentation of text, graphical images, audio and video into a desired display. Upon reading this specification, those skilled in the art will now understand that, under appropriate circumstances, considering issues such as developments in
computer hardware, software and connectivity, etc., other network configurations and devices also may suffice, such as for example, PDAs connected via a wireless network, etc.

[0049] Still referring to FIG. 3, the computer system 16 is configured according to a preferred embodiment of the invention to include a web server for hosting a website, which includes a homepage and a module for player registration and login. The website can be hosted by the subscription service provider 10, or it may be hosted by another entity or parties external to the subscription service provider 10. Upon reading this specification, those skilled in the art will understand that, under appropriate circumstances, considering issues such as user preference, services offered by a website manager, market demand, subject area, etc., other functional modules may be included. The application program is operable with the database to provide the functionality described below.

[0050] Appendix A summarizes preferred security and control features of a subscription system according to the invention. These features help ensure the security, control and integrity of the subscription computer system 16. The subscribing player 12 can be set up as either an Internet or non-Internet subscriber. If the player is a non-Internet subscriber, then all requests must be submitted in writing on forms provided by the lottery operator and no change in plays can take place in less than seven days, or some other time period from when the request is received to allow time for a new confirmation certificate (described below) to be received by the subscriber. If the subscriber is an Internet subscriber then all requests must be made through the internet and no change in plays can take place in less than three days or some other time period from when the request is received to allow time for the back-up system to capture all changes and to send the new requests to the lottery’s on-line vendor for processing. Subscribers may call the lottery’s subscription department to ask questions, but preferably all requests must be submitted as previously described. Subscribers can be allowed to switch from Internet to non-Internet, or vice-versa by requesting the change. In some cases, there may be a hybrid of Internet and Non-Internet service. For example, some states may not allow orders to be taken over the Internet, but they may allow a player to sign up and provide demographic information over the Internet, then have the player print out forms for ordering tickets and returning those forms by mail along with payment information. In addition, the electronic file to be sent to the lottery’s on-line vendor for any drawing will be created and provided to the lottery most likely the day previous to the drawing. Building in a one day time period allows for situations when electronic transmission may not be available and overnight or other physical delivery may be necessary. A cut off time period for player changes also is preferably set to be two days (or some other suitable time period) before the actual drawing date to allow sufficient time for back-ups prior to the creation of the file to be sent to the lottery’s on-line vendor. Additional features include the classification of every subscription invoice into types and statuses and the controls that accompany such classifications, per Appendix A.

[0051] All subscribing players 12, whether they subscribe online via the Internet 30 or otherwise, can view their results on the web, as described below. The main difference between the Internet and non-Internet subscribers is that only the Internet subscribers can submit their plays and make changes on the Internet. Non-Internet subscribers can only view their information and results on-line. In addition, Internet subscribers preferably will receive most correspondence via the Internet, whereas non-Internet subscribers will receive their correspondence through a mail service such as the U.S. Postal Service. Once registered in the subscription computer system 16, the player 12 also has the option of viewing his or her play subscription and numbers from the secured web site of the subscription computer system 16, which can be operated by the subscription service operator 10 or third party web hosting company.

[0052] According another novel aspect of the invention, the lottery operator 14 preferably charges a small fee to the player 12 for subscription play. Using a small fee is a better marketing technique because it creates perceived value in the minds of the subscribers and provides funding to help perpetuate the subscription service through services and communication. Previously, no state lottery has implemented a method or system that charges a fee for a subscription service. On the contrary, state lotteries have given discounts to attract subscription players.

[0053] According to still another novel aspect, the method and system of the invention enable players to pay electronically each month, making playing the lottery more convenient and affordable. Before the present invention, the state lotteries have always collected, and they continue to collect, 100% of all amounts due from the player up front. According to the present invention, however, the US banking system’s ACH (Automated Clearing House) and credit and debit cards can be used with state lottery plays to allow subscribers to have monthly or other periodic charges to their bank card or withdrawals from their bank account. Players can also submit full payment with their orders by check or money order. To the inventor’s knowledge, no state, current or previously, allows periodic charges to pay for numbers that have been assigned to the person for longer periods of time than the period interval (e.g., paying monthly for a six month subscription). Thus, with the present invention a player can sign up for one year and receive a confirmation certificate of his or her numbers for the year, but only pay a partial amount each month.

[0054] According to another aspect of the invention, subscribers can indicate in advance within the system how many extra tickets they would like to purchase each drawing night based on jackpot levels. This advanced play service is an automated system feature that sells additional tickets to a subscriber upon the occurrence of a defined condition, such as the jackpot for a particular game reaching $50,000,000. The advance plays can be paid for by charges to a debit or credit card as needed, but a preferred system as reflected in FIG. 10, is to create a reserve account from which the charges are paid. The system maintains three accounts for each person. The subscription account maintains the monies to be used to pay for the basic subscription plays (everything but advance plays). The reserve account holds the money to be used for advance plays and can be used to support the main subscription account if that account is short, and the system holds the winnings in a separate winnings account. The subscription account and reserve account can be one account, but there are accounting advantages to keeping monies to pay for fixed period commitments (subscription) separate from conditional advanced plays. The reserve
account, which maintains a balance, can be replenished automatically or manually. For automated replenishment, the invention allows players to predefine at what point they want additional funds deposited to their reserve account. For example, the player may say when the reserve account drops below $15, deposit $20 into that account via their automated payment method (Credit Card, Debit Card, ACH, or similar source). The player can also allow the money to run out, at which time a predefined amount can be added. That amount can be set by the player or by the lottery operator. For manual replenishment, the player can send in a payment to the lottery or can add to the account themselves, for example, via the Internet.

