

From: Kaminski, Jeffri A. [JAKaminski@Venable.com]
Sent: Wednesday, August 18, 2010 10:34 AM
To: Bill Wolfe
Cc: Tony Licata
Subject: Emailing: United States Patent Application 0100160021.htm

US PATENT & TRADEMARK OFFICE
PATENT APPLICATION FULL TEXT AND IMAGE DATABASE



(2 of 4)

United States Patent Application	20100160021
Kind Code	A1
Wolfe; William W. ; et al.	June 24, 2010

SYSTEM AND METHOD FOR A NATIONAL *LOTTERY*

Abstract

A *lottery* method including assigning a plurality of entities respective allotments of *lottery* tickets so that each allotment of *lottery* tickets for each respective entity corresponds to a number of eligible people in the entity. The method also includes selling the *lottery* tickets in each respective entity such that each *lottery* ticket comprises a unique *lottery* identifier and the method includes selecting a winning *lottery* ticket from a combination of the *lottery* tickets. The method further includes distributing a portion of proceeds from the selling to a winner having the winning *lottery* ticket, distributing a portion of the proceeds from the selling to the respective entity where the winning *lottery* ticket was purchased, or holding the portion of the proceeds for another drawing.

Inventors: **Wolfe; William W.; (Annapolis, MD) ; Licata; Anthony; (Annapolis, MD)**
Correspondence Address: **VENABLE LLP
P.O. BOX 34385
WASHINGTON
DC
20043-9998
US**
Serial No.: **338662**

Series Code: 12

Filed: December 18, 2008

Current U.S. Class: 463/17

Class at Publication: 463/17

International Class: A63F 9/24 20060101 A63F009/24

Claims

1. A **lottery** method, comprising: assigning a plurality of entities respective allotments of **lottery** tickets, wherein each allotment of **lottery** tickets for each respective entity corresponds to a number of eligible people in the entity; selling the **lottery** tickets in each respective entity, wherein each **lottery** ticket comprises a unique **lottery** identifier; selecting a winning **lottery** ticket from a combination of the **lottery** tickets; and distributing a portion of proceeds from the selling to a winner having the winning **lottery** ticket, distributing a portion of the proceeds from the selling to the respective entity where the winning **lottery** ticket was purchased, or holding the portion of the proceeds for another drawing.

2. A **lottery** method according to claim 1, further comprising: storing ticket information about each **lottery** ticket on an entity data store for each respective entity.

3. A **lottery** method according to claim 1, further comprising: holding the proceeds of each **lottery** ticket sold in an entity escrow account for each respective entity.

4. A **lottery** method according to claim 3, further comprising: transferring a majority of the proceeds in each entity escrow account into a specified common account, wherein the specified common account holds the portion of the proceeds to be set aside for the winning **lottery** ticket.

5. A **lottery** method according to claim 4, further comprising: distributing a management fee from the specified common account to a management body; and distributing an entity payment from the specified common account to each respective entity.

6. A **lottery** method according to claim 1, wherein the selecting comprises choosing from the combination of the **lottery** tickets which are sold.

7. A **lottery** method according to claim 1, wherein the selecting comprises choosing a plurality of unique winners for a plurality of drawings.

8. A **lottery** method according to claim 1, wherein the selling is during a specified time period.

9. A **lottery** method according to claim 4, wherein the selling is during a specified time period and the transferring is conducted at an expiration of the specified time period.

10. A **lottery** method according to claim 2, further comprising transmitting the ticket information

from each entity data store to a common data store, wherein the common data store comprises the combination of the *lottery* ticket identifiers of the *lottery* tickets.

11. A *lottery* method according to claim 10, wherein the drawing is conducted from the *lottery* ticket identifiers stored at the common data store.

12. A *lottery* method according to claim 5, further comprising dispensing an amount of the entity payment proportional to the eligible population of the entity.

13. A *lottery* method according to claim 1, wherein the assigning a plurality of entities a discrete number of *lottery* tickets comprises entities from a state of the United States of America, the District of Columbia, and a Commonwealth of the United States of America.

