

# Hypercom Wins Lottery

ICE is an ideal new platform for playing the lottery

## The Challenge

Until now if you wished to sell lottery tickets, then you were required to obtain from the official lottery operator one of their terminals. The sole function of these units was to dispense lottery tickets. The lotto terminals were typically large in size and required valuable counterspace at the checkout to be freed up.

Tipp24 is the leading Internet platform for state-licensed lotteries and online betting in Germany and it's one of the largest and richest lotteries in the world. To maintain that position, Tipp24 management looked for ways to make playing the lottery easier and more accessible. Thanks to the Internet connectivity of Hypercom's retail point-of-sale (POS) terminals, a new lottery platform has become possible. Now consumers - an estimated 25 million regulars and 9 million occasional players - can play wherever there's a Hypercom terminal and the retailer does not need to have two devices on his retail counter.

About the same time, Progress Corporation, the organizer of Elloter, also decided to use Hypercom technology to create the first Russian electronic lottery with installations initially across Moscow. The two lottery schemes are not related in any way, but both recognized that POS technology offered many advantages over the traditional use of PC technology. Lottery applications must be extremely easy to operate and offer flexibility to support the introduction of new games. The Russian system offers a choice of playing six different games. The most popular is called 'Happy 4' with players selecting four numbers at the terminal.



ICE 5500 terminal

Lottery terminals must be physically small in size as retail counterspace is at a premium and be highly reliable. In this environment software crashing, needing to wait for a device to reboot, or losing even a single transaction, is totally unacceptable.

## The Solution

Hypercom's epic ICE 5500 card payment terminals are extremely player-friendly, having an informative touch-screen, graphics-capable interface, along with high security. Marc Peters, the founder of Tipp24, calls the ICE 5500 "the perfect front-end solution for retailers, as they are easy to operate and are highly reliable. This now becomes just another platform where a lottery ticket can be purchased. As the terminal also runs a traditional payment terminal application, every lottery sale now contributes directly to the retailer's bottom line."

Thomas Koch, General Manager, Hypercom Germany, adds, "Lotteries are one of the most demanding applications around. They require ultra-high security and the ability to cope with large volumes of small transactions in compressed timeframes. To work in this environment, terminals have to be easy-to-use, robust, reliable and versatile, not to mention cost-effective. Being selected as the front end for one of Europe's biggest lotteries is a real compliment to our products and technology."

In the Russian scheme, after a player selects their numeric combinations on the ICE, the terminal dials the lottery host computer and transmits the selected numbers. A confirmation code is sent back to the terminal, which then prints a combined receipt and lottery ticket for the player to keep. Winning numbers are broadcast as part of a Russian television program. Players can claim small winnings at the location they purchased the ticket by keying the confirmation number directly into the Hypercom device.



The Global Leader in Electronic  
Transaction Solutions™

Hypercom can also supply lottery operators with networking solutions which have been proven in the credit card industry to be able to cope with large numbers of small transactions efficiently and cost-effectively, whilst meeting the most stringent security requirements.

**The Result**

The goal for Tipp24 was for everyone to be a winner, including merchants, network providers, players and, of course, Tipp24. This solution gives merchants and providers a percentage of lotto winnings, with percentages increasing with each additional player added. Merchants quickly saw the incentive to upgrade to the new Hypercom ICE terminals. This gave them new revenue streams and extra traffic in their stores.

Players benefit because they can now play until 1730 hours rather than cutting off play at the former deadline of 1400 hours, and terminals are much more widely accessible.

Tipp24 gains additional revenue streams, it expands its multi-channel strategy and attracts new players.

Both Tipp24 and Progress Corporation have been impressed with Hypercom technology and products. Custom terminal lottery applications were developed quickly and the solution proved easy to integrate into their existing lottery infrastructure. ICE has already proved itself to be an ideal platform to run a lottery application.



ICE 5500 terminal

*For Hypercom solutions to your support services needs, contact [info@hypercom.com](mailto:info@hypercom.com) or your regional Hypercom office.*

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Hypercom Corporation (NYSE:HYC) is the leading global provider of electronic payment solutions that add value at the point-of-sale for consumers, merchants and acquirers and yield increased profitability for its customers. Hypercom products include secure, Web-enabled transaction terminals that work seamlessly with its networking equipment and software applications for e-commerce, m-commerce, smart cards and traditional payment applications. The company's widely-accepted ePOS-infocommerce (epic) framework of consumer-activated, EMV-certified, touch-screen ICE (Interactive Consumer Environment) terminals enable acquirers and merchants to decrease costs, increase revenues and improve customer retention.

Headquartered in Phoenix, Arizona, USA, Hypercom is independently acknowledged as the leading provider of point-of-sale card payment terminals worldwide. Demand for Hypercom terminals surpassed one million units last year alone. Hypercom today maintains an installed base of more than 4 million card payment terminals in over 100 countries that conduct more than 10 billion transactions annually.

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