[0055] The reserve account is also an advantageous feature for open-ended subscription play. An open-ended subscription play does not require the subscriber to commit to a fixed time period like that is required under the historical and current subscription programs where a person typically signs up for 3, 6 or 12 months. The open-ended program allows the player to place an order for a continuous purchase of tickets until cancelled by the player. In some instances, there may be a revalidation of the order required in order to have the ticket purchases continue. This form of subscription also allows the player to make changes at will so that the tickets sold to the player by the lottery would reflect the player’s most recent preferences. A player wishing to participate in open-ended subscription play can do so without missing any drawings and without having to be continually bothered to buy tickets. Thus, the player may want the lottery operator to sell him or her lottery tickets continually every drawing until further notice and to take the funds out of the reserve account to pay for those tickets. The player can sign up for open-ended lottery play on the web or by mail. The system can include a reserve account to hold the money. The reserve account can be drawn down each drawing night as the tickets are sold to the player. This method of open-ended subscription play saves the player and lottery operator from having to continually charge a payment source, such as a credit card, for small purchases. By having a minimum in the reserve account, it also ensures the funds are already collected and available for use. By maintaining a minimum level and automatic amount to be replenished there also will be time for a player to be contacted if more funds cannot be obtained before the reserve runs out. This is particularly important if the payment source to replenish the reserve is by ACH, which can take up to a week before verification of funds can be made.

[0056] According to another novel aspect of the invention, subscribes can join one or more lottery pools each drawing night based on jackpot levels, and pay for the participation just like they might do with advance plays for individual tickets described previously. In some cases, subscribes will want to be in a lottery pool all the time and increase their participation in more pools as the jackpot rises. Previously, no state lottery has created lottery pools and placed players into those pools as a standalone service or as part of its subscription service. Purchasing services that act as agents for players have offered pooling, but “purchases on behalf of others” is a legally distinct and separate business from the “selling” of lottery tickets. Only state governments can legally sell or authorize the sale of lottery tickets and no state government has ever created lottery pools and sold interests in those pools. Not only does the pooling feature according to the invention offer more benefits to the players by giving each person more chances to win, but as an added benefit, it helps the lottery operator to entice people to take part in the lottery operator’s subscription service. It can be used as a reward for the player’s loyalty.

[0057] Referring again to FIG. 1, after the subscription computer system 16 validates the submitted information and payment for the subscription has been collected, it generates a confirmation certificate 25 (step 23) indicating the numbers selected, payment arrangements, the first drawing for which the player is entered, the last drawing for which the player is eligible to participate, contact information for the player, and contact information for the subscription service operator 10. The subscription service operator 10 then sends the confirmation certificate 25 to the subscribing player 12 (step 40). According to a preferred method, one day after receipt of the full payment or initial payment, in the case of periodic or monthly payers, the confirmation certificate is mailed to the subscribing player, indicating (a) that the play has been entered into the subscription system; (b) the draw dates; (c) the numbers for each draw date; (d) the lottery games requested; (e) schedule of ACH, debit card, or credit card withdrawal dates and amounts if they selected periodic charges; (f) disclaimer explaining what happens if game design is changed during their plays; (g) contact information; and other notes, and (h) other rules. In the case where payment is made by Internet via a bank card, or via a reserve account where instant credit can be given, the confirmation certificate can be delivered via the Internet almost instantaneously. FIGS. 16A and 16B show a form for an exemplary confirmation certificate.

[0058] As shown in FIGS. 16A and 16B, a game design disclaimer is implemented to protect the states and multi-state games from having to wait until after the last draw date of existing sold tickets or subscriptions before having games changes take place. Powerball, for example, had a rule until just recently that does not allow states to sell subscription services because the subscription services, which are for 3 months to 1 year, inhibit timely changes in the game by Powerball. Each state is now left up to how to handle changes. With the present invention, that is not a problem. The tickets are not only submitted and purchased just one drawing at a time, but the subscriber’s confirmation certificate, which shows all numbers that will be played over the subscription time period, includes a disclaimer substantially as follows:

[0059] IMPORTANT NOTICE—The following numbers will be sold to you subject to the terms and conditions controlling all subscription plays and on the draw dates and for the games shown as long as there are no changes in the game design. If there are any changes in the game, you will be notified by mail and/or email so that you can make changes in your play. If, by the drawing date, when the changes are to take place, we have not received a written reply from you regarding the changes, we will take the following steps: If the game has been changed so that one or more of your numbers are no longer available in the new game matrix, then we will assign new numbers to replace those numbers that are no longer valid. If the quantity of numbers has been increased or decreased requiring an increase or decrease in your number set, then the appropriate increases or decreases will be made to your number sets. If your numbers are still valid in the new
game matrix, then we will continue to play the numbers you have given us. Any of these changes will remain in effect until we receive written notice from you selecting different numbers.