14. A *lottery* system, comprising: a management body to assign a plurality of entities respective allotments of *lottery* tickets, wherein each allotment of *lottery* tickets for each respective entity corresponds to a number of eligible people in the entity able to participate in a *lottery*, wherein the management body oversees a drawing for a winning *lottery* ticket for the drawing from a combination of the *lottery* tickets which are sold, and wherein the management body (a) oversees a distribution of a portion of proceeds from a sale of the *lottery* tickets for the drawing to a winner of the drawings having the winning *lottery* ticket for the drawing, (b) oversees a distribution of a portion of the proceeds from the *lottery* tickets sold to the respective entity where the winning *lottery* ticket was purchased, or (c) oversees that a particular financial institution holds the portion of the proceeds for another drawing; and a retailer to sell the *lottery* tickets to an eligible population, wherein each *lottery* ticket comprises a unique *lottery* identifier.

15. A *lottery* system according to claim 14, further comprising: an entity data store for each respective entity to store ticket information about each *lottery* ticket sold.

16. A *lottery* system according to claim 14, further comprising: an entity escrow account at a financial institution for each respective entity to hold the proceeds of each *lottery* ticket sold.

17. A *lottery* system according to claim 16, further comprising: a specified common account at the particular financial institution to receive a majority of the proceeds in each entity escrow account, wherein the specified common account holds the portion of the proceeds to be set aside for the winning *lottery* ticket of the drawing.

18. A *lottery* system according to claim 17, wherein the management body distributes a management fee from the specified common account to the management body and distributes an entity payment from the specified common account to each respective entity.

19. A *lottery* system according to claim 14, wherein the management body assigns each *lottery* ticket a specified price.

20. A *lottery* system according to claim 14, wherein the plurality of retailers sell the *lottery* tickets during a specified time period.

21. A **lottery** system according to claim 17, wherein the plurality of retailers transfer the proceeds from the **lottery** tickets at an expiration of the specified time period.
22. A **lottery** system according to claim 15, wherein the management body oversees a transmission of the ticket information from each entity data store to a common data store, wherein the common data store comprises the combination of the **lottery** identifiers of the **lottery** tickets sold in each entity and the drawing is from the common data store.
23. A **lottery** system according to claim 18, wherein the entity payment for each respective entity corresponds proportionally to the eligible population of the respective entity.
24. A **lottery** system according to claim 14, wherein the plurality of entities comprises entities from a state of the United States of America, the District of Columbia, and a Commonwealth of the United States of America.
25. A **lottery** system, comprising: a plurality of entities to make available for sale a discrete number of **lottery** tickets, wherein the discrete number of **lottery** tickets for each respective entity corresponds to a predetermined number, wherein each **lottery** ticket comprises a unique identifier; a retailer to sell the **lottery** tickets; a management body to draw one winning **lottery** ticket in a drawing from the discrete number of **lottery** tickets, wherein the management body oversees a distribution of proceeds from the sale of **lottery** tickets to any or a combination of: (1) a winner of the drawing having the winning **lottery** ticket, (2) the respective entity where the winning **lottery** ticket was purchased of the one of the plurality of drawing, and (3) an account for another drawing.
26. A **lottery** method, comprising: assigning a plurality of entities a discrete number of **lottery** tickets, wherein the number corresponds to a predetermined number, wherein each **lottery** ticket comprises a unique **lottery** identifier; selling the **lottery** tickets at a specified price to the eligible population during a specified time period by retailer located in each one of the plurality of entities; storing ticket information about each **lottery** ticket sold in each entity on an entity data store for each entity; holding proceeds of each **lottery** ticket sold in an entity account for each entity; transferring the ticket information from each entity data store into a common data store; transferring a majority of the proceeds in each entity account into a common account at an expiration of the specified time period; distributing a management fee from the common account to a management body; distributing an entity payment from the common account to each participating entity, wherein the entity payment corresponds to the eligible population of the entity; selecting a **lottery** identifier from the common data store in the drawing, wherein the selecting is by a firm; and distributing the remaining proceeds to a winner of the drawing having the winning **lottery** ticket for the drawing, the respective entity where the winning **lottery** ticket was purchased, or an escrow account for another drawing.
27. A method according to claim 26, wherein the selecting of the **lottery** identifier of the drawing is at a designated early-bird time which is at a date prior to a date of a second drawing, wherein the **lottery** identifier of the drawing at the designated early-bird time is also entered into the second drawing.

