



State of New Jersey

Department of the Treasury

For Immediate Release:
June 21, 2013

For Information Contact:
Bill Quinn
(609) 984-6493

Contract with Northstar NJ to Provide Marketing and Sales Support to the New Jersey Lottery Is Signed, State Receives \$120 Million Payment

Trenton – State Treasurer Andrew Sidamon-Eristoff announced today that the State has signed a 15-year contract with Northstar New Jersey Lottery Group (Northstar NJ) authorizing the company to provide marketing and sales support services to the New Jersey Lottery.

The State has also received a \$120 million accelerated guarantee payment from Northstar NJ as required under the terms of the contract.

“The business relationship we are launching with Northstar NJ will ensure that the Lottery remains a vigorous and successful competitor in the fast-changing, global gaming marketplace, and that it continues to generate reliable and growing revenues for State institutions and educational programs far into the future,” the Treasurer said.

“By combining the Lottery’s and Northstar NJ’s expertise and resources, we will be able to expand the Lottery’s presence in the marketplace, offer exciting new games to our customers and new services to our retailers,” said Carole Hedinger, Executive Director of the Lottery.

Northstar NJ has committed to generating at least \$1.42 billion of total additional net income for the State from Lottery operations over the life of the contract with a potential actual increase in net income of \$6.88 billion. The \$1.42 billion increase is above and beyond what the State could have expected to see had Lottery operations remained unchanged.

After a transition period, Northstar NJ will start offering the full range of marketing and sales support services required under the contract on Oct. 1.

Since it began operations in 1970, the New Jersey Lottery has provided more than \$20 billion in support to State institutions and education programs. In the fiscal year ended June 30, 2012, the Lottery generated revenues of \$2.76 billion and contributed \$950 million in support to the State.

Northstar NJ is a joint venture consisting of GTECH Corporation of Providence, Rhode Island, Scientific Games International of Alpharetta, Georgia, and OSI LTT NJ Holdings, a unit of the Ontario Municipal Employees Retirement System (OMERS). GTECH and Scientific Games are two of the world's leading companies in lottery management and OMERS is one of the largest pension funds in Canada.