With subscription tickets only being included in the online gaming system one day in advance of the drawing, there is no system liability for future subscription tickets. In addition, the disclaimer will allow the games to be changed at anytime. This feature of the present invention therefore opens up the opportunity for the states to offer subscription plays.

[0060] The system can incorporate a cut off time for new subscriptions, changes to a subscription, or funds collections for entry into a drawing based on a pre-defined period agreed to between the lottery operator 14 and the subscription services operator 10. Thus, for example, if a game has a scheduled drawing on Wednesday at 9 PM, the cut off time for new subscription play, changes or funds collections might be 12 noon on Monday, two days prior. This cut off time would not affect advance play tickets, however, which have been pre-arranged prior to the cut off time, but whose trigger point may be after the cut off time. For example, the jackpot results for a Monday night’s drawing, which are required to determine whether or not advance play tickets should be sold to players for the Wednesday’s drawing, will not be known until after this cut off time in this example.

[0061] Referring again to FIG. 1, after a player’s subscription is entered into the system and is ready for the first drawing, the ticket sale is communicated to the lottery operator 14 (step 40). On the night prior to the drawing day (or other agreed time), the subscription services operator 10 provides an electronic file to the lottery on-line processing system (the system maintained by the state vendor) and to the lottery back office internal control system (the state’s internal system), which together comprise lottery operator 10 (step 44). The electronic file includes a plurality of records. Each record in the electronic file can include an identification of the game to be played, the type of play, the numbers selected, a subscription unique control number, a lottery control number and the play amount. The electronic file can be provided, for example, via tape, other electronic storage medium, or electronic transmission using a high-speed network connection to both systems. When the electronic file is sent to the lottery operator, the sale of the tickets represented by the records in the electronic file is recognized. The subscription computer system 16 is set up to allow security and verification processes through hash totals and cross checking of all wagers to insure they are recorded properly. This file transfer allows the lottery on-line processing system and the lottery back office internal control system to maintain complete accountability for all game draw sales, winner determination, and game liability for all drawings.

[0062] Upon identification and verification by the lottery operator of the numbers drawn for each game, the subscription service operator can enter those validated numbers into the subscription system, which information can be used to determine winning tickets and players. This process of verification of drawn numbers is done by the state and is the same process the state lottery operators currently perform, however, before making any announcement to the public regarding winners, the lottery operator 14 would first provide the drawn numbers to the subscription service operator 10 so that certain reconciliations can be made. This action triggers a search for all winning tickets on the subscription computer system 16. The system can then print a recap totals report indicating the number of winning tickets in each category and the prize amounts in total for all tickets.

[0063] The lottery back office internal control system of the lottery operator 14 can perform its winner determination process and provide winning information reports to the subscription services operator 10 for each lottery game drawing for the tickets that were to be purchased according to the electronic file that was provided by the subscription services operator 10. This is a separate process to measure the lottery operator’s liability to the subscribing players and is done by the state lottery back office internal control system.

[0064] The on-line lottery system vendor can also complete a winner determination and provide similar or the same winning information reports to the subscription service operator. The information would be validated against the system information to make sure that all parties identify and agree with the same winning tickets.

[0065] The subscription service operator 10 can reconcile results with the lottery operator 14, including both the state lottery back office internal control system and the lottery on-line processing system. The subscription service operator can visually as well as electronically balance the winning tickets and amounts to the numbers provided by the lottery and lottery’s on-line vendor. Any discrepancies would have to be reconciled as soon as possible so that the lottery could proceed with the release of winning information and amounts to the public.

[0066] The subscription service operator credits each player’s accounts for amounts. For all winning tickets, each person’s account balance would be updated. Automated deductions, provided by the lottery, will be made for taxes, government obligations, child support, etc. pending final verification and approval by the lottery.

[0067] According to another novel feature of the present invention, the subscription service operator can post to its website the results for each person. FIG. 18 shows an exemplary posting of such results. This posting to the web an individual’s results and highlighting matching numbers (whether the tickets are winners or not) for viewing by each subscriber has not previously been done by any state lotteries. Purchasing services may have posted results of an individuals play on the Internet, but purchasing services are not sellers of tickets. Using the Internet, as described herein, to help the state sell lottery tickets is entirely new to state lotteries.

[0068] State lottery and on-line vendor can reconcile and balance the game liability files on each of their systems. The subscription system operator would send an electronic file back to the State lottery back office system and the online gaming vendor with a record of all winnings amounts credited to player’s account. This process can allow the state lottery and the online vendor system to reconcile and balance the game liability files on each system and to mark those tickets as PAID.