28. A method according to claim 27, wherein the designated early-bird time is thirty days after the specified time period begins.

Description

BACKGROUND

[0001]Embodiments of the invention relate to a method and system for a national *lottery*, which combines the aspects of *lottery*, raffle, drawings, prize pools, and the probability of winning a prize through the random selection of a *lottery* ticket.

[0002]Many traditional *lottery* systems place much responsibility on each individual *lottery* entity and are costly to maintain and operate. With exemplary embodiments of the invention, individual *lottery* entities are relieved of such responsibility and cost expenditures.

SUMMARY

[0003]The above and other embodiments are accomplished according to one aspect of the invention wherein there is provided a method for a *lottery* which includes, according to one embodiment: a method for assigning a plurality of entities respective allotments of *lottery* tickets, wherein each allotment of *lottery* tickets for each respective entity corresponds to a number of eligible people in the entity; selling the *lottery* tickets in each respective entity, wherein each *lottery* ticket comprises a unique *lottery* identifier; selecting a winning *lottery* ticket from a combination of the *lottery* tickets; and distributing a portion of proceeds from the selling to a winner having the winning *lottery* ticket, distributing a portion of the proceeds from the selling to the respective entity where the winning *lottery* ticket was purchased, or holding the portion of the proceeds for another drawing.

BRIEF DESCRIPTION OF THE DRAWINGS

[0004]Embodiments of the present invention will be more readily understood from the following detailed description when read in conjunction with the accompanying drawings, in which:

[0005]FIG. 1 is an overview of the allocation of tickets to participating entities according to an exemplary embodiment of the invention;

[0006]FIG. 2 is a detailed view of the process after FIG. 1 according to an exemplary embodiment of the invention;

[0007]FIG. 3 is a detailed view of the process of choosing the winning ticket subsequent to the process depicted in FIG. 2 according to an exemplary embodiment of the invention; and

[0008]FIG. 4 is an example of the *lottery* system according to an exemplary embodiment of the invention.

DETAILED DESCRIPTION

[0009]An embodiment of the invention involves a method and system for conducting a *lottery* involving a plurality of participating entities. Each participating entity may be assigned an initial allotment of *lottery* tickets based on an eligible population in the entity. The initial allotment of *lottery* tickets, however, may be exceeded. Retail locations in each participating entity place the *lottery* tickets on-sale during a specified time period. Each *lottery* ticket has a unique identifier. The unique identifier allows the *lottery* to have a unique winner at each prize level, drawn from a pool of the *lottery* tickets, that is, no winning tickets for a prize have the same identifier. This assures a potential winner that there will be no split winnings of a prize. There may be several prizes at any prize level. For example, there may be fifteen drawings for a \$1,000,000 USD prize level in which each of the fifteen winners may receive the \$1,000,000 USD prize.

[0010]Embodiments of the invention reduce the responsibility for those entities who conduct their own individual entity lotteries, reducing cost expenditures associated with conducting an individual *lottery*, and increasing the revenue streaming from a *lottery* system for each participating entity.

[0011]With the *lottery* system and method according to an embodiment of the present invention, individual entities need only to maintain a data store for storing ticket information. A management body may handle the other aspects of running a *lottery*, thus reducing individual entities' costs of conducting a similar *lottery* on their own. An example of a management body may be The National *Lottery* Commission.

[0012]A secondary revenue stream for each participating entity may be created using the described system and method. For example, all *lottery* ticket proceeds may be stored in an entity escrow account. Each participating entity may retain the interest income generated from the *lottery* ticket proceeds in the account. In addition, each participating entity may receive a payment for their participation. Participating entities may anticipate the amount of the payment once the management body determines the number of entities participating in a given drawing. The management body may set the entity payment at a higher percentage than other *lottery* systems to generate more revenue for each participating entity. For example, five percent of the *lottery* ticket proceeds sold in each participating entity may be the entity payment amount and may be retained by the entity. The management body may also set aside a *lottery* administrative fee for each entity to advertise the *lottery* and for other expenses. For example, five percent of the *lottery* ticket proceeds sold in each participating entity may be the *lottery* administrative fee for each entity and the entity may retain those funds.