[0069] According to yet another novel aspect of the invention, the subscription service operator can oversee total or
partial winnings distributions per a player’s requests. Based on IRS guidelines, actual payments to the player over $600 preferably will be paid by the state and amounts of $600 and less will be paid by the subscription service operator. Subscribing players will also have the option of having the subscription service operator hold all winnings and only disburse checks based on a specific threshold levels so they don’t receive small “nuisance” checks. This service of holding money for players has never been offered by any state. All previous and current state lotteries that do offer subscriptions send checks to winners no matter how small the check or they give them extended plays for the small winnings. This feature of the invention also can include a transfer option where the subscribers can have their winnings transferred to their reserve account to be used for purchasing additional tickets. The system also includes paying players by electronic payments to the players' banking account rather than by mail. For winnings over $600, the lottery operator can process the list of winners and mail checks to each winner as directed through their normal payment process.

[0070] The system can cash reconcile and process an electronic funds transfer weekly to the state lottery back office system for the amount of money owed to the State for ticket sales, less any agreed upon fees less any commission due on all tickets sold, less any amounts of winnings credited to player accounts that would be held by the subscription service operator on behalf of the Subscribers. In addition, each week the system can provide a report both via paper and electronic versions, of all sales for that previous week for each game, the prize payouts from all drawings, the amounts due to the subscription service operator, the balance of subscription plays for all upcoming drawings, total play for each drawing, and other pertinent reconciling information.

[0071] The lottery operator can process the EFT in the same manner as it does for all retail locations.

[0072] Each week the system can purge from their files, after a six-month period, or other specified time period, all ticket records including payments made to winning tickets. This purge process can produce a written and electronic report of all records purged to provide an audit control document.

[0073] With the present invention, the marketing and advertising of the subscription service can be provided by the participating lottery at a very low cost and the role of the subscription system operator would be that of a backroom service provider. The advertising can be as simple as adding a “tag line” on all current advertising for the games, placement of subscription play brochure/application forms at all retail locations along side all other lottery game brochures, lottery web site advertising, advertising on tickets that are printed out or similar paper that is printed along with each ticket, and public relations. The subscription service operator will be doing on-going promotions through the Newsletter and other communications to players, but the primary responsibility for subscription play advertising would remain with the lottery operator. The subscription service operator has experience in this advertising arena and would be willing to share its knowledge with the lottery operator and their marketing agency.

[0074] Operation of the system will now be described in more detail with reference to the flowchart shown in FIG. 1 and the interface depicted in FIGS. 4-15. FIGS. 4A-4B show exemplary displays of a game code screen 200 for inputting information for setting up a lottery game for which a player can be subscribed using the system of the present invention. The screen includes tab selections 202-210 for inputting and viewing general information about a selected lottery game, game numbers, awards paid by the selected lottery game, game holidays and additional game details. Referring to FIG. 4A, the game information tab 202 is displayed. Selecting the game numbers tab 204 will display the number and range of game numbers that the specific lottery will accept. FIG. 4B shows the game awards tab 206 displayed. Information under this tab defines in the system the awards for given combinations of game numbers. A button 212 is provided for creating a pop-up message that the system can present to a player over the web when they have a winning ticket that is just one number away from a much larger prize, thus creating significantly more excitement than just listing the amount won. Other tab selections 208, 210 define additional parameters of the game in the system.

[0075] FIGS. 5A-5D show exemplary displays of a subscription settings screen 214 and illustrate the process of inputting information for setting up default settings for subscriptions. FIG. 5A shows an exemplary display of a General Settings tab 216 for inputting general settings applicable to all subscriptions. FIG. 5B shows an exemplary display of the subscription Selections tab 218 displaying the specific subscription time periods and associated specific fee charges. FIG. 5C shows an exemplary display of the Jackpot Amounts tab 220 for defining jackpot levels to be stored in the system. FIG. 5D shows an exemplary display of the Pool Sizes tab 222 for inputting pool sizes to be stored in the system. Pool sizes can be ranges of sizes or specific sizes.

[0076] FIG. 6 shows a display of a Transaction Code screen 224 for providing audit capability and conformity of charges to the player, which is utilized by the system of FIG. 3 for different services. Every transaction that affects a player’s account balance is tagged with a classification according to what is referred to as a Transaction Code. These codes facilitate proper charges, since many charges are pre-defined based on specific activities and they facilitate reporting and audit capability.

[0077] As shown in FIG. 1, subscription data for each potential player 12 can be obtained one of three ways, or a combination thereof: by manually entering the data from a subscriber’s application, by scanning the player’s application at the lottery terminal or scanning the application after it has been received by the subscription service operator 10, or by having the player use the invention’s online (web-based) registration system. When a lottery player utilizes the online subscription system, the player accesses the online system via the Internet by using one of the user’s computers.

[0078] FIGS. 7A-7B illustrate the process of inputting player information into the system and creating a new subscription for that player. FIG. 7A shows a Players screen 226 for entering information about a player into the system and viewing stored information about the player, showing a demographics tab selected 228 for entering demographic information provided by a player in his or her application. FIG. 7B shows a subscription invoice screen 232 for displaying payment type information when an operator selects the payment type tab 230 shown in FIG. 7A.
FIG. 8 shows a display of an invoice screen 234 prompting the user for information and a Subscription Type after the operator selects the new subscription button 231 for creating in the system a subscription for the player displayed in FIG. 7. FIG. 9A shows a display of a subscription invoice screen 236 for creating the subscription invoice prompt in FIG. 8, showing sections for inputting and viewing invoice information 238 and payment information 240 and also showing the Plays tab 242 for entering information about the game plays that the subscribing player has chosen. FIG. 9B shows the display of the subscription invoice screen and a display of a monthly payment schedule 244 in response to the operator’s selection of the payments button 246 on the subscription invoice screen 236. FIG. 10 shows an exemplary display of the subscription invoice screen 236 showing the Money Management tab 248 for entering information about money management preferences for the subscribing player, including reserve account information 250.

FIG. 11 shows a display of the subscription invoice screen 236 showing the AP Individual tab 252 for entering information about individual ticket advance plays for the subscribing player. FIG. 12 shows a display of the subscription invoice screen 236 showing the AP Pooling tab 254 for entering information about advance plays for the subscribing player that are pooled with advance plays of other players. While the example of FIG. 12 shows pool sizes 256 defined in ranges, it will be understood that specific pools sizes can also be set up. The advantage of using pool ranges is that once there are a sufficient number of players to make up the lowest number, there will never be any unfilled pools, which is a problem that occurs with specific pools sizes.

FIG. 13 shows an exemplary display of the Players screen 226 showing the subscription invoice of FIGS. 9-12 pending for the subscribing player after the subscription has been saved in the system and before it is printed. FIG. 14 shows the display of FIG. 13 with the pending subscription invoice selected and after the new subscription button has been selected, prompting the operator for input to replace the invoice.

FIG. 15 shows an exemplary display of the Players screen 226 showing the account balances tab 258 for displaying financial transactions history for the selected player’s subscription account.

From the foregoing, it can be seen that the present invention provides a number of advantages over the previously known art. For participating lotteries, there are a number of benefits. The invention will increase sales for all games with minimal to no cost to the lottery operator. The subscription service attracts former players, homebound players, busy people, intermittent players, and new players. It also provides a service to existing players who go on vacation, but don’t want to miss playing for any drawing of the game, who want to spend more money to add pools to their lottery play, or who want to have tickets automatically sold to them through an automatic payment arrangement. The subscription service can be made available to all online games, not just jackpot games. (Some exceptions might be games that are played every five minutes and Video Lottery games.) Players like the flexibility and control that the method and system of the invention can provide to them in selecting, and maintaining their play choices. Another advantage of the method and system is that it keeps players “in the game” regardless of the jackpot size. This increases the play level for the lottery operator when the base jackpot is in play following a major Jackpot win. Thus, it helps to grow the next jackpot for future draws faster for more play. Further, the method and system of the invention provide an anchor for the lottery operator in getting players attached to the ongoing lottery play. They provide the lottery operator with the ability to monitor play levels for those players signed up for the service. This is critical in assuring no inappropriate play issues arise. The method and system of the invention can even be used to limit the amount players place on their credit card per use or per time period. Moreover, the method and system of the invention can provide the lottery operator with a robust player research base to conduct game research, look for “nitch” products, and get solid player feedback on likes and dislikes on all games. This is critical in maintaining enjoyable and entertaining gaming options for all players, not just the subscription players.

The invention also provides benefits to lottery players, which in turn translates to more sales for the lottery. The players get much more than just a subscription for the upcoming game drawings. While the obvious benefits include no more standing in line for tickets, no more last minute dashes to the store, and no more missed drawings or unclaimed winners, they get much more. The method and system of the invention allow players to sign up for automatic additional plays for both individual and pooling tickets during large jackpot runs. They can participate in pools of any size, e.g., 5, 10, 20, 50, 100, 250, 500 and even 1000 tickets for only a dollar. The subscription services operator forms these pools and all tickets are sold to the players with full accounting and reconciliation on their accounts. The players can also purchase their subscription with monthly payments making their lottery playing more convenient and affordable. They can view their pool plays online if they desire. Not only do they receive a confirmation certificate for their subscription play, they also get a winning statement at the end of their play, they get quarterly statements on their accounts, a complete reconciliation of their account balances and transactions, and renewal notices before their play runs out. Players also get the feeling of a club relationship through a club newsletter, jackpot alert notices, and special offers made available through the club. These special offers include free ticket give-a-ways, free dinners, and much more. Thus, the invention allows helps create a fun experience for the players and keeps up their interest in the lottery. This activity creates excitement and entertainment for the players and allows the lottery operator to communicate a winning message to all players.

The subscription services operator also can send out a personalized gift message to all players who receive a gift subscription from anyone. The method and system of the invention allow players to accumulate small winnings in their accounts, yet produce a winning check only when the prize is significant according to the player’s wishes. Moreover, the method and system of the invention allow players to access their accounts and play numbers over the Internet. This allows players to track their play and winnings after each drawing and see when their subscription play will end, etc. They can also sign up for more plays online, if they desire.