[0013]The management body may determine the amount for which each *lottery* ticket is sold so that the *lottery* tickets may generate more revenue per dollar than other traditional *lottery* products. Due to the greater return according to an embodiment of the invention, participating entities should not be concerned of loss sales attributed to competing lotteries.

[0014]Participating entities may also reduce their budget allocated to *lottery* advertising. A concern for some entities is the necessity of having to compete with neighboring entity lotteries.

Such competing entities tend to allocate a higher advertising budget to encourage individual consumers to participate in a local entity's *lottery* rather than crossing borders to purchase *lottery* tickets of a neighboring entity's *lottery*. Since competition with neighboring entity lotteries is of substantially less concern in the embodiment, participating entities may reduce their *lottery* advertising budget. It may be likely that all neighboring entities of a participating entity are participating in the *lottery* system and method according to the present invention. In addition, as stated above, each entity may retain funds from the sale of the *lottery* tickets to use for advertising the *lottery*.

[0015]Referring to FIG. 1, there is shown an exemplary embodiment of the present invention. In this embodiment, nine entities 102-110 are participating in a given *lottery* cycle. An example of an entity 102-110 may include, but is not limited to, a state from the United States of America, a province of Canada, etc. A *lottery* cycle may include a time period beginning when the *lottery* tickets become available for purchase and ending when a winning *lottery* ticket is drawn. There may be a plurality of drawings within each *lottery* cycle for a grand prize, first prize, second prize, etc. In addition, there may be several *lottery* cycles in a year. Individual consumers may purchase *lottery* tickets during each *lottery* cycle.

[0016]Each participating entity 102-110 may pay an initial onetime membership fee 111A-111I to participate. The management body may designate the onetime membership fee. Entities may be permitted to skip a *lottery* cycle and rejoin without additional expense or penalty. Each participating entity 102-110 may be assigned an initial allotment of a number of *lottery* tickets 112A-112I. The allotment per entity may vary and may be based on, for example, the eligible population of the entity. The eligible population of an entity includes those individual consumers residing in the entity who are legally able to participate in a *lottery*. An example of an individual consumer who is able to participate is a person of a legal age. The management body may assign each participating entity an initial allotment of a number of *lottery* tickets 112A-112I. Each entity may only sell *lottery* tickets for their entity and may not sell another entity's *lottery* tickets. Although each entity is initially assigned an allotment of *lottery* tickets based on their respective eligible population, in an exemplary embodiment entities may be issued additional *lottery* tickets for sale corresponding to that particular entity if the entity sells their initial allotment prior to the end of the *lottery*. For example, Maryland may be assigned 4 million *lottery* tickets based on an eligible population of 4 million people. Maryland may sell the 4 million *lottery* tickets and then may additionally sell any number of *lottery* tickets over the Maryland initial allotment of 4 million *lottery* tickets.

[0017]If each participating entity sells only their allotment of *lottery* tickets, the number of *lottery* tickets 112A-112I may correspond to the eligible population of each respective entity. Accordingly, the sum of the *lottery* tickets 112A-112I may correspond to the total number of *lottery* tickets 101 sold in the *lottery* cycle. Since the eligible population can adjust according to variances in the population within the entity, the number of tickets 112A-112I allotted for that entity might change. Individual consumers in entities with higher eligible populations have no advantage with respect to the prize pool over individual consumers in entities with smaller eligible populations. However, individual consumers in the entities with the smaller eligible population may have the opportunity of participating in a *lottery* with a prize pool that is larger than that which the entity could generate in its own *lottery*.

[0018]FIG. 2 shows another example of an embodiment of the invention. In this example, three entities 202-204 are participating in the *lottery* cycle and there are a total number of *lottery* tickets 201 for these three entities 202-204. FIG. 2 shows an example of a process after the initial membership fee 211A-211C is paid and the allotment of *lottery* tickets 212A-212C is made to the participating entities 202-204. Each participating entity 202-204 makes their allotment of tickets 212A-212C available for sale during a specified time period 213A-213C of the *lottery* cycle. The time period 213A-213C may be the same for each participating entity 202-204. A start date and a final end date may be established in advance of the specified period 213A-213C so that the *lottery* may be publicized and marketed.