Players will benefit from the service and fun activities provided by the method and system of the invention. If
a player is ever dissatisfied with the service for any reason a full refund can be provided for all “remaining play” activity, no questions asked. It’s their money and they have control over how it is to be spent.

[0087] The cost to the lottery operator is less than what the lottery operator pays as commission to the normal retailer selling any of their on-line game tickets. The lottery operator must also agree to provide some amount of subscription play promotion and advertising over the course of a year, but this is minimal, especially considering the increased sales achieved with the method and system of the invention. Initial estimates of play level increase are in the range of 10 to 20 percent from the current base, when jackpots are at their lowest level. Placement of brochure/subscription order forms at all retail locations should be handled by the lottery operator.

[0088] The cost to the player for this robust service is minimal. For non-internet users the cost is anticipated to be about $2 a month and varies from $1.75 per month one year subscriptions, $2 a month for six month subscriptions and $2.50 per month for three month subscriptions. For Internet users, the cost is anticipated to be $1 per month regardless of the time period, but may vary slightly to encourage longer plays.

[0089] The invention in its broader aspects is not limited to the specific details, representative devices, and illustrative examples shown and described. Those skilled in the art will appreciate that numerous changes and modifications may be made to the preferred embodiments of the invention and that such changes and modifications may be made without departing from the spirit of the invention.

<table>
<thead>
<tr>
<th>Certificate Type</th>
<th>Purpose/Comment</th>
<th>Charges to Appear on New Subscription</th>
<th>Change in Games/Numbers/Time Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>New</td>
<td>New - not dependent on a prior Certificate.</td>
<td>Service Fee + Set-Up fee if first time subscribing.</td>
<td>All changes allowed.</td>
</tr>
<tr>
<td>Renewal Sub Replacement</td>
<td>Starts when old Certificate expires Subscription Replacement - Refers to the replacement of any Certificate that has been provided to the recipient, which includes any changes in the games, numbers, or date ranges of the main play. The System will change the Active Status of the Certificate being replaced to Replaced.</td>
<td>Service Fee + Subscription Replacement Fee.</td>
<td>All changes allowed.</td>
</tr>
<tr>
<td>Advance Replacement</td>
<td>Advance Replacement - Refers to the replacement of any Certificate that has been provided to the recipient, which only includes changes to the Advance Plays. The System will change the Active Status of the Certificate being replaced to Replaced.</td>
<td>Service Fee + Inactive Replacement Fee.</td>
<td>Only changes in Advance Plays are allowed.</td>
</tr>
<tr>
<td>Inactive Replacement</td>
<td>Inactive Replacement - Refers to the replacement of any Certificate that had a status of Inactive. The System will change the Inactive Status of the Certificate being replaced to Replaced.</td>
<td>The time period will be extended to make up for missed drawings. No other changes are allowed.</td>
<td></td>
</tr>
<tr>
<td>Deposit</td>
<td>Records Deposit details.</td>
<td></td>
<td>Deposit Only</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Certificate Status</th>
<th>Purpose/Comment</th>
<th>Automatic Charge for Status Change to appear on Account Summary</th>
<th>Status Assignment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pending</td>
<td>Refers to any Certificate which has not yet been printed. The only change that can be made to a Pending Certificate without causing changes in the number sets of the main play or any changes to the advanced plays.</td>
<td>$ -0-</td>
<td>Assigned by system</td>
</tr>
<tr>
<td>Pending Locked</td>
<td>Once a Pending Certificate has been printed its status changes from Pending to Pending Locked and no changes may be made.</td>
<td>$ -0-</td>
<td></td>
</tr>
</tbody>
</table>

Software Security and Control Features
I claim:

1. A method for providing subscription services for a lottery operated by a state lottery operator using a computer system, the method comprising:

   receiving a subscription application from a lottery player, wherein the subscription application includes player information and information for a subscription order to purchase at least one lottery ticket for at least one game selection over a plurality of subscription drawings, unless sooner terminated;

   receiving instructions for lottery ticket numbers for the subscription order;

   storing on a subscription computer system subscription information including the information from the sub-

   Automated Charges are set by the system. In those cases where the status is manually set or changed, charges, if any, will be entered manually.

   Automatic by system when Default Delay Period has expired. It must be changed manually if the previous status is Denied.

   Automated by system.

   Manual Entry
scription application, the information for the subscription order and the instructions for lottery ticket numbers;

collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the subscription order; and

using the stored subscription information to submit to the state lottery computer system information to purchase one or more lottery tickets for less than the plurality of the subscription drawings included in the subscription order.

2. The method of claim 1 wherein the submission to the state lottery online system includes only that information required by the state lottery operator to sell tickets to the player for the next subscription drawing included in the subscription order.

3. A method for providing subscription services for a lottery operated by a state lottery operator, the method comprising:

receiving a subscription application from a lottery player, wherein the subscription application includes player information and information for a subscription order to purchase at least one lottery ticket for at least one game selection over a plurality of subscription drawings, unless sooner terminated;

receiving instructions for lottery ticket numbers for the subscription order;

storing on a subscription computer system subscription information including the information from the subscription application, the information for the subscription order and the instructions for lottery ticket numbers; and

collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the subscription order;

wherein the subscription application includes a paper transmittal form and wherein the lottery player submits the paper transmittal form with one or more game play slips identifying one or more lottery tickets to be purchased by the lottery player.

4. The method of claim 3 wherein the transmittal form is submitted by mail service.

5. The method of claim 3 wherein the transmittal form is submitted to a retailer of lottery tickets.

6. The method of claim 3 wherein the transmittal form is scanned into a lottery terminal located at a lottery ticket retail location.

7. A method for providing subscription services for a lottery operated by a state lottery operator, the method comprising:

receiving a subscription application from a lottery player, wherein the subscription application includes player information and information for a subscription order to purchase at least one lottery ticket for at least one game selection over a plurality of subscription drawings, unless sooner terminated;

receiving instructions for lottery ticket numbers for the subscription order;

storing on a subscription computer system subscription information including the information from the sub-
scription application, the information for the subscription order and the instructions for lottery ticket numbers;

collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the subscription order; and

charging the lottery player one or more fees for services associated with the subscription application.

8. A method for providing subscription services for a lottery operated by a state lottery operator, the method comprising:

receiving a subscription application from a lottery player, wherein the subscription application includes player information and information for a subscription order to purchase at least one lottery ticket for at least one game selection over a plurality of subscription drawings, unless sooner terminated;

receiving instructions for lottery ticket numbers for the subscription order;

storing on a subscription computer system subscription information including the information from the subscription application, the information for the subscription order and the instructions for lottery ticket numbers; and

collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the subscription order wherein the collected funds are in an amount less than the amount required to purchase all of the lottery tickets for the plurality of subscription drawings.

9. The method of claim 8 wherein step of collecting funds includes collecting periodic partial payments so that sufficient funds are available to pay the amount required by the state lottery operator as the tickets are sold to the lottery player.

10. A method for providing subscription services over a computer network for a lottery operated by a state lottery operator, the method comprising:

receiving a subscription application from a lottery player, wherein the subscription application includes player information and information for a subscription order to purchase at least one lottery ticket for at least one game selection over a plurality of subscription drawings, unless sooner terminated;

receiving instructions for lottery ticket numbers for the subscription order;

storing on a subscription computer system subscription information including the information from the subscription application, the information for the subscription order and the instructions for lottery ticket numbers; and

collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the subscription order;

wherein the subscription order information includes one or more selected jackpot levels for one or more games and the purchase of additional tickets under the subscription order for a given game of the one or more games is conditioned upon reaching the selected game jackpot levels for the given game.
11. The method of claim 10 further comprising defining in the subscription computer system one or more pools of lottery players for the selected game and placing the lottery player into one or more of the pools for the selected game.

12. The method of claim 10 further including the step of maintaining a reserve account for collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the conditional subscription order.

13. The method of claim 12 wherein the reserve account is automatically replenished when the reserve account falls to or below a predefined minimum level.

14. The method of claim 13 wherein the reserve account is automatically replenished by a predefined amount.

15. The method of claim 13 wherein the reserve account is automatically replenished to a predefined level.

16. The method of claim 13 wherein the reserve account is automatically replenished by an automated payment method.

17. A method for providing subscription services for a lottery operated by a state lottery operator using a computer network, the method comprising:

- receiving a subscription application from a lottery player, wherein the subscription application includes player information and information for a subscription order for purchasing at least one lottery ticket for at least one game selection over a plurality of subscription drawings;
- receiving instructions for number selections for the subscription order;
- storing on a computer system the information from the subscription application, the information for the subscription order and the instructions for number selections; and
- collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the subscription order, including:
  - maintaining funds in a reserve account for the lottery player; and
  - charging the reserve account to pay for the one or more tickets.

18. The method of claim 17 wherein the reserve account is automatically replenished when the reserve account falls to or below a predefined minimum level.

19. The method of claim 18 wherein the reserve account is automatically replenished by a defined amount.

20. The method of claim 18 wherein the reserve account is automatically replenished to a defined level.

21. The method of claim 18 wherein the reserve account is automatically replenished by an automated payment method.

22. A method for providing subscription services for a lottery operated by a state lottery operator, the method comprising:

- receiving a subscription application from a lottery player, wherein the subscription application includes player information and information for a subscription order to purchase at least one lottery ticket for at least one game selection over a plurality of subscription drawings, unless sooner terminated;
- receiving instructions for lottery ticket numbers for the subscription order;
- storing on a subscription computer system subscription information including the information from the subscription application, the information for the subscription order and the instructions for lottery ticket numbers;
- collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the subscription order; and
- defining in the subscription computer system one or more pools of lottery players and placing the lottery player into one or more of the defined pools.