[0019]The duration of the specified time period for the *lottery* cycle may be any duration. The duration, start date, and final end date may be predetermined by the management body. In one embodiment, the duration may last approximately 4 to 5 months from the start date to the final end date. The *lottery* tickets may be made available for sale in each entity at the start date. The *lottery* tickets may be unavailable for purchase in each participating entity at the final end date.

[0020]At the start date of the specified time period 213A-213C, participating entities 202-204 make their allotment of *lottery* tickets 212A-212C available for sale. Eligible individual consumers may purchase a plurality of tickets. During the specified time period 213A-213C, each entity may hold the ticket proceeds from the sold *lottery* tickets. Each entity may hold the *lottery* ticket proceeds in an account such as an entity escrow account 214A-214C. Each participating entity 202-204 may have their own escrow account 214A-214C.

[0021]The *lottery* tickets may be purchased at existing *lottery* retail locations within the entity. The management body may provide the necessary materials to each entity to sell *lottery* tickets.

[0022]Each *lottery* ticket may contain identifying information. Such identifying information may include, for example, the (1) date and time the ticket was sold, the (2) entity identifier as to where the ticket originated, and a (3) ticket identifier. For example, if the District of Columbia were a participating entity, the tickets from the District of Columbia may use "DC" as the entity identifier of where the ticket was sold. Other participating states may also use the two letter U.S. Post Office state name abbreviation. For instance, New York may use "NY" as the entity identifier and Maryland may use "MD" as the entity identifier on the sold ticket.

[0023]The ticket identifier may be a number, symbol, or character, or any combination thereof. In an exemplary embodiment of the invention, consecutive numbers may be used as the ticket identifier. For example, numbers starting at 1,000,001 may be used for the ticket identifier for each participating entity. Based on the eligible population of the participating entity, the numbers would range from 1,000,001 to the sum of the eligible population of that entity plus 1,000,000.

[0024]For instance, New York may have an eligible population of 18,000,000 and Maryland may have an eligible population of 4,000,000. The ticket identifiers for New York may range from 1,000,001 to 19,000,001 and for Maryland may range from 1,000,001 to 5,000,001. The *lottery* tickets may be issued in consecutive numbers so that the entity may be aware of how many tickets have been sold at any given time. Each entity may report its sales on a periodic basis to

the management body. In combining the entity identifier with the ticket identifier, each *lottery* ticket may be unique from all the other *lottery* tickets issued. For example, the *lottery* ticket with the identifying information of "NY 1,000,001" is different from the *lottery* ticket with the identifying information of "MD 1,000,001." Millions of tickets may be sold with no duplicates. If an entity sells the initial allotment of *lottery* tickets, the additional tickets issued may continue to have the appropriate entity identifier.

[0025]Each *lottery* ticket sold may have the identifying information, such as entity identifier and ticket identifier, stored on an entity data store. An example of an entity data store is a database for each entity. As depicted in FIG. 2, each entity 202-204 may have their own entity data store 215A-215C.

[0026]FIG. 3 continues the example depicted in FIG. 2. At the expiration of the specified time period 213A-213C, each entity may transfer a portion of the proceeds of the ticket sales from the entity escrow accounts 314A-314C into a common account 316. For example, the *lottery* ticket proceeds from each entity may be transferred into an escrow account at a financial institution. As previously stated, each entity may retain an entity *lottery* retailers commission and an entity *lottery* administrative fee from the proceeds. The entity *lottery* administrative fee may be used to advertise the *lottery* and for other expenses related to the *lottery*. Any deduction for fees may be based on the total *lottery* ticket sales. In an exemplary embodiment of the present invention, the entity *lottery* retailers' commission and the entity *lottery* administrative fee may be approximately five percent each (exclusive of interest). Any interest in the entity escrow account earned until the expiration of the specified time period 213A-213C may be retained by the respective entity. Each entity may retain other amounts as directed by the law or other rules.