23. The method of claim 22 wherein the subscription order information includes one or more selected jackpot levels for one or more games and the purchase of additional pooling tickets under the subscription order for a given game of the one or more games is conditioned upon reaching the selected game jackpot level for the given game.

24. The method of claim 22 wherein defining the one or more pools of lottery players includes setting a pool size for the one or more pools by providing a set number of players permitted to participate in each of the one or more pools.

25. The method of claim 22 wherein defining the one or more pools of lottery players includes setting a pool size range for the one or more pools by providing a range of the number of players permitted to participate in each of the one or more pools.

26. The method of claim 22 further including the step of maintaining a reserve account for collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the conditional subscription order.

27. The method of claim 22 wherein the reserve account is automatically replenished when the reserve account falls to or below a predefined minimum level.

28. The method of claim 27 wherein the reserve account is automatically replenished by a predefined amount.

29. The method of claim 27 wherein the reserve account is automatically replenished to a predefined level.

30. The method of claim 27 wherein the reserve account is automatically replenished by an automated payment method.

31. A method for providing subscription services for a lottery operated by a state lottery operator, the method comprising:

- receiving a subscription application from a lottery player, wherein the subscription application includes player information and information for a subscription order to purchase at least one lottery ticket for at least one game selection over a plurality of subscription drawings, unless sooner terminated;
- receiving instructions for lottery ticket numbers for the subscription order;
- storing on a subscription computer system subscription information including the information from the subscription application, the information for the subscription order and the instructions for lottery ticket numbers;
- collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the subscription order; and
- requiring the lottery player to agree to procedures to be used in the event that the lottery operator makes
changes to the lottery game before all of the plurality of subscription drawings are completed.

32. A method for providing subscription services for a lottery operated by a state lottery operator, the method comprising:

receiving a subscription application from a lottery player, wherein the subscription application includes player information and information for a subscription order to purchase at least one lottery ticket for at least one game selection over a plurality of subscription drawings, unless sooner terminated;

receiving instructions for lottery ticket numbers for the subscription order;

storing on a subscription computer system subscription information including the information from the subscription application, the information for the subscription order and the instructions for lottery ticket numbers;

collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the subscription order; and

posting the lottery ticket numbers and highlighting each of the lottery ticket numbers that match the numbers drawn by the state lottery operator whether or not the lottery ticket numbers are included in winning number combinations.

33. A method for providing subscription services for a lottery operated by a state lottery operator, the method comprising:

receiving a subscription application from a lottery player, wherein the subscription application includes player information and information for a subscription order to purchase at least one lottery ticket for at least one game selection over a plurality of subscription drawings, unless sooner terminated;

receiving instructions for lottery ticket numbers for the subscription order;

storing on a subscription computer system subscription information including the information from the subscription application, the information for the subscription order and the instructions for lottery ticket numbers;

collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the subscription order; and

paying winnings to the lottery player when the lottery player’s unpaid winnings are at or above a predefined level.

34. The method of claim 33 wherein paying winnings to the lottery player includes crediting the lottery player’s reserve account.

35. The method of claim 33 wherein paying winning to the lottery player includes paying the lottery player when total unpaid winnings are at or above predefined level.

36. The method of claim 33 wherein paying winnings to the lottery player includes paying the lottery player when a prize for a winning lottery ticket is at or above a predefined level.

37. A method for providing subscription services for a lottery operated by a state lottery operator, the method comprising:

receiving a subscription application from a lottery player, wherein the subscription application includes player information and information for a subscription order to purchase at least one lottery ticket for at least one game selection over a plurality of subscription drawings, unless sooner terminated;

receiving instructions for lottery ticket numbers for the subscription order;

storing on a subscription computer system subscription information including the information from the subscription application, the information for the subscription order and the instructions for lottery ticket numbers;

collecting funds for paying for one or more tickets to be purchased from the state lottery operator based on the subscription order; and

collecting funds for paying for the one or more tickets to be purchased from the state lottery operator based on the subscription order includes collecting funds using an automated payment method.

38. The method of claim 37 wherein the automated payment method includes making one or more charges to the lottery player’s one or more credit card accounts and the total amount collected by charges to the lottery player’s one or more card accounts is restricted to a limit set by the state lottery operator.

39. The method of claim 1 wherein the subscription application is for an open-ended subscription.

40. A system for providing subscription services for a lottery operated by a state lottery operator using a computer system, the system comprising:

a computer system programmed to:

receive a subscription application from a lottery player, wherein the subscription application includes player information and information for a subscription order to purchase at least one lottery ticket for at least one game selection over a plurality of subscription drawings, unless sooner terminated;

receive instructions for lottery ticket numbers for the subscription order;

store subscription information including the information from the subscription application, the information for the subscription order and the instructions for lottery ticket numbers;

collect funds for paying for one or more tickets to be purchased from the state lottery operator based on the subscription order; and

use the stored subscription information to submit to the state lottery computer system information to purchase one or more lottery tickets for less than the plurality of the subscription drawings included in the subscription order.

* * * * *