[0027]Each entity may allocate a management fee 318 to pay for the administrative costs relating to the management body functions. An example of such management fee may be five percent of the total ticket sales.

[0028]The financial institution may certify to each participating entity that the prize funds are on deposit and available for distribution. The management body may report to each participating entity the combined sales of the participating entities to certify the prize pool. The prize pool may be a certain percentage of the *lottery* ticket sales. An example of such percentage may be fifty percent of the *lottery* ticket sales. There may be several drawings in a given *lottery* cycle with each drawing deduction a portion of the prize pool. After the above-described deductions, the remaining proceeds are transferred to the common account 316.

[0029]Once all the participating entities 202-204 have transferred the remaining proceeds and management fee allocation into the common account 316, certain fees 318-319 may be deducted from the common account 316 as depicted in FIG. 3. The management fee 318 may be deducted from the common account for the management body. As specified above, the management fee 318 may be five percent of the total ticket sales.

[0030]Each participating entity may receive an entity payment 319. The entity payment 319 may differ for each participating entity. The sum of each entity payment 319 for each participating entity may be a percentage of the total *lottery* ticket sales. An example of such percentage may

be thirty-five percent of the **lottery** ticket sales to be distributed amongst each participating entity. Each entity may be assigned an entity unit number, which relates to the eligible population of the entity. The entity payment 319 may be proportional to the eligible population of the entity. For example, New York may have an eligible population of 18,000,000 and Maryland may have an eligible population of 4,000,000. The unit number for NY may be 18 and the unit number for Maryland may be 4. New York will have a greater entity payment 319 than Maryland due to the larger unit number for New York.

[0031]The entity payment 319 may be calculated by multiplying the total funds available to the entities as an entity payment by the unit number of the respective entity and dividing by the total eligible population of all participating entities.

[0032]For example, Entity Payment=Total Entity Payment Funds Available*(Entity Unit Number/Total Eligible Population of All Participating Entities)

[0033]The following examples show a complete distribution of the total **lottery** ticket proceeds. 100,000,000 **lottery** tickets may be sold in a **lottery** cycle with each ticket price point being \$20 USD. The total **lottery** ticket proceeds are then $100,000,000 * \$20 = \$2,000,000,000$. Ten percent of the total **lottery** ticket proceeds are allocated among each entity for the entity retailers commission and the entity **lottery** administrative fee which is $\$2,000,000,000 * 10\% = \$200,000,000$. Five percent of the total **lottery** ticket proceeds are allocated to the management body fee which is $\$2,000,000,000 * 5\% = \$100,000,000$. Fifty percent is allocated for the prize pool which is $\$2,000,000,000 * 50\% = \$1,000,000,000$. Thirty-five percent is then allocated as the entity payment for all the participating entities which is $2,000,000,000 * 35\% = \$700,000,000$. The total eligible population of all participating entities may be 188 million people. If New York has a unit number of 18, then the entity payment for New York will be as follows:

[0034]New York Entity Payment= $\$700,000,000 * (18/188) = \$67,021,276.59$.

Accordingly, Maryland may have an entity payment as follows:

[0035]Maryland Entity Payment= $\$700,000,000 * (4/188) = \$14,893,617.02$.

Accordingly, all participating entities may share in the **lottery** ticket proceeds systematically based on the unit number of the entity and the eligible population of the entity.

[0036]At the end of the expiration of the specified time period 213A-213C, each participating entity may relay the identifying information stored on each entity database 315A-315C into a common data store 317 such as a common database. The common data store 317 may include the identifying information of the **lottery** tickets sold from each participating entity 315A-315C. After all the fees 318, 319 are deducted from the common account 316 as depicted in 320, the remaining proceeds may be the prize proceeds 322 for a plurality of different drawings. Once the prize proceeds 322 are ready for disbursement, a single **lottery** ticket may be selected as the winning **lottery** ticket 321 for each drawing. In an exemplary embodiment of the present invention, a nationally recognized accounting and drawing firm may conduct the drawing.

[0037]Once a winning *lottery* ticket 321 is selected for the given drawing, a determination must be made as to whether a winner claims the prize 323. The winner of the winning *lottery* ticket may have a certain window of time to claim the prize. If the winner 325 comes forward to claim the prize, the winner 325 receives the prize money 327 from the common account 316 holding a percentage of the prize proceeds 322 for that drawing. If no one 324 comes forward to claim the prize in the certain window of time, the prize money may remain in the common account 316 to be used for the next drawing 326 including any interest accumulated. In another embodiment, if no one 324 comes forward to claim the prize in the certain window of time, the prize money may be alternatively distributed to each participating entity based on their NL Unit numbers or alternatively the prize money may be distributed to the entity from which the winning *lottery* ticket was sold.

[0038]As stated above, there may be several drawings per given *lottery* cycle. In an exemplary embodiment of the invention, there may be 1 grand prize of \$500 million USD, 1 first prize of \$300 million USD, 1 second prize of \$100 million USD, 15 third prizes of \$3.33 million USD, 100,000 fourth prizes of \$100 USD, and 8 early bird prizes at \$5 million USD. In this exemplary embodiment of the invention, there may be 100,026 winners to win the prize pool.

[0039]The early bird prizes may be allocated for entrants that purchase *lottery* tickets before an early date marker in the specified time period of the *lottery*. An example of an early date marker may be the end of the first 30 days of the *lottery* cycle. If an individual consumer player wins an early bird prize, the individual consumer player may still be eligible to win the other prizes drawn later in the *lottery* cycle. In an exemplary embodiment of the invention, if an individual consumer wins a prize other than the early bird, then the *lottery* ticket of the individual consumer player does not enter into subsequent drawings. In another exemplary embodiment of the invention, if an individual consumer player wins a prize other than the early bird, then the *lottery* ticket of the individual consumer player may enter into subsequent drawings.

[0040]Since only a unique winning *lottery* ticket 321 is chosen per drawing, the management body may guarantee the prize pool with specified amounts per drawing and no split winnings. As described above, the prize pool is a pre-determined amount of prize money stated at the commencement of the draw. The amount of the prize money must be guaranteed to be available from the start date. Each entity may provide a percentage of the prize pool and the management body may use a third party to provide any necessary guarantees. With a drawing of a winner, the prize may be awarded regardless of the number of tickets required to be sold in order to generate funds for the prize pool. In any given drawing, an entity may not reach their expected sales goal while another entity may exceed their expected sales goal. Since the prize designation is not determined by the number of tickets sold, the number of tickets sold is germane to the profits. It is a design of *lottery* to assure that the *lottery* ticket sales for the drawings, are an easily attainable percentage of the total drawing prize.

[0041]FIG. 4 shows an example of the *lottery* system according to an embodiment of the present invention. The management body 400 may assign a plurality of entities 202-204 respective allotments of *lottery* tickets. The allotment may correspond to the number of eligible people in each participating entity able to participate in a *lottery*. The management body may oversee the

drawing of a winning *lottery* ticket and the distribution of proceeds, among other things. As described above, the *lottery* tickets have unique identifying information so that each *lottery* ticket is different and there is a unique winning *lottery* ticket for a given prize drawing. The plurality of entities 202-204 may make the *lottery* tickets available for sale during the specified time period through the use of retailers 402-403. The retailers 402-404 may sell the *lottery* tickets to an eligible population 401. The eligible population 401 may purchase tickets in any participating entity and are not restricted to the entity in which they may reside.

[0042]The above description of the present invention is susceptible to various modifications, changes and adaptations, and the same are intended to be comprehended within the meaning and range of equivalents of the appended claims.

* * * * *



U.S. Treasury Circular 230 Notice: Any tax advice contained in this communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of (a) avoiding penalties that may be imposed under the Internal Revenue

Code or by any other applicable tax authority; or (b) promoting, marketing or recommending to another party any tax-related matter addressed herein. We provide this disclosure on all outbound e-mails to assure compliance with new standards of professional practice, pursuant to which certain tax advice must satisfy requirements as to form and substance.

This electronic mail transmission may contain confidential or privileged information. If you believe you have received this message in error, please notify the sender by reply transmission and delete the message without copying or disclosing